

OFFERING CIRCULAR



PIRAEUS GROUP FINANCE PLC

(incorporated with limited liability in England and Wales)

as Issuer

and

PIRAEUS BANK S.A.

(incorporated with limited liability in the Hellenic Republic)

as Issuer and Guarantor

€10,000,000,000 Euro Medium Term Note Programme

On 9th June, 2004, each of Piraeus Group Finance PLC ("Piraeus PLC") and Piraeus Bank S.A. ("Piraeus Bank" or the "Bank" and, together with Piraeus PLC, the "Issuers" and each an "Issuer" and references herein to the "relevant Issuer" being to the Issuer of the relevant Notes) entered into a Euro Medium Term Note Programme (as subsequently amended, the "Programme"). This Offering Circular supersedes all previous offering circulars relating to the Programme and supplements thereto. All Notes issued under the Programme on or after the date hereof are issued subject to the provisions set out herein. This does not affect any Notes issued prior to the date hereof.

Under this €10,000,000,000 Programme the Issuers may from time to time issue notes (the "Notes") denominated in any currency agreed with the relevant Dealer (as defined below). Notes may be issued as unsubordinated obligations (the "Senior Notes") or dated subordinated obligations ("Dated Subordinated Notes") of the relevant Issuer.

Notes issued by Piraeus PLC will be guaranteed by Piraeus Bank. In relation to any Notes issued by Piraeus Bank, the issuing branch through which Piraeus Bank is acting for such Notes will be specified in the applicable Final Terms.

The maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed €10,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuous basis to one or more of the Dealers specified herein and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "Dealer" and together the "Dealers"). References in this Offering Circular to the "relevant Dealer" shall, in relation to any issue of Notes, be to the Dealer or Dealers agreeing to subscribe such Notes.

This Offering Circular comprises a base prospectus for Piraeus PLC and base prospectus for Piraeus Bank, in each case for the purposes of Article 5.4 of Directive 2003/71/EC (the "Prospectus Directive").

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "Risk Factors".

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "CSSF") in its capacity as competent authority under the Luxembourg act relating to prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*) to approve this document as a base prospectus in respect of Piraeus PLC and a base prospectus in respect of Piraeus Bank. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme during the period of 12 months from the date of this Offering Circular to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange.

Except as the context permits, references in this Offering Circular to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading on the Luxembourg Stock Exchange's regulated market and have been listed on the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under "Terms and Conditions of the Notes") of Notes will be set out in the final terms (the "Final Terms") which, with respect to Notes to be listed on the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market, will be filed with the CSSF.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the relevant Issuer and the relevant Dealer. The relevant Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

No Notes have been or will be registered under the United States Securities Act 1933, as amended, (the "Securities Act") and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons (see "Subscription and Sale" below).

The Notes of each Tranche will be in bearer form and (unless otherwise specified in the applicable Final Terms) will initially be represented by a temporary global Note which will be deposited on the relevant issue date with a common depository on behalf of Euroclear Bank SA/NV, as operator of the Euroclear System ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), and/or any other agreed clearance system and which will be exchangeable, as specified in the applicable Final Terms, for either a permanent global Note or Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms will specify that a permanent global Note either (i) is exchangeable (in whole but not in part) for definitive Notes upon not less than 60 days' notice or (ii) is only exchangeable (in whole but not in part) for definitive Notes following the occurrence of an Exchange Event (as defined on page 17) all as further described in "Form of the Notes" and "Form of Final Terms" below.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

Each Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplement to the Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Any person (an "Investor") intending to acquire or acquiring any securities from any person (an "Offeror") should be aware that, in the context of an offer to the public, as defined in section 102B of the Financial Services and Markets Act 2000 ("FSMA") the Issuer may be responsible to the Investor for the Offering Circular, only if the Issuer has authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by the Issuer. If the Offeror is not authorised by the Issuer, the Investor should check with the Offeror whether anyone is responsible for the Offering Circular for the purposes of section 90 of FSMA in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the Offering Circular and/or who is responsible for its contents it should take legal advice.

Arranger

Citi

Dealers

**ABN AMRO
Barclays Capital
Citi
Deutsche Bank
HSBC
Merrill Lynch International
Natixis
Piraeus Bank S.A.
2nd July, 2008**

**Banc of America Securities Limited
CALYON Corporate and Investment Bank
Credit Suisse
Goldman Sachs International
ING Wholesale Banking
Morgan Stanley
Nomura International
UBS Investment Bank**

Each of Piraeus PLC and Piraeus Bank (the “Responsible Persons”) accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Responsible Persons (each having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

The previous paragraph should be read in conjunction with the final paragraph on the first page of this Offering Circular.

Subject as provided in the applicable Final Terms, the only persons authorised to use this Offering Circular in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealer or the Managers and the persons named in or identifiable following the applicable Final Terms as the Financial Intermediaries, as the case may be.

An Investor intending to acquire or acquiring any Notes from an Offeror will do so, and offers and sales of the Notes to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors (other than the Dealers) in connection with the offer or sale of the Notes and, accordingly, this Offering Circular and any Final Terms will not contain such information. The Investor must look to the Offeror at the time of such offer for the provision of such information. The Issuer has no responsibility to an Investor in respect of such information.

Copies of Final Terms will be available from the registered office of Piraeus PLC and Piraeus Bank and the specified office set out below of each of the Paying Agents (as defined below).

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference” below). This Offering Circular shall be read and construed on the basis that such documents are incorporated into and form part of this Offering Circular.

The Dealers have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by Piraeus PLC and/or Piraeus Bank in connection with the Programme or any Notes or their distribution.

No person is or has been authorised by Piraeus PLC and/or Piraeus Bank to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information provided in connection with the Programme or any Notes and, if given or made, such information or representation must not be relied upon as having been authorised by Piraeus PLC and/or Piraeus Bank or any Dealer.

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or as constituting an invitation or offer by Piraeus PLC and/or Piraeus Bank or any Dealer that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and Piraeus Bank in the case of Notes issued by Piraeus PLC. Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes constitutes an offer or invitation by or on behalf of Piraeus PLC and/or Piraeus Bank or any Dealer to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning Piraeus PLC and/or Piraeus Bank is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of Piraeus PLC and/or Piraeus Bank during the life of the Programme. Investors should review *inter alia* the most recently published financial statements and, if published later, the most recently published interim

financial statements (if any) of the relevant Issuer and, where Piraeus PLC is the relevant Issuer, Piraeus Bank, when deciding whether or not to purchase any Notes.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of Piraeus PLC, Piraeus Bank and the Dealers represents that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by Piraeus PLC, Piraeus Bank or any of the Dealers which intended to permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. For details of certain restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom and Greece) and Japan, see "Subscription and Sale" below.

This Offering Circular has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Offering Circular as completed by final terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

All references in this document to "Greece" or to the "Greek State" are to the Hellenic Republic.

All references in this document to "U.S.\$" and "\$" are to United States dollars, those to "Yen" are to Japanese Yen, those to "Sterling" and "£" are to pounds sterling and those to "€", "euro", "Euro" and "EUR" are to the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Communities, as amended.

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In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

SUMMARY

This summary must be read as an introduction to this Offering Circular and any decision to invest in any Notes should be based on a consideration of this Offering Circular as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area no civil liability will attach to the Responsible Persons in any such Member State in respect of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Offering Circular. Where a claim relating to information contained in this Offering Circular is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Offering Circular before the legal proceedings are initiated.

The following summary is qualified in its entirety by the remainder of this document.

Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" shall have the same meanings in this summary.

Issuers:	Piraeus Group Finance PLC Piraeus Bank S.A., acting through its Issuing Branch (as specified in the applicable Final Terms)
	The issuance of Notes by Piraeus Bank S.A. is subject to the prior resolution of the Board of Directors of Piraeus Bank S.A.
Guarantor (in the case of Notes issued by Piraeus Group Finance PLC):	Piraeus Bank S.A.
Description of the Issuers and the Guarantor:	Piraeus Bank was incorporated in Greece in 1916 and provides a wide variety of retail and commercial banking services in the Greek market. Piraeus PLC is a wholly owned subsidiary of Piraeus Bank and was incorporated in England in 2000. Detailed descriptions of Piraeus Bank and Piraeus PLC are set out later in this Offering Circular.
Risk Factors:	There are certain factors that may affect Piraeus Bank's ability to fulfil its obligations under Notes issued by it under the Programme and under the Deed of Guarantee. These are set out under "Risk Factors" below and include the risk of adverse changes in the banking markets and the Greek property market. There are also certain factors that may affect Piraeus PLC's ability to fulfil its obligations under Notes issued by it under the Programme. These are also set out under "Risk Factors" below and include the fact that Piraeus PLC acts as a funding vehicle for Piraeus Bank. In addition, for certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under "Risk Factors" and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to a particular Series of Notes and certain market risks.
Description:	Euro Medium Term Note Programme (the "Programme")
Arranger:	Citigroup Global Markets Limited
Dealers:	ABN AMRO Bank N.V. Banc of America Securities Limited Barclays Bank PLC CALYON Citigroup Global Markets Limited Credit Suisse Securities (Europe) Limited Deutsche Bank AG, London Branch Goldman Sachs International

HSBC Bank plc
ING Bank N.V.
Merrill Lynch International
Morgan Stanley & Co. International plc
Natixis
Nomura International plc
Piraeus Bank S.A. (only in respect of issues of Notes by Piraeus Group Finance PLC)
UBS Limited

and any other Dealers appointed from time to time either generally in respect of the Programme or in relation to a particular Tranche of Notes, in each case, in accordance with the Programme Agreement.

Certain Restrictions:

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "Subscription and Sale" herein).

Issues of Notes by Piraeus PLC denominated in Sterling shall comply with all applicable laws and regulations (as amended from time to time) of the United Kingdom authorities.

Issuing and Principal Paying Agent:

Deutsche Bank AG, London Branch

Luxembourg Listing Agent:

Deutsche Bank Luxembourg S.A.

Amount:

Up to €10,000,000,000 (or its equivalent in other currencies calculated as described herein) outstanding at any time. The Issuers may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

Distribution:

Subject to applicable selling restrictions, Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Currencies:

Subject to any applicable legal or regulatory or central bank requirements, such currencies as may be agreed between the relevant Issuer and the relevant Dealer including, without limitation, Australian dollars, Canadian dollars, Danish kroner, euro, Hong Kong dollars, Japanese Yen, New Zealand dollars, Norwegian kroner, Sterling, Swedish kronor, Swiss francs and United States dollars (as indicated in the applicable Final Terms).

Redenomination, Exchange or Consolidation:

The applicable Final Terms may provide that certain Notes may be redenominated in euro or exchanged or consolidated. The relevant provisions applicable to any such redenomination, exchange or consolidation are contained in Condition 7.

Maturities:

Such maturities as may be agreed between the relevant Issuer and the relevant Dealer and as indicated in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer and/or the Guarantor, if applicable, or the relevant Specified Currency.

Under the Luxembourg law on Prospectuses for Securities which implements the Prospectus Directive, prospectuses relating to money market instruments having a maturity at issue of less than

12 months and complying also with the definition of 'securities' are not subject to the approval provisions of Part II of such law.

If the Notes have a maturity of less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom (i) the Notes must have a minimum redemption value of £100,000 or its equivalent in other currencies and be sold only to "professional investors" (ii) or another applicable exemption from section 19 of the FSMA must be available.

Dated Subordinated Notes must have a maturity date falling at least five years after the Issue Date of such Dated Subordinated Notes.

Issue Price:

Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par. Dated Subordinated Notes must be issued on a fully paid-up basis.

Form of Notes:

Notes to be issued under the Programme will be either (i) senior Notes ("Senior Notes") or (ii) dated subordinated Notes ("Dated Subordinated Notes") as indicated in the applicable Final Terms. The Notes will be in bearer form. Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) be initially issued in the form of a temporary global Note or, if specified in the applicable Final Terms, a permanent Global Note, which in either case will be deposited on the relevant Issue Date with a common depository for Euroclear and Clearstream, Luxembourg and/or any other agreed clearance system as specified in the applicable Final Terms. Interests in each temporary global Note will be exchangeable, upon request as described therein, for either interests in a permanent global Note or definitive Notes (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms) in either case not earlier than 40 days after the Issue Date upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms will specify that a permanent global Note either (i) is exchangeable (in whole but not in part) for definitive Notes upon not less than 60 days' notice or (ii) is only exchangeable (in whole but not in part) for definitive Notes upon the occurrence of an Exchange Event, as described in "Form of the Notes" below. Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or any other agreed clearance system, as appropriate.

Fixed Rate Notes:

Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer (as indicated in the applicable Final Terms) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.

Floating Rate Notes:

Floating Rate Notes will bear interest at a rate determined by reference to one of the following:

- (i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and

updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (iii) on such other basis as may be agreed between the relevant Issuer and the relevant Dealer,

in each case, as indicated in the applicable Final Terms.

The Margin (if any) relating to such Floating Rate Notes will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Index Linked Notes:

Each Issuer may offer Notes which provide for payments of principal, premium or interest which are linked to a currency or commodity index, securities exchange or commodities exchange index or other index or formula as agreed between the relevant Issuer and the relevant Dealer.

Payments of principal in respect of Index Linked Redemption Amount Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as the relevant Issuer and the relevant Dealer may agree (as indicated in the applicable Final Terms).

Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes:

Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate, or both (as indicated in the applicable Final Terms).

Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as selected prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates specified in, or determined pursuant to, the applicable Final Terms and will be calculated on the basis of the relevant Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.

Interest Periods for Floating Rate Notes:

Such period(s) as the relevant Issuer and the relevant Dealer may agree (as indicated in the applicable Final Terms).

Dual Currency Notes:

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the relevant Issuer and the relevant Dealer may agree (as indicated in the applicable Final Terms).

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment.

Change of Interest Basis Notes:

Notes may be converted from one interest basis to another if so provided in the applicable Final Terms.

Redemption:

The Final Terms relating to each Tranche of Notes will indicate either that Notes of such Tranche cannot be redeemed prior to their stated maturity (other than in specified instalments (see below) or for taxation reasons (subject, in the case of Dated Subordinated Notes only, to having obtained the prior approval of the Bank of Greece, if then required) or following an Event of Default) or that such Notes will be redeemable prior to their stated maturity at the option of the relevant Issuer (subject, in the case of Dated Subordinated Notes only, to having obtained the prior approval of the Bank of Greece, if then required) and/or the

Noteholders upon giving notice to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as may be agreed between the relevant Issuer and the relevant Dealer.

Prior to their stated maturity, Dated Subordinated Notes may be redeemed only at the option of the Issuer with the prior approval of the Bank of Greece.

The applicable Final Terms may provide that such Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

Denomination of Notes:

The Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, and save that the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation:

All payments in respect of the Notes issued by Piraeus Bank will be made without deduction for or on account of Greek withholding taxes (or, in the case of Notes issued by Piraeus Bank through a branch situate in a jurisdiction other than the Hellenic Republic, withholding taxes imposed by the jurisdiction where such branch is situate) and all payments in respect of Notes issued by Piraeus PLC will be made without deduction for or on account of UK withholding taxes, subject as provided in Condition 10.

Negative Pledge:

The Senior Notes will contain a negative pledge provision as further described in Condition 4.

There will be no negative pledge provision relating to Dated Subordinated Notes.

Cross Default:

The Senior Notes will contain a cross default provision as further described in Condition 11(a).

The Dated Subordinated Notes will not contain a cross default provision.

Status of the Senior Notes:

The Senior Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the relevant Issuer and will rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future unsecured (subject as aforesaid) and unsubordinated obligations of such Issuer (other than those preferred by mandatory provisions of law).

Status of the Dated Subordinated Notes:

The Dated Subordinated Notes will be direct, unsecured and subordinated obligations of the relevant Issuer and will rank at all times *pari passu* among themselves.

Status of Deed of Guarantee:

Notes issued by Piraeus PLC will be unconditionally and irrevocably guaranteed by Piraeus Bank (pursuant to a Deed of Guarantee dated 2nd July, 2008 (the "Deed of Guarantee")) on a

subordinated or an unsubordinated basis, as specified in the relevant Final Terms.

Approval, listing and admission to trading:

Application has been made to the CSSF to approve this document as a base prospectus in respect of Piraeus PLC and in respect of Piraeus Bank. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the relevant Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

Governing Law:

The Notes and the Deed of Guarantee (other than Condition 3(a) when Dated Subordinated Notes are issued by Piraeus Bank and Condition 3(b) and clause 5.8 of the Deed of Guarantee when Dated Subordinated Notes are issued by Piraeus PLC) will be governed by and construed in accordance with, English law. Condition 3(a) when Dated Subordinated Notes are issued by Piraeus Bank and Condition 3(b) and clause 5.8 of the Deed of Guarantee when Dated Subordinated Notes are issued by Piraeus PLC (relating to subordination) will be governed by, and construed in accordance with, Greek law. Should law 3156/2003 of the Hellenic Republic (the "Bond Law") apply in the case of issue of Notes by Piraeus Bank (the "Piraeus Bank Notes"), Piraeus Bank shall, if required to do so under the Bond Law, whether the holders of Piraeus Bank Notes (the "Piraeus Bank Noteholders") are organised in a group or otherwise, appoint an agent (the "Piraeus Bank Noteholders Agent") by way of a written agreement (the "Piraeus Bank Noteholders Agency Agreement"). The Piraeus Bank Noteholders Agent shall represent the Piraeus Bank Noteholders judicially and extra-judicially in accordance with the provisions of the Bond Law. The Piraeus Bank Noteholders Agency Agreement shall include, among others, provisions for convening meetings of the Piraeus Bank Noteholders to consider, *inter alia*, any matter affecting their interests, as may be required under the Bond Law. The particular duties, rights and liabilities of the Piraeus Bank Noteholders Agent and any amendments to the Conditions and this Offering Circular, inherent to (i) the appointment of the Piraeus Bank Noteholders Agent, and (ii) the entering into the Piraeus Bank Noteholders Agency Agreement shall be included in the relevant Final Terms and/or, if necessary, any supplement to this Offering Circular which will be prepared for the issue of Piraeus Bank Notes.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (which includes the United Kingdom and Greece) and Japan, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "Subscription and Sale" below.

RISK FACTORS

Each of the Issuers believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme and Piraeus Bank believes that the following factors may affect its ability to fulfil its obligations under the Deed of Guarantee. Most of these factors are contingencies which may or may not occur and neither Piraeus Bank nor Piraeus PLC is in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Each of the Issuers believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of Piraeus Bank or Piraeus PLC to pay interest, principal or other amounts on or in connection with any Notes or of Piraeus Bank to pay amounts in connection with the Deed of Guarantee may occur for other reasons and neither Piraeus Bank nor Piraeus PLC represents that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

Factors that may affect Piraeus Bank's ability to fulfil its obligations under Notes issued under the Programme or under the Deed of Guarantee

Banking Markets

The Greek wholesale and retail banking markets are competitive. Developments in these markets and increased competition could have an adverse effect on Piraeus Bank's financial position.

Greek Property Market

One of Piraeus Bank's activities is mortgage lending. A downturn in the Greek economy could have a negative effect on the property market particularly, in the case of house mortgages, if this results in an increased level of unemployment or significantly higher interest rates. Property prices may fall and could result in losses being incurred by lenders on loans that have defaulted. This could have consequences for Piraeus Bank's funding costs and credit ratings if there was deemed to be a material deterioration in the quality of the mortgage portfolio.

Emerging Markets

Piraeus Bank conducts significant international activities and is expanding in emerging markets. Apart from its operations in Greece, the UK and the USA, Piraeus Bank has built up substantial operations in Bulgaria, Romania, Albania, Serbia, the Ukraine, Egypt and Cyprus. Its international operations outside EU or USA are exposed to the risk of adverse political, governmental and/or economic developments, as well as to particular operating risks associated with emerging markets. These factors could have a material adverse effect on its financial condition and results of operations. It should be noted that Romania and Bulgaria became members of the European Union from 1st of January 2007, while Cyprus became a Eurozone member as of the beginning of 2008.

Regulation

Piraeus Bank is regulated by the Bank of Greece. The regulatory regime requires Piraeus Bank to be compliant across many aspects of activity, including the training, authorisation and supervision of personnel, systems, processes and documentation. If Piraeus Bank fails to be compliant with relevant regulations, there is a risk of an adverse impact on the business due to sanctions, fines or other action imposed by the regulatory authorities.

The Bank of Greece and other bodies could impose further regulations or obligations in relation to current and past dealing with customers. As a result, Piraeus Bank may incur costs in complying with these regulations or obligations relating to its business, including potential compensation and costs relating to advice given to customers.

Financial Risks

Control of financial risk is one of the most important risk factors for financial institutions. Financial risk includes credit, liquidity, operational and market risk. Failure to control these risks can result in material adverse effects on Piraeus Bank's financial performance and reputation.

Factors that may affect Piraeus PLC's ability to fulfil its obligations under the Notes issued under the Programme

Piraeus PLC is a funding vehicle for Piraeus Bank. As such it raises finance and on-lends monies to Piraeus Bank by way of intra-group loans. In the event that Piraeus Bank fails to make a payment under an intra-group loan, Piraeus PLC may not be able to meet its payment obligations under the Notes issued by it.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the relevant Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index Linked Notes and Dual Currency Notes

The relevant Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "Relevant Factor"). In addition, the relevant Issuer may issue Notes

with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical performance of an index should not be viewed as an indication of the future performance of such index during the term of any Index Linked Notes. Accordingly, you should consult your own financial and legal advisers about the risk entailed by an investment in any Index Linked Notes on the suitability of such Notes in light of their particular circumstances.

Partly-paid Notes

The relevant Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared with conventional interest-bearing securities with comparable maturities.

The Issuers' and the Guarantor's obligations under Dated Subordinated Notes are subordinated

The Issuers' and Guarantor's obligations under Dated Subordinated Notes will be unsecured and subordinated and will rank junior in priority of payment to obligations owed to Senior Creditors of the Issuer and Senior Creditors of the Guarantor. "Senior Creditors of the Issuer" means creditors of the Issuer (a) who are unsubordinated creditors of the Issuer, or (b) who are subordinated creditors of the Issuer whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes (whether only in the winding up of the Issuer or otherwise) and "Senior Creditors of the Guarantor" means creditors of the Guarantor (a) who are unsubordinated creditors of the Guarantor, or (b) who are subordinated creditors of the Guarantor whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes or other persons claiming under the Deed of Guarantee (whether only in the winding up of the Guarantor or otherwise). Although Dated Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Dated Subordinated Notes will lose all or some of his investment should the relevant Issuer become insolvent.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification, waivers and substitution

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the relevant Issuer may, without the consent of Noteholders, substitute another company as principal debtor under any Notes in place of the relevant Issuer, in the circumstances described in Condition 16 of the conditions of the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the relevant Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The relevant Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

Change of law

The conditions of the Notes (other than Condition 20 and, in the case of Dated Subordinated Notes issued by Piraeus Bank, Condition 3(a) and Condition 3(b) and clause 5.8 of the Deed of Guarantee when Dated Subordinated Notes are issued by Piraeus PLC, which shall be governed by Greek law) are based on English law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English or Greek law or administrative practice after the date of this Offering Circular.

Notes where denominations involve integral multiples: definitive Notes

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing

system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuers will pay principal and interest on the Notes and the Guarantor will make any payments under the Deed of Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Offering Circular and have been filed with the CSSF shall be incorporated in, and form part of, this Offering Circular:

- (a) the auditors' report and audited consolidated annual financial statements as at and for the financial year ended 31st December, 2006 which appear on pages 3 to 52 of the consolidated financial statements for the year ended 2006 of Piraeus Bank. The auditors' report appears on page 52, the balance sheet appears on page 8, the income statement appears on page 7 and the explanatory notes appear on pages 11 to 51 of that document;
- (b) the auditors' report and audited non-consolidated annual financial statements as at and for the financial year ended 31st December, 2006 which appear on pages 3 to 42 of the financial statements for the year ended 2006 of Piraeus Bank. The auditors' report appears on page 42, the balance sheet appears on page 4, the income statement appears on page 3 and the explanatory notes appear on pages 7 to 41 of that document;
- (c) the auditors' report and audited consolidated annual financial statements as at and for the financial year ended 31st December, 2007 which appear on pages 7 to 10 of the consolidated financial statements for the year ended 2007 of Piraeus Bank. The auditors' report appears on page 60, the balance sheet appears on page 7, the income statement appears on page 7 and the explanatory notes appear on pages 11 to 61 of that document;
- (d) the auditors' report and audited non-consolidated annual financial statements as at and for the financial year ended 31st December, 2007 which appear on pages 3 to 6 of the financial statements for the year ended 2007 of Piraeus Bank. The auditors' report appears on page 50, the balance sheet appears on page 4, the income statement appears on page 3 and the explanatory notes appear on pages 7 to 51 of that document;
- (e) the unaudited consolidated interim condensed financial statements as at and for the three months ended 31st March, 2008 which appear on pages 2 to 5 of the financial statements for the three months ended 31st March, 2008 of Piraeus Bank. The balance sheet appears on page 3, the income statement appears on page 4, the cash flow statement appears on page 5 and the explanatory notes appear on pages 6 to 17 of that document;
- (f) the unaudited interim condensed financial statements as at and for the three months ended 31st March, 2008 which appear on pages 2 to 5 of the financial statements for the three months ended 31st March, 2008 of Piraeus Bank. The balance sheet appears on page 3, the income statement appears on page 2, the cash flow statement appears on page 5 and the explanatory notes appear on pages 6 to 15 of that document;
- (g) the auditors' report and audited annual financial statements as at and for the financial year ended 31st December, 2007 which appear on pages 5 to 20 of the annual report for the year ended 2007 of Piraeus PLC. The auditors' report appears on page 5, the balance sheet appears on page 8, the profit and loss account appears on page 7 and the explanatory notes appear on pages 10 to 20 of that document.
- (h) the auditors' report and audited annual financial statements as at and for the financial year ended 31st December, 2006 which appear on pages 2 to 19 of the annual report for the year ended 2006 of Piraeus PLC. The auditors' report appears on page 5, the balance sheet appears on page 7, the profit and loss account appears on page 6 and the explanatory notes appear on pages 9 to 19 of that document.

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered office of Piraeus Bank and Piraeus PLC and from the specified offices of the Paying Agents for the time being in London and Luxembourg. This Offering Circular, each Final Terms and the documents incorporated by reference will also be published on the Luxembourg Stock Exchange's website (www.bourse.lu).

Any information not listed in the cross reference list but indicated in the documents incorporated by reference is given for information purposes only.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Piraeus Bank and Piraeus PLC will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, prepare a supplement to this Offering Circular in accordance with article 13 of Part II of the Luxembourg Act dated 10th July, 2005 relating to prospectuses for securities or publish a new Offering Circular for use in connection with any subsequent issue of Notes.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, each Issuer may from time to time issue Notes denominated in any currency subject as set out herein¹. A summary of the terms and conditions of the Programme and the Notes appears below. The applicable terms of any Notes will be agreed between the relevant Issuer, and in respect of Notes issued by Piraeus PLC, Piraeus Bank, and the relevant Dealer prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on, or incorporated by reference into, the Notes, as modified and supplemented by the applicable Final Terms attached to, or endorsed on, such Notes, as more fully described under "Form of the Notes and the Final Terms" below. A summary of the Programme is set out in the section "Summary" in this Offering Circular.

This Offering Circular and any supplement will only be valid for Notes in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed €10,000,000,000 or its equivalent in other currencies. For the purpose of calculating the Euro equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the Euro equivalent of Notes denominated in another Specified Currency (as specified in the applicable Final Terms in relation to the relevant Notes) shall be determined, at the discretion of the relevant Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the Euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the relevant Issuer on the relevant day of calculation;
- (b) the Euro equivalent of Dual Currency Notes, Index Linked Notes and Partly Paid Notes (each as specified in the applicable Final Terms in relation to the relevant Notes) shall be calculated in the manner specified above by reference to the original nominal amount on issue of such Notes (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the Euro equivalent of Zero Coupon Notes (as specified in the applicable Final Terms in relation to the relevant Notes) and other Notes issued at a discount or premium shall be calculated in the manner specified above by reference to the net proceeds received by the relevant Issuer for the relevant issue.

1. The issuance of Notes by Piraeus Bank S.A. is subject to the prior decision of the Board of Directors of Piraeus Bank S.A

FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will be initially issued in the form of a temporary global Note without receipts, interest coupons or talons or, if so specified in the applicable Final Terms, a permanent global note (a "Permanent Global Note") which, in either case, will:

- (i) if the Global Notes are intended to be issued in new global note ("NGN") form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"); and
- (ii) if the Global Notes are not intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common depository (the "Common Depository") for, Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a temporary global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made outside the United States and its possessions (against presentation of the temporary global Note if the temporary global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent. Any reference in this Section "Form of the Notes" to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearance system approved by the relevant Issuer and the Agent.

On and after the date (the "Exchange Date") which is the later of (i) 40 days after the date on which any temporary global Note is issued and (ii) 40 days after the completion of the distribution of the relevant Tranche, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue) (the "Distribution Compliance Period") but, if such temporary global Note is issued in respect of a Tranche of Notes described as Partly Paid Notes in the applicable Final Terms, only if the final instalment on all outstanding such Notes has been paid, interests in such temporary global Note will be exchangeable (free of charge) upon request as described therein either for interests in a permanent global Note without receipts, interest coupons or talons, or for definitive Notes with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms) in each case against certification of beneficial ownership as described in the immediately preceding paragraph. The holder of a temporary global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless upon due certification exchange of the temporary Global Note is improperly withheld or refused.

Pursuant to the Agency Agreement (as defined under "Terms and Conditions of the Notes" below) the Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such further Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream, Luxembourg which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period applicable to Notes of such Tranche.

Payments of principal, interest (if any) or any other amounts on a permanent global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the permanent global Note if the permanent global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that either (i) a permanent global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, receipts, interest coupons and talons attached upon not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such permanent global Note) to the Agent as described therein or (ii) a permanent global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, receipts, interest coupons and talons attached only upon the occurrence of an Exchange Event as described therein. A permanent global Note representing Notes having denominations consisting of a minimum Specified Denomination and integral multiples of a smaller amount thereabove may only be exchanged for definitive Notes upon an Exchange Event. "Exchange Event" means (i) in the case of Senior Notes, an Event of Default has occurred and is continuing or in the case of Dated Subordinated Notes, any

Subordinated Default Event has occurred and is continuing, (ii) the relevant Issuer has been notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no alternative clearing system is available or (iii) at the option of the relevant Issuer at any time. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event as described in (i) or (ii) above, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such permanent global Note) may give notice to the Agent requesting exchange. Any such exchange shall occur not later than 30 days after the date of receipt of the first relevant notice by the Agent.

The following legend will appear on all global Notes that have a maturity of more than one year (including unilateral rollovers and extensions), definitive Notes, receipts, interest coupons and talons:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that holders who are United States persons (as defined in the United States Revenue Code of 1986, as amended), with certain exceptions, will not be entitled to deduct any loss on any Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, receipts or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg as the case may be.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 11. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of the Notes and payment in full of the amount due has not been made in accordance with the provisions of the global Note then the global Note will become void at 8.00 p.m. (London time) on such day. At the same time, holders of interest in such global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the relevant Issuer on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg, on and subject to the terms of a deed of covenant (the “Deed of Covenant”) dated 2nd July, 2008 executed by the Issuers.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of less than EUR 50,000 (or its equivalent in another currency).

[Date]

[PIRAEUS GROUP FINANCE PLC/PIRAEUS BANK S.A.]

(acting through its [] Branch)

Issue of

[Aggregate Principal Amount of Tranche]

[Title of Notes]

Issued under the

€10,000,000,000 Euro Medium Term Note Programme

[guaranteed by PIRAEUS BANK S.A.]

[The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].¹

[The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "Relevant Member State") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances].²

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 2nd July, 2008 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing at [website] and during normal business hours at [address], and copies may be obtained from, the registered office of the Issuer and the specified offices of each of the Paying Agents.

1. Consider including this legend where a non-exempt offer of Notes is anticipated.

2. Consider including this legend where only an exempt offer of Notes is anticipated.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Offering Circular dated [*original date*]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive") and must be read in conjunction with the Offering Circular dated [*current date*] which constitutes a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Offering Circular dated [*original date*] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circulars dated [*current date*] and [*original date*]. Copies of such Offering Circulars are available for viewing at [*website*] and during normal business hours at [*address*] and copies may be obtained from, the registered office of the Issuer and the specified offices of each of the Paying Agents.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.]

- | | | |
|----|----------------------------------|---|
| 1. | Issuer: | [Piraeus Group Finance PLC]
[Piraeus Bank S.A.] ¹ |
| | Issuing Branch: | [not applicable/specify branch] |
| | Guarantor: | [Piraeus Bank S.A. <i>in respect of Notes issued by Piraeus Group Finance PLC</i>] ¹ |
| 2. | (i) Series Number: | [] |
| | (ii) Tranche Number: | [] |
| | | <i>(if fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i> |
| 3. | Specified Currency or Currencies | [] |
| 4. | Aggregate Nominal Amount | [] |
| | (i) Series | [] |
| | (ii) Tranche | [] |
| 5. | Issue Price | [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [<i>date</i>]] <i>(if applicable)</i> |
| 6. | (i) Specified Denominations | [] |
| | | <i>(N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €1,000 minimum denomination is not required.)</i> |
| | (ii) Calculation Amount | [] |
| | | <i>(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest</i> |

1. All relevant corporate authorisations (including the approval of the board of directors) should be obtained prior to any issue of Notes by Piraeus Bank S.A.

common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)

7. [(i)] Issue Date: []
[(ii)] Interest Commencement Date: [specify/Issue Date/Not Applicable]
(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)
8. Maturity Date [Fixed Rate – specify date
Floating Rate – Interest Payment Date falling in or nearest to [specify month]
(N.B. in the case of Dated Subordinated Notes this must be at least five years after the Issue Date)
[If the Notes have a maturity of less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom (i) the Notes must have a minimum redemption value of £100,000 or its equivalent in other currencies and be sold only to “professional investors” (ii) or another applicable exemption from section 19 of the FSMA must be available.]
9. Interest Basis [[]% Fixed Rate]
[[LIBOR/EURIBOR] +/- []% Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Dual Currency Interest]
[Other (specify)]
(further particulars specified below)
10. Redemption/Payment Basis [Redemption at par]
[Index Linked Redemption]
[Dual Currency]
[Partly Paid]
[Instalment]
[Other (specify)]
(N.B. If the Final Redemption Amount is not 100% of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)
11. Change of Interest Basis or Redemption/Payment Basis [Specify details of any provision for convertibility of Notes into another interest basis or redemption/payment basis]
12. Put/Call Options [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. (i) Status of the Notes [Senior/Dated Subordinated]
(ii) Status of the Deed of Guarantee [Senior/Dated Subordinated]

14. Method of distribution [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate(s) of Interest [] per cent. per annum [payable annually/semi-annually/quarterly/monthly/other/(specify)] in arrear. *(If payable other than annually, consider amending Condition 5)*
 - (ii) Interest Payment Date(s) [[] in each year up to and including the Maturity Date]/[specify date] [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/not adjusted]
 - (iii) Fixed Coupon Amount(s) [] per Calculation Amount
(Applicable to Notes in definitive form)
 - (iv) Broken Amount(s) [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []
(Applicable to Notes in definitive form)
 - (v) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or other (give details)]
(subject to paragraph 30)
 - (vi) Determination Date(s) [] in each year
[Insert regular interest payment dates, ignoring issue date or maturity date in case of long or short first or last coupon]
(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)
(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))
 - (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
16. Floating Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph. If applicable also consider whether EURO BBA LIBOR or EURIBOR is the appropriate reference rate)
- (i) Specified Period(s)/Specified Interest Payment Dates []
 - (ii) Business Day Convention [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
 - (iii) Additional Business Centre(s) []
 - (iv) Manner in which the Rate(s) of Interest and Interest Amount is/are to be determined [Screen Rate Determination/ISDA Determination/other (give details)]

- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent) [[Name] shall be the Calculation Agent (*no need to specify if the Principal Paying Agent is to perform this function*)]
- (vi) Screen Rate Determination:
- Reference Rate []
(Either LIBOR, EURIBOR or other, although additional information is required if other – including as to fallback provisions in the Agency Agreement)
- Interest Determination Date(s) []
(Second London business day prior to the start of each Interest Period if LIBOR other than euro LIBOR or Sterling LIBOR, first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
- Relevant Screen Page []
(In the case of EURIBOR, if not Reuters Screen EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- (vii) ISDA Determination:
- Floating Rate Option []
- Designated Maturity []
- Reset Date []
- (viii) Margin(s) [+/-] [] per cent. per annum
- (ix) Minimum Rate of Interest [] per cent. per annum
- (x) Maximum Rate of Interest [] per cent. per annum
- (xi) Day Count Fraction [Actual/Actual (ISDA)
 Actual/365 (Fixed)
 Actual/365 (Sterling)
 Actual/360
 30/360
 30E/360
 30E/360 (ISDA)
 Other]
(See Condition 5 for alternatives)
- (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions []
17. Zero Coupon Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Accrual Yield [] per cent. per annum
- (ii) Reference Price []

(iii)	Any other formula/basis of determining amount payable	[] (Consider applicable day count fraction if euro denominated)
(iv)	Day Count Fraction in relation to Early Redemption Amounts and late payment	[Condition 6(e)(iii) and 6(j) apply/specify other]
18.	Index Linked Interest Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph) (N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)
(i)	Index/Formula	[give or annex details]
(ii)	Calculation Agent:	[give name (and, if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
(iii)	Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent):	[name] [address]
(iv)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable	[need to include the description of market disruption or settlement disruption events and adjustment provision]
(v)	Specified Period(s)/Specified Interest Payment Date(s)	[]
(vi)	Business Day Convention	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
(vii)	Additional Business Centre(s)	[]
(viii)	Minimum Rate of Interest	[] per cent. per annum
(ix)	Maximum Rate of Interest	[] per cent. per annum
(x)	Day Count Fraction	[]
19.	Dual Currency Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph) (N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)
(i)	Rate of Exchange/method of calculating Rate of Exchange	[give or annex details]

- | | | |
|-------|--|---|
| (ii) | Party responsible for calculating the principal and/or interest due (if not the Agent) | [name] [address] |
| (iii) | Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable | <i>[need to include a description of market disruption or settlement disruption events and adjustment provisions]</i> |
| (iv) | Person at whose option Specified Currency(ies) is/are payable | [] |

PROVISIONS RELATING TO REDEMPTION

- | | | |
|-------|---|--|
| 20. | Issuer Call | [Applicable/Not Applicable]
<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i> |
| (i) | Optional Redemption Date(s) | [] |
| (ii) | Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | [] per Calculation Amount/specify other/see Appendix |
| (iii) | If redeemable in part: | |
| (a) | Minimum Redemption Amount | [] |
| (b) | Maximum Redemption Amount | [] |
| (iv) | Notice period (if other than as set out in the Conditions) | [] |
| 21. | Investor Put | [Applicable/Not Applicable]
<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i> |
| (i) | Optional Redemption Date(s) | [] |
| (ii) | Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | [] per Calculation Amount/specify other/see Appendix |
| (iii) | Notice period (if other than as set out in the Conditions) | [] |
| 22. | Final Redemption Amount | [] per Calculation Amount/specify other/see Appendix

<i>(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)</i> |
| 23. | Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6) | [] per Calculation Amount/specify other/see Appendix] |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- | | | |
|-----|-------------------|---|
| 24. | (i) Form of Notes | [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [60 days'] notice given at any time/only upon an Exchange Event]. |
|-----|-------------------|---|

- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date upon [] days' notice.]
- [Permanent Global Note exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note].
- (Ensure that this is consistent with the wording in the "Form of Notes" section in the Offering Circular and the Notes themselves)*
- (ii) New Global Note: [Yes]/[No]
25. Additional Financial Centre(s) or other special provisions relating to Payment Dates [Not Applicable/give details]
- (Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 16(iii) and 18(vii) relate)
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature) [Yes/No. *If yes, give details*]
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment [Not Applicable/give details. *NB: a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues*]
28. Details relating to Instalment Notes
- (i) Instalment Amount(s) [Not Applicable/give details]
- (ii) Instalment Date(s) [Not Applicable/give details]
29. Redenomination and/or Exchange and/or Consolidation applicable
- Redemption [not] applicable
(if Redenomination is applicable, specify either the applicable Fixed Day Count Fraction or any other provisions necessary to deal with floating rate interest calculation (including alternative interest rates))
- Exchange [not] applicable
 Consolidation [not] applicable
30. Other terms [Not Applicable/give details]
- (When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.)*

DISTRIBUTION

31. (i) If syndicated, names and addresses of Managers and underwriting commitments [Not Applicable/give names, addresses and underwriting commitments]
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without*

a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)

- (ii) Date of Subscription Agreement []
- (iii) Stabilising Manager(s) (if any) [Not Applicable/*give details*]
32. If non-syndicated, name [and address] of Dealer *Name and address*
33. Total commission and concession [] per cent. of the Aggregate Nominal Amount
34. U.S. Selling Restrictions: [Reg. S Compliance Category] [Not Applicable/TEFRA C/TEFRA D]
35. Non exempt Offer: [Not Applicable] [An offer of the Notes may be made by the Managers [and [*specify names of other financial intermediaries/placers making non-exempt offers, to the extent known OR consider a generic description of other parties involved in non-exempt offers (e.g. "other parties authorised by the Managers") or (if relevant) note that other parties may make non-exempt offers in the Public Offer Jurisdictions during the Offer Period, if not known*]] (together with the Managers, the Financial Intermediaries) other than pursuant to Article 3(2) of the Prospectus Directive in [*specify relevant Member State(s) — which must be jurisdictions where the Offering Circular and any supplements have been passported (in addition to the jurisdiction where approved and published)*] (Public Offer Jurisdictions) during the period from [*specify date*] to [*specify date or formula such as "the Issue Date" or the date which falls, [] business days thereafter*] (the "Offer Period") (see further Paragraph 10 of Part B below).
- (N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)*
36. Additional Selling Restrictions: [Not Applicable/*give details*]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to [the Official List of the Luxembourg Stock Exchange] [and] [*specify other*] and to] trading on the regulated market of [the Bourse de Luxembourg] [and] [*specify other*] of Notes described herein pursuant to the €10,000,000,000 Euro Medium Term Note Programme of Piraeus Group Finance PLC and Piraeus Bank S.A.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken reasonable care to ensure that such is the case) the

information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. *[[Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components]* has been extracted from *[specify source]*. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the [Piraeus Group Finance PLC][Piraeus Bank S.A.]:

By:.....

Duly Authorised

Piraeus Bank S.A.:

By:.....

Duly Authorised]

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING** [Not Applicable][Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to [*the Official List of the Luxembourg Stock Exchange*] [and] [*specify other*] and to] trading on the regulated market of [*the Bourse de Luxembourg*] [and] [*specify other*] with effect from [].]
2. **RATINGS**
Ratings: The Notes to be issued have been rated:
[S & P: []]
[Moody's: []]
[[Fitch]: []]
[[Other]: []]
*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]***
(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)
3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**
[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. – *Amend as appropriate if there are other interests*]
4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**
- (i) Reasons for the offer []
(See "Use of Proceeds" wording in Offering Circular – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)
- (ii) Estimated net proceeds: []
(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)
- (iii) Estimated total expenses: []. *[Expenses are required to be broken down into each principal intended "use" and presented in order of priority of such "uses".]*
(N.B. If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)

5. **YIELD** (*Fixed Rate Notes only*)

Indication of yield: []

[Calculated as *[include details of method of calculation in summary form]* on the Issue Date.]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. **HISTORIC INTEREST RATES** (*Floating Rate Notes only*)

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

7. **PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING** (*Index-Linked Notes only*)

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

(N.B. The requirements below only apply if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

[Need to include details of where past and future performance and volatility of the index/formula can be obtained.]

Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained.

[Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]

The Issuer [intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]*] [does not intend to provide post-issuance information].

8. **PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT** (*Dual Currency Notes only*)

[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

(N.B. The requirement below only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]

9. **OPERATIONAL INFORMATION**

(i) ISIN Code: []

(ii) Common Code: []

(iii) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]

(iv) Delivery: Delivery [against/free of] payment

- (v) Names and addresses of additional Paying Agent(s) (if any): []
- (vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *[include this text if “yes” selected in which case the Notes must be issued in NGN form]*

10. TERMS AND CONDITIONS OF THE OFFER

- Offer Price: [Issue Price/Not applicable/*specify*]
- [Conditions to which the offer is subject:] [Not applicable/*give details*]
- [Description of the application process:] [Not applicable/*give details*] [include details of method of adjustments to the Offer Period]
- [Details of the minimum and/or maximum amount of application:] [Not applicable/*give details*]
- [Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:] [Not applicable/*give details*]
- [Details of the method and time limits for paying up and delivering the Notes:] [Not applicable/*give details*]
- [Manner in and date on which results of the offer are to be made public:] [Not applicable/*give details*]
- [Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:] [Not applicable/*give details*]
- [Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:] [Not applicable/*give details*]
- [Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:] [Not applicable/*give details*]
- [Amount of any expenses and taxes specifically charged to the subscriber or purchaser:] [Not applicable/*give details*]
- [Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.] [None/*give details*]

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of at least EUR 50,000 (or its equivalent in another currency).

[Date]

[[PIRAEUS GROUP FINANCE PLC/PIRAEUS BANK S.A.

(acting through its [] Branch)]

Issue of

[Aggregate Principal Amount of Tranche]

[Title of Notes]

Issued under the

€10,000,000,000 Euro Medium Term Note Programme

[guaranteed by PIRAEUS BANK S.A.]

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 2nd July, 2008 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer [, the Guarantor(s)], and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing [at [website]] [and] during normal business hours at [address] and copies may be obtained from the registered office of the Issuer and the specified offices of each of the Paying Agents.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Offering Circular dated [original date]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive") and must be read in conjunction with the Offering Circular dated [current date] which constitutes a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circulars dated [current date] and [original date]. Copies of such Offering Circulars are available for viewing [at [website]] [and] during normal business hours at [address] and copies may be obtained from the registered office of the Issuer and the specified offices of each of the Paying Agents

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination [must/may need to] be £100,000 or its equivalent in any other currency.]

- | | | | |
|----|------|----------------|---|
| 1. | (i) | Issuer: | [Piraeus Group Finance PLC][Piraeus Bank S.A.] ¹ |
| | (ii) | Issuing Branch | [Not Applicable/specify branch] |

1. All relevant corporate authorisations (including the approval of the board of directors) should be obtained prior to any issue of Notes by Piraeus Bank S.A.

- (iii) Guarantor: [Piraeus Bank S.A. in respect of Notes issued by Piraeus Group Finance PLC]¹
2. (i) Series Number: []
(ii) Tranche Number: []
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
(i) Series: []
(ii) Tranche: []
5. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
6. (i) Specified Denominations: []
- (Note where multiple denominations above [€50,000] or equivalent are being used the following sample wording should be followed: "[50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]. No Notes in definitive form will be issued with a denomination above [€99,000].")*
- (N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the [€50,000] minimum denomination is not required.)*
- (ii) Calculation Amount: []
- (If only one Specified Denomination, insert the Specified Denomination.*
- If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (i) Issue Date: []
(ii) Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: [Fixed rate — specify date/
Floating rate — Interest Payment Date falling in or nearest to [specify month]]
9. Interest Basis: [[] per cent. Fixed Rate]
[[LIBOR/EURIBOR] +/- [] per cent. Floating Rate]

1. All relevant corporate authorisations (including the approval of the board of directors) should be obtained prior to any issue of Notes by Piraeus Bank S.A.

- [Zero Coupon]
[Index Linked Interest]
[Dual Currency Interest]
[specify other]
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
[Index Linked Redemption]
[Dual Currency Redemption]
[Partly Paid]
[Instalment]
[specify other]

(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)
11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis]
12. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. (a) Status of the Notes: [Senior/[Dated Subordinated]]
(b) Status of the Deed of Guarantee: [Senior/[Dated Subordinated]]
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Rate(s) of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly/other (specify)] in arrear]
(If payable other than annually, consider amending Condition 5)
- (ii) Interest Payment Date(s): [[] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of Business Day][Not adjusted]
- (iii) Fixed Coupon Amount(s): [] per Calculation Amount
(Applicable to Notes in definitive form.)
- (iv) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []
(Applicable to Notes in definitive form.)
- (v) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or [specify other]]
- (vi) Determination Date(s): [] in each year

(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)

N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration

N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))

- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Give details]
16. Floating Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: []
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/[specify other]]
- (iii) Additional Business Centre(s): []
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/specify other]
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): []
- (vi) Screen Rate Determination:
- Reference Rate: []
(Either LIBOR, EURIBOR or other, although additional information is required if other — including fallback provisions in the Agency Agreement)
 - Interest Determination Date(s): []
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
 - Relevant Screen Page: []
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- (vii) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (viii) Margin(s): [+/-] [] per cent. per annum

- (ix) Minimum Rate of Interest: [] per cent. per annum
- (x) Maximum Rate of Interest: [] per cent. per annum
- (xi) Day Count Fraction: [Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360
30E/360
30E/360 (ISDA)
Other]
(See Condition [Interest] for alternatives)
- (xii) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []
17. Zero Coupon Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Accrual Yield: [] per cent. per annum
- (ii) Reference Price: []
- (iii) Any other formula/basis of determining amount payable: []
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Conditions 6(e)(iii) and 6(j) apply/specify other
(Consider applicable day count fraction if euro denominated)]
18. Index Linked Interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)
- (i) Index/Formula: [give or annex details]
- (ii) Calculation Agent [give name (and, if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, address)]
- (iii) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Agent): []
- (iv) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (v) Specified Period(s)/Specified Interest Payment Dates: []

- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other]
- (vii) Additional Business Centre(s): []
- (viii) Minimum Rate of Interest: [] per cent. per annum
- (ix) Maximum Rate of Interest: [] per cent. per annum
- (x) Day Count Fraction: []
19. Dual Currency Interest Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent): []
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (iv) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO REDEMPTION

20. Issuer Call: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: []
- (b) Maximum Redemption Amount: []
- (iv) Notice period (if other than as set out in the Conditions): []
- (N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other*

notice requirements which may apply, for example, as between the Issuer and the Agent [or Trustee])

21. Investor Put:

[Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) Optional Redemption Date(s):

[]

(ii) Optional Redemption Amount and method, if any, of calculation of such amount(s):

[[] per Calculation Amount/specify other/see Appendix]

(iii) Notice period (if other than as set out in the Conditions):

[]

(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent [or Trustee])

22. Final Redemption Amount:

[[] per Calculation Amount/specify other/see Appendix]

(N.B. If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.)

23. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition [Redemption and Purchase — Early Redemption Amounts]):

[[] per Calculation Amount/specify other/see Appendix]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:

(i) Form:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]]

(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Offering Circular and the Notes themselves.

N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€50,000] and integral multiples of [€1,000] in excess thereof up to and including [€99,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)

- (ii) New Global Note: [Yes][No]
25. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]
- (Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 16(iii) and 18(vii) relate)*
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details. N.B. a new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues]
28. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/give details]
- (ii) Instalment Date(s): [Not Applicable/give details]
29. Redenomination and/or Exchange and/or Consolidation applicable: Redenomination [not] applicable
- [(If Redenomination is applicable, specify the applicable Day Count Fraction and any provisions necessary to deal with floating rate interest calculation (including alternative reference rates))]*
30. Other final terms: [Not Applicable/give details]
- [(When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Offering Circular under Article 16 of the Prospectus Directive.)]*

DISTRIBUTION

31. (i) If syndicated, names of Managers: [Not Applicable/give names]
- (If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, include names of entities agreeing to underwrite the issue on a firm commitment basis and names of the entities*

agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)

- (ii) Date of [Subscription] Agreement: []
(The above is only relevant if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies).
- (iii) Stabilising Manager(s) (if any): [Not Applicable/give name]
32. If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
33. U.S. Selling Restrictions: [Reg. S Compliance Category] [not applicable] TEFRA C/TEFRA D
34. Additional selling restrictions: [Not Applicable/give details]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] [admission to [the Official List of the Luxembourg Stock Exchange] [and] [*specify other*] and to] trading on the regulated market of [the Bourse de Luxembourg] [and] [*specify other*] of the Notes described herein pursuant to the €10,000,000,000 Euro Medium Term Note Programme of Piraeus Group Finance PLC and Piraeus Bank S.A.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [*Relevant third party information, for example in compliance with Annex XII to the Prospectus Directive Regulation in relation to an index or its components*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of [Piraeus Group Finance PLC][Piraeus Bank S.A.]

By:.....

Duly authorised

[Signed on behalf of [Piraeus Bank S.A]:

By:.....

Duly authorised]

PART B — OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading [Not Applicable][Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to [the Official List of the Luxembourg Stock Exchange] [and] [specify other] and to] trading on the regulated market of [the Bourse de Luxembourg] [and] [specify other]] with effect from [].]
- (ii) Estimate of total expenses related to admission to trading: []

2. RATINGS

Ratings: The Notes to be issued have been rated:

[S & P: []]
[Moody's: []]
[Fitch: []]
[[Other]: []]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. — Amend as appropriate if there are other interests]

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- [(i) Reasons for the offer []]
[(ii) Estimated net proceeds: []]
[(iii) Estimated total expenses: []]

(N.B.: Delete unless the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, in which case (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required.)

5. YIELD *(Fixed Rate Notes only)*

Indication of yield: []

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING *(Index-linked Notes only)*

[Need to include details of where past and future performance and volatility of the index/formula can be obtained.]

[Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained.]

[Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].

(N.B. This paragraph 6 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

7. PERFORMANCE OF RATE[S] OF EXCHANGE *(Dual Currency Notes only)*

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]

(N.B. This paragraph 7 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies.)

8. OPERATIONAL INFORMATION

- (i) ISIN Code: []
- (ii) Common Code: []
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): []
- (vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]

[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] include this text if "yes" selected in which case the Notes must be issued in NGN form]

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each global Note and each definitive Note, in the latter case only if permitted by the relevant stock exchange (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, each definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The term "Issuer" as used in these Terms and Conditions refers to the Issuer specified as such in the applicable Final Terms in relation to a particular Tranche of Notes. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each global Note and each definitive Note. Reference should be made to "Form of the Notes and the Final Terms" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series of notes issued by the Issuer specified as such in the applicable Final Terms (as defined below), being either Piraeus Group Finance PLC ("Piraeus PLC") or Piraeus Bank S.A. ("Piraeus Bank"), acting through its Issuing Branch (as specified in the applicable Final Terms) (together the "Issuers") the notes of such Series being hereinafter called the "Notes", which expression shall mean (i) in relation to any Notes represented by a global Note, units of each Specified Denomination in the Specified Currency, (ii) definitive Notes issued in exchange for a global Note and (iii) any global Note issued in accordance with an amended and restated Fiscal Agency Agreement (the "Agency Agreement", which expression shall include any amendments or supplements thereto) dated 2nd July, 2008 and made between Piraeus PLC, Piraeus Bank and Deutsche Bank AG, London Branch in its capacity as Issuing and Principal Paying Agent (the "Agent", which expression shall include any successor to Deutsche Bank AG, London Branch in its capacity as such) and the other Paying Agents named therein (the "Paying Agents", which expression shall include the Agent and any substitute or additional Paying Agents appointed in accordance with the Agency Agreement).

The Notes, the Receipts and the Coupons (each as defined below) have the benefit of a deed of covenant (the "Deed of Covenant", which expression shall include any amendments or supplements thereto) dated 2nd July, 2008 executed by the Issuers in relation to the Notes. The original Deed of Covenant is held by the common depositary for Euroclear and Clearstream, Luxembourg (each as defined below).

Notes issued by Piraeus PLC are the subject of a deed of guarantee dated 2nd July, 2008 (as amended or supplemented from time to time, the "Deed of Guarantee") entered into by Piraeus Bank (in such capacity, the "Guarantor").

Interest bearing definitive Notes will (unless otherwise indicated in the applicable Final Terms) have interest coupons ("Coupons") and, if indicated in the applicable Final Terms, talons for further Coupons ("Talons") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Definitive Notes repayable in instalments will have receipts ("Receipts") for the payment of the instalments of principal (other than the final instalment) attached on issue.

The Final Terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached hereto or endorsed hereon which supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, supplement, replace or modify these Terms and Conditions for the purposes of this Note. References herein to "applicable Final Terms" are to Part A of the Final Terms attached hereto or endorsed hereon.

As used herein, "Tranche" means Notes which are identical in all respects (including as to listing and admission to trading) and "Series" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Any reference to "Noteholders" or "holders" in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a global Note, be construed as provided

below. Any reference herein to "Receiptholders" shall mean the holders of the Receipts and any reference herein to "Couponholders" shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Guarantee and subject to their detailed provisions. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant, the Deed of Guarantee and the applicable Final Terms which are applicable to them. Copies of the Agency Agreement, the Deed of Covenant and the Deed of Guarantee are available for inspection at the specified office of each of the Agent and the other Paying Agents. Copies of the applicable Final Terms are available for viewing at, and copies may be obtained from, the registered office of the Issuer and the specified offices of each of the Paying Agents save that, if this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer or, as the case may be, the relevant Paying Agent as to its holding of such Notes and identity.

Words and expressions defined in the Agency Agreement, the Deed of Covenant or the Deed of Guarantee or which are used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement, Deed of Covenant or the Deed of Guarantee and the applicable Final Terms, the applicable Final Terms will prevail.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form in the Specified Currency and the Specified Denomination(s) and, in the case of definitive Notes, serially numbered. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Final Terms.

This Note may be a Senior Note or a Dated Subordinated Note, depending upon the Status of the Notes shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable. Instalment Notes in definitive form are issued with Receipts attached.

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law, the Issuer and any Paying Agent shall (subject as provided below) be entitled to deem and treat (and no such person will be liable for so deeming and treating) the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note held on behalf of Euroclear Bank SA/NV ("Euroclear") and/or Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg") each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Agent and any other Paying Agent as the holder of such nominal amount of Notes for all purposes other than with respect to the payment of

principal or interest on such Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer, the Guarantor, the Agent and any other Paying Agent as the holder of such nominal amount of Notes in accordance with and subject to the terms of the relevant global Note (and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly).

Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be. Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Guarantor and the Agent and specified in the applicable Final Terms.

2. STATUS OF THE SENIOR NOTES AND THE DEED OF GUARANTEE IN RESPECT OF SENIOR NOTES ISSUED BY PIRAEUS PLC

- (a) If the Notes are specified as Senior Notes in the applicable Final Terms, the Notes and any relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future unsecured (subject as aforesaid) and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.
- (b) The obligations of Piraeus Bank under the Deed of Guarantee in respect of Senior Notes issued by Piraeus PLC constitute direct, general, unconditional and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured (subject as aforesaid) and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by mandatory provisions of law.

3. STATUS OF DATED SUBORDINATED NOTES AND THE DEED OF GUARANTEE IN RESPECT OF DATED SUBORDINATED NOTES

- (a) If the Notes are specified as Subordinated Notes in the applicable Final Terms, the Notes are and will be, direct, unsecured and subordinated obligations of the Issuer and rank at all times *pari passu* among themselves.

The claims of the Noteholders will be subordinated to the claims of Senior Creditors of the Issuer (as defined below) in that payments of principal and interest in respect of the Notes (whether in the winding up of the Issuer or otherwise) will be conditional upon the Issuer being solvent at the time of payment by the Issuer and in that no principal or interest shall be payable in respect of the Notes (whether in the winding up of the Issuer or otherwise) except to the extent that the Issuer could make such payment and still be solvent immediately thereafter. For this purpose, the Issuer shall be considered to be solvent if it can pay principal and interest in respect of the Notes and still be able to pay its outstanding debts to Senior Creditors of the Issuer, which are due and payable.

"Senior Creditors of the Issuer" means creditors of the Issuer (a) who are unsubordinated creditors of the Issuer, or (b) who are subordinated creditors of the Issuer whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes (whether only in the winding up of the Issuer or otherwise).

In case of dissolution, liquidation and/or bankruptcy of the Issuer the holders of Dated Subordinated Notes will only be paid by the Issuer after all Senior Creditors of the Issuer have been paid in full and the holders of Dated Subordinated Notes irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Issuer in such circumstances.

- (b) The payment of principal and interest in respect of any Dated Subordinated Notes issued by Piraeus PLC has been irrevocably guaranteed on a subordinated basis by the Guarantor.

All claims under the Deed of Guarantee will be subordinated to the claims of Senior Creditors of the Guarantor (as defined below) in that payments under the Deed of Guarantee (whether in the winding up of the Guarantor or otherwise) will be conditional upon the Guarantor being solvent at the time of payment by the Guarantor and in that no amount shall be payable under the Deed of Guarantee (whether in the winding up of the Guarantor or otherwise) except to the extent that

the Guarantor could make such payment and still be solvent immediately thereafter. For this purpose, the Guarantor shall be considered to be solvent if it can pay principal and interest in respect of the Notes and still be able to pay its outstanding debts to Senior Creditors of the Guarantor, which are due and payable.

“Senior Creditors of the Guarantor” means creditors of the Guarantor (a) who are unsubordinated creditors of the Guarantor, or (b) who are subordinated creditors of the Guarantor whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes or other persons claiming under the Deed of Guarantee (whether only in the winding up of the Guarantor or otherwise).

In case of dissolution, liquidation and/or bankruptcy of the Guarantor the holders of Dated Subordinated Notes will only be paid by the Guarantor after all Senior Creditors of the Guarantor have been paid in full and the holders of Dated Subordinated Notes irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Guarantor.

4. NEGATIVE PLEDGE (SENIOR NOTES ONLY)

This Condition 4 shall apply only to Senior Notes and references to “Notes” and “Noteholders” shall be construed accordingly. If the Notes are specified as Senior Notes in the applicable Final Terms, so long as any of the Notes remains outstanding (as defined in the Agency Agreement), neither the Issuer nor the Guarantor (if applicable) shall create or permit to be outstanding any mortgage, charge, lien, pledge or other similar encumbrance or security interest upon the whole or any part of its undertaking or assets, present or future (including any uncalled capital), to secure any Indebtedness (as defined below) or any guarantee or indemnity given in respect of any Indebtedness, without, in the case of the creation of an encumbrance or security interest, at the same time and, in any other case, promptly according to the Noteholders an equal and rateable interest in the same or providing to the Noteholders such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders, save that the Issuer or the Guarantor (if applicable) may create or permit to subsist a security interest to secure Indebtedness and/or any guarantee or indemnity given in respect of Indebtedness of any person, in each case as aforesaid, (but without the obligation to accord or provide to the Noteholder either, an equal and rateable interest in the same or such other security as aforesaid) where such security interest:

- (a) is created pursuant to any securitisation, asset-backed financing or like arrangement in accordance with normal market practice and whereby the amount of Indebtedness secured by such security interest or in respect of which any guarantee or indemnity is secured by such security interest is limited to the value of the assets secured; or
- (b) is granted in relation to mortgage-backed bonds issued by the Guarantor under Greek law and “covered bonds”..

“Indebtedness” means any borrowings having an original maturity of more than one year in the form of or represented by bonds, notes, debentures or other debt securities which, with the consent of the Issuer are, or are intended to be, listed or traded on any stock exchange, over-the-counter or other organised market for securities (whether or not initially distributed by way of private placing).

5. INTEREST

(a) *Interest on Fixed Rate Notes*

- (i) Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date specified in the applicable Final Terms at the rate(s) per annum equal to the Rate(s) of Interest so specified payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if that does not fall on an Interest Payment Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

- (ii) As used in these Terms and Conditions, "Fixed Interest Period" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"Day Count Fraction" means, in respect of the calculation of an amount of interest in accordance with this Condition 5(a):

- (i) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
- (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date the "Accrual Period" is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
- (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
- (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
- (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if "30/360" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Terms and Conditions:

"Determination Period" means each period from (and including) a Determination Date to but excluding the next Determination Date (including, whether the Interest Commencement Date of the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

“euro” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

“sub-unit” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent; and

“Treaty” means the Treaty establishing the European Community, as amended by the Treaty on European Union and as amended by the Treaty of Amsterdam.

(b) *Interest on Floating Rate Notes and Index Linked Interest Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note and Index Linked Interest Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) (each an “Interest Payment Date”) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an “Interest Payment Date”) which (save as otherwise mentioned in these Terms and Conditions or the applicable Final Terms) falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

“Business Day” means (unless otherwise stated in the applicable Final Terms) a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre specified in the applicable Final Terms; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne or Wellington respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system (the "TARGET2 System") is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Final Terms.

(iii) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (iii), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent or other person specified in the applicable Final Terms under an interest rate swap transaction if the Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "ISDA Definitions") and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate ("LIBOR") or on the Euro-zone inter-bank offered rate ("EURIBOR") for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For purposes of this sub-paragraph (iii)(a) "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity" and "Reset Date" have the meanings given to those terms in the ISDA Definitions, (b) the definition of "Banking Day" in the ISDA Definitions shall be amended to insert after the words "are open for" in the second line the word "general" and (c) "Euro-zone" means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty.

Where this sub-paragraph (iii) applies, in respect of each relevant Interest Period, the Agent will be deemed to have discharged its obligations under paragraph (vi) below in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this sub-paragraph (iii).

(iv) *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation (if there is only one quotation on the Relevant Screen Page); or
- (B) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms)

the Margin (if any), all as determined by the Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, only one of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above no such quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(v) *Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the above provisions is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(vi) *Determination of Rate of Interest and Calculation of Interest Amount*

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Agent will calculate the amount of interest (the "Interest Amount") payable on the Floating Rate Notes or Index Linked Interest Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest cent (or its approximate equivalent sub-unit of the relevant Specified Currency, half of any sub-unit being rounded upwards or otherwise in accordance with applicable market convention). Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"Day Count Fraction" means, in respect of the calculation of an amount of interest for any Interest Period:

- (a) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the

actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (b) if "Actual/365 Fixed" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (c) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (d) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (e) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)(D_2 - D_1)]}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (f) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)(D_2 - D_1)]}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (ii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)(D_2 - D_1)]}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Interest Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“D₁” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

(vii) *Notification of Rate of Interest and Interest Amount*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified *inter alia* to the Issuer and, if applicable, the Guarantor and to any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed, and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment). Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(viii) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(b) shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor (if applicable), the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Guarantor (if applicable), the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Interest on Dual Currency Notes*

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the applicable Final Terms.

(d) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

(e) *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the due date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue thereon (as well after as before any demand or judgment) at the rate then applicable to the principal amount of the Notes or such other rate as may be specified in the relevant Final Terms until whichever is the earlier of (1) the date on which all amounts due in respect of such Note have been paid, and (2) date on which the Agent having received the funds required to make such payment, notice is given to the Noteholders in accordance with Condition 15 of that circumstance (except to the extent that there is failure in the subsequent payment thereof to the relevant Noteholder).

6. REDEMPTION AND PURCHASE

(a) *Redemption at Maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

(b) *Redemption for Tax Reasons*

If as a result of any amendment to or change in the laws or regulations of the jurisdiction of incorporation of the Issuer or, if applicable, the Guarantor or, in the case of Piraeus Bank issuing Notes through a branch situated in a jurisdiction other than the Hellenic Republic, such other jurisdiction or in each case of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws or regulations which amendment or change becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes the Issuer would be unable for reasons outside its control to make payment or the Guarantor (if applicable) would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay additional amounts as provided in Condition 10, the Issuer may, (subject, in the case of Dated Subordinated Notes, to the prior approval of the Bank of Greece), at its option and having given no less than 30 nor more than 60 days' notice (ending, in the case of Notes which bear interest at a floating rate, on any Interest Payment Date) to the Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes at their Early Redemption Amount as may be specified in, or determined in accordance with, the applicable Final Terms together (if appropriate) with interest accrued to (but excluding) the date of redemption provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor (if applicable) would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

(c) *Redemption at the Option of the Issuer (Issuer Call)*

If Issuer Call is specified in the applicable Final Terms, the Issuer may, (subject, in the case of Dated Subordinated Notes, to the prior approval of the Bank of Greece), having (unless otherwise specified in the applicable Final Terms) given not more than 30 nor less than 15 days' notice to the Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

In the event of a redemption of some only of the Notes, such redemption must be of a nominal amount being not less than the Minimum Redemption Amount or not more than a Maximum Redemption Amount, both as indicated in the applicable Final Terms. In the case of a partial redemption of definitive Notes, the Notes to be redeemed will be selected individually by lot not more than 30 days prior to the date fixed for redemption and a list of the Notes called for redemption will be published in accordance with Condition 15 not less than 15 days prior to such date. In the case of a partial redemption of Notes which are represented by a global Note, the relevant Notes will be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion).

(d) *Redemption at the Option of the Noteholders (Investor Put)*

This Condition 6(d) is applicable only in relation to Notes specified in the relevant Final Terms as being Senior Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

If Investor Put is specified in the applicable Final Terms, upon any Noteholder giving to the Issuer in accordance with Condition 15 not more than 30 nor less than 15 days' notice (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem subject to, and in accordance with, the terms specified in the applicable Final Terms such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the relevant Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

If this Note is in definitive form, to exercise any right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "Put Notice") and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of repayment an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph.

(e) *Early Redemption Amounts*

For the purposes of paragraph (b) above and Condition 11, each Note will be redeemed at an amount (the "Early Redemption Amount") determined or calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount set out in, or determined in the manner set out in, the applicable Final Terms or, if no such amount or manner is set out in that Final Terms, at their nominal amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the "Amortised Face Amount") equal to the sum of:
 - (A) the Reference Price specified in the applicable Final Terms; and
 - (B) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable,

or such other amount as is provided in the applicable Final Terms.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made (i) in the case of a Zero Coupon Note other than a Zero Coupon Note payable in euro, on the basis of a 360-day year consisting of 12 months of 30 days each or (ii) in the case of a Zero Coupon Note payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non-leap year divided by 365) or (in either case) on such other calculation basis as may be specified in the applicable Final Terms.

(f) *Instalments*

If the Notes are repayable in instalments, they will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms.

(g) *Partly Paid Notes*

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Final Terms.

(h) *Purchases*

The Issuer, the Guarantor (if applicable) or any Subsidiary (as defined in the Agency Agreement) of the Issuer or the Guarantor (if applicable) may (subject, in the case of Dated Subordinated Notes, to the prior approval of the Bank of Greece), at any time purchase Notes (together, in the case of definitive Notes, with all Receipts, Coupons and Talons appertaining thereto) in any manner and at any price. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor, as the case may be, surrendered to any Paying Agent for cancellation.

(i) *Cancellation*

All Notes which are redeemed in full will forthwith be cancelled (together with all unmatured Receipts, Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes which are purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Receipts, Coupons and Talons attached thereto or delivered therewith) shall be forwarded to the Agent and cannot be reissued or resold.

(j) *Late Payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date which is the earlier of:

- (1) the date on which all amounts due in respect of the Zero Coupon Note have been paid; and
- (2) the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

7. PAYMENTS

(a) *Method of Payment*

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Melbourne or Wellington, respectively); and

- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10.

(b) *Presentation of Notes, Receipts and Coupons*

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment only, endorsement) of definitive Notes and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid against presentation and surrender (or, in the case of part payment only, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States and its possessions (as referred to below).

Payments of instalments (if any) of principal in respect of definitive Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) at the specified office of any Paying Agent of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in (a) above only against surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. Receipts presented without the definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) appertaining thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive form (other than Dual Currency Notes or Index Linked Notes) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons) failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 10) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 14) or, if later, five years from the date on which such Coupon would otherwise have become due but in no event thereafter. Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Note or Index Linked Interest Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

Payments of principal and interest (if any) in respect of Notes represented by any global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant global Note against presentation or surrender (or, in the case of part payment only, endorsement), as the case may be, of such global Note at the specified office of any Paying Agent outside the United States and its possessions. A record of each payment made against presentation or surrender of such global Note, distinguishing between any payment of principal and any payment of interest, will be

made on such global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made.

The holder of the relevant global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer, or to the order of, the holder of the relevant global Note. No person other than the holder of the relevant global Note shall have any claim against the Issuer in respect of any payments due in respect of the Notes represented by such global Note.

Payments of principal and/or interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer or the Guarantor (if applicable).

(c) *Redenomination*

Where Redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders or the Couponholders, on giving prior notice to the Agent, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Noteholders in accordance with Condition 15, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

- (i) the Notes and the Receipts shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a principal amount for each Note and Receipt equal to the principal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Agent, that the then market practice in respect of the redenomination into euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate principal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (iii) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Agent may approve) euro 0.01 and such other denominations as the Agent shall determine and notify to the Noteholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "Exchange Notice") that replacement

euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

- (v) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated:
 - (A) in the case of the Notes represented by a Global Note, by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note; and
 - (B) in the case of definitive Notes, by applying the Rate of Interest to the Calculation Amount;

and, in each case, multiplying such sum by the applicable Fixed Day Count Fraction specified in the applicable Final Terms, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding;

- (vii) if the Notes are Floating Rate Notes, any applicable changes to the provisions relating to interest will be specified in the applicable Final Terms; and
- (viii) such other changes shall be made to these Terms and Conditions as the Issuer may decide, after consultation with the Agent, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro or to enable the Notes to be consolidated with one or more issues of other notes, whether or not originally denominated in the Specified Currency or euro.

(d) *Exchange*

Where Exchange is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders or the Couponholders, on giving prior notice to the Agent, Euroclear and Clearstream, Luxembourg and not less than 30 days' prior notice to the Noteholders in accordance with Condition 15 (and, if the Notes are listed, to the relevant Stock Exchange), elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be exchangeable for notes expressed to be denominated in euro in accordance with such arrangements as the Issuer may decide, after consultation with the Agent, and as may be specified in the notice, including arrangements under which Receipts and Coupons unmaturing at the date so specified become void.

(e) *Consolidation*

Where Consolidation is specified in the applicable Final Terms as being applicable, the Issuer may also from time to time, without the consent of the Noteholders, Couponholders or Receiptholders, on giving prior notice to the Agent, Euroclear and Clearstream, Luxembourg and

not less than 30 days' prior notice to the Noteholders in accordance with Condition 15, consolidate the Notes, with effect from the Redenomination Date specified in the notice, with one or more issues of other notes ("Other Notes") issued by it, whether or not originally issued in the relevant currency or euro, provided that such Other Notes have been redenominated into euro (if not originally denominated in euro) and otherwise have, in respect of all periods subsequent to such consolidation, the same or substantially the same terms and conditions as the Notes.

The Issuer may exercise its right referred to above if it determines, in consultation with the Agent, that the Notes and Other Notes which it proposes to consolidate will, with effect from their consolidation:

- (i) be cleared and settled on an interchangeable basis with the same International Securities Identification Number through each Relevant Clearing System through which the Notes or the relevant Other Notes were cleared and settled immediately prior to consolidation; and
- (ii) be listed on at least one European stock exchange on which debt obligations issued in the euromarkets are then customarily listed and on which either the Notes or the relevant Other Notes were listed immediately prior to consolidation.

(f) *Definitions*

In this Condition, the following expressions have the following meanings:

"Established Rate" means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 109(7)(4) of the Treaty;

"Redenomination Date" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to paragraph (c) or, as the case may be, (d) above, and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union.

"Relevant Clearing System" means:

- (i) Euroclear and Clearstream, Luxembourg;
- (ii) any clearing system which is a central securities depository for the Notes or the relevant Other Notes; and
- (iii) the principal clearing system (if any) in the country of the original currency of denomination of the Notes or the relevant Other Notes if the Notes or the relevant Other Notes were clearing and settling in such clearing system immediately prior to consolidation.

(g) *Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, unless otherwise specified in the applicable Final Terms, "Payment Day" means any day which (subject to Condition 14) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in
 - (a) the relevant place of presentation;
 - (b) London;
 - (c) any Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than

the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Melbourne or Wellington respectively or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(h) *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 10;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(e)); and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10.

8. AGENT AND PAYING AGENTS

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

The Issuer and, if applicable, the Guarantor is/are entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (ii) there will at all times be an Agent;
- (iii) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (iv) there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 7(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 15 provided that no such variation, termination, appointment or change shall take effect (except in the case of insolvency) within 15 days before or after any Interest Payment Date.

9. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Notes to which it appertains) a further Talon,

subject to the provisions of Condition 14. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

10. TAXATION

All amounts of principal, premium and interest in respect of the Notes, Receipts and Coupons payable by or on behalf of the Issuer or the Guarantor (if applicable) shall be made free and clear of, and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, collected, withheld, assessed or levied by or on behalf of, in the case of Piraeus PLC, the United Kingdom or, in the case of Piraeus Bank, the Hellenic Republic and, in the case of Piraeus Bank issuing Notes through a branch situated in a jurisdiction other than the Hellenic Republic, the jurisdiction where such branch is situated and, in the case of Piraeus Bank guaranteeing Notes issued by Piraeus PLC, the United Kingdom or, in each case, any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless such withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable in respect of any Note, Receipt or Coupon presented for payment:

- (i) by or on behalf of, a Noteholder, Receiptholder or Couponholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the United Kingdom, or, as the case may be, the Hellenic Republic, or, as the case may be, the jurisdiction in which the issuing branch is situated other than the mere holding of such Note, Receipt or Coupon; or
- (ii) by or on behalf of a Noteholder, Receiptholder or Couponholder who would not be liable or subject to such withholding or deduction if he were to comply with any statutory requirement or to make a declaration of non-residence or other similar claim for exemption but fails to do so; or
- (iii) more than thirty days after the Relevant Date (as defined below), except to the extent that the relevant Noteholder, Receiptholder or Couponholder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of thirty days; or
- (iv) in Greece (in the case of Piraeus Bank unless Piraeus Bank issues Notes through a branch situated in a jurisdiction other than the Hellenic Republic, in which case the reference to Greece shall be construed as a reference to such other jurisdiction) or the United Kingdom (in the case of Piraeus PLC); or
- (v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (vi) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

For the purposes of these Terms and Conditions, the "Relevant Date" means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Agent on or prior to such due date, it means the first date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

11. EVENTS OF DEFAULT

(1) *Senior Notes*

This Condition 11(1) is applicable only in relation to Notes specified in the relevant Final Terms as being Senior Notes and references to "Notes" and "Noteholders" shall be construed accordingly.

- (a) Unless otherwise specified in the relevant Final Terms, the following events or circumstances (each an "Event of Default") shall be acceleration events in relation to the Notes, namely:
- (i) the Issuer fails to pay any amount of principal or interest in respect of the Notes on the due date for payment thereof and such failure continues for a period of 14 days; or
 - (ii) the Issuer or, if applicable, the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Notes, Receipts or Coupons and such default remains unremedied for 30 days after written notice thereof has been delivered by a Noteholder to the Issuer or the Guarantor, as the case may be, requiring the same to be remedied; or
 - (iii) the repayment of any indebtedness owing by the Issuer or, if applicable, the Guarantor or any Material Subsidiary is accelerated by reason of default and such acceleration has not been rescinded or annulled, or the Issuer or, if applicable, the Guarantor or any Material Subsidiary defaults (after whichever is the longer of any originally applicable period of grace and 14 days after the due date) in any payment of any indebtedness or in the honouring of any guarantee or indemnity in respect of any indebtedness provided that no such event shall constitute an Event of Default unless the indebtedness whether alone or when aggregated with other indebtedness relating to all (if any) other such events which shall have occurred and be continuing shall exceed U.S.\$10,000,000 (or its equivalent in any other currency or currencies); or
 - (iv) any order shall be made by any competent court or resolution passed for the winding up or dissolution of the Issuer or, if applicable, the Guarantor or any Material Subsidiary (other than for the purpose of amalgamation, merger or reconstruction (1) on terms approved by an Extraordinary Resolution of the Noteholders or (2) in the case of a Material Subsidiary whereby the undertaking and the assets of the Material Subsidiary are transferred to or otherwise vested in Piraeus Bank or another of its Subsidiaries); or
 - (v) the Issuer or, if applicable, the Guarantor or any Material Subsidiary shall cease to carry on the whole or substantially the whole of its business (other than for the purpose of an amalgamation, merger or reconstruction (1) on terms approved by an Extraordinary Resolution of the Noteholders or (2) in the case of a Material Subsidiary whereby the undertaking and the assets of the Material Subsidiary are transferred to or otherwise vested in Piraeus Bank or another of its Subsidiaries); or
 - (vi) the Issuer or, if applicable, the Guarantor or any Material Subsidiary shall stop payment or shall be unable to, or shall admit inability to, pay its debts as they fall due, or shall be adjudicated or found bankrupt or insolvent by a court of competent jurisdiction or shall make a conveyance or assignment for the benefit of, or shall enter into any composition or other arrangement with, its creditors generally; or
 - (vii) a receiver, trustee or other similar official shall be appointed in relation to the Issuer or, if applicable, the Guarantor or any Material Subsidiary or in relation to the whole or over half of the assets of the Issuer or, if applicable, the Guarantor or any Material Subsidiary or an interim supervisor of Piraeus Bank is appointed by the Bank of Greece or an encumbrancer shall take possession of the whole or over half of the assets of the Issuer or, if applicable, the Guarantor or any Material Subsidiary, or a distress or execution or other process shall be levied or enforced upon or sued out against the whole or a substantial part of the assets of the Issuer or, if applicable, the Guarantor and in any of the foregoing cases it or he shall not be discharged within 60 days; or
 - (viii) the Issuer or, if applicable, the Guarantor or any Material Subsidiary sells, transfers, lends or otherwise disposes of the whole or a major part of its undertaking or assets

(including shareholdings in its Subsidiaries or associated companies) and such disposal is substantial in relation to the assets of the Issuer or Piraeus Bank and its Subsidiaries as a whole, other than selling, transferring, lending or otherwise disposing on an arm's length basis;

- (ix) with respect to any Notes issued by Piraeus PLC, the Deed of Guarantee is not in full force and effect.

For the purposes of this Condition 11(1)(a) "Material Subsidiary" means at any time any Subsidiary of Piraeus Bank:

- (i) whose profits or (in the case of a Subsidiary which has subsidiaries) consolidated profits, before taxation and extraordinary items or before taxation and after extraordinary items as shown by its latest audited profit and loss account are at least 15 per cent. of the consolidated profits before taxation and extraordinary items of Piraeus Bank and its Subsidiaries as shown by the then latest published audited consolidated profit and loss account of Piraeus Bank and its Subsidiaries; or
 - (ii) whose gross assets or (in the case of a Subsidiary which has subsidiaries) gross consolidated assets as shown by its latest audited balance sheet are at least 15 per cent. of the gross consolidated assets of Piraeus Bank and its Subsidiaries as shown by the then latest published audited consolidated balance sheet of Piraeus Bank and its Subsidiaries; or
 - (iii) to which is transferred the whole or substantially the whole of the assets and undertaking of a Subsidiary which immediately prior to such transfer is a Material Subsidiary provided that, in such a case, the Subsidiary so transferring its assets and undertaking shall thereupon cease to be a Material Subsidiary.
- (b) If any Event of Default shall occur and be continuing in relation to any Note, any Noteholder may, by written notice to the Issuer at the specified office of the Agent, declare that such Note shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its Early Redemption Amount as may be specified in or determined in accordance with the relevant Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(2) *Dated Subordinated Notes*

This Condition 11(2) is applicable only in relation to Notes specified in the relevant Final Terms as being Dated Subordinated Notes and any references to "Notes" or "Noteholders" shall be construed accordingly. The events specified below are both "Subordinated Default Events":

- (a) If default is made in the payment of any amount due in respect of the Notes or any of them on the due date and such default continues for a period of 7 days, any Noteholder may institute proceedings for the winding up of the Issuer.
- (b) If, otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved by an Extraordinary Resolution of the Noteholders, an order is made or an effective resolution is passed for the winding up of the Issuer, any Noteholder may, by written notice to the Agent, declare such Note to be due and payable whereupon the same shall become immediately due and payable at its Early Redemption Amount as may be specified in or determined in accordance with the relevant Final Terms, together (if appropriate) with interest accrued to (but excluding) the date of redemption unless such Subordinated Default Event shall have been remedied prior to receipt of such notice by the Agent.

12. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of the Noteholders to consider any matter affecting their interests, including (without limitation) the modification by Extraordinary Resolution (as defined in the Agency Agreement) of these Terms and Conditions. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders whether or not they are present at the meeting, and on all holders of Coupons or Receipts relating to the Notes.

The Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (i) any modification (except as mentioned above) of the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (ii) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

13. REPLACEMENT OF NOTES, RECEIPTS, COUPONS AND TALONS

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent in London (or such other place as may be notified to the Noteholders), in accordance with all applicable laws and regulations, upon payment by the claimant of the costs and expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14. PRESCRIPTION

The Notes, Receipts and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 10) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 14 or Condition 7(b) or any Talon which would be void pursuant to Condition 7(b).

15. NOTICES

All notices to Noteholders regarding the Notes shall be valid if published in the *Financial Times* or another leading English language daily newspaper with circulation in London. The Issuer will ensure that notices to Noteholders are published (a) if and for so long as the Notes are listed on the Luxembourg Stock Exchange and so long as the rules so require, in a daily newspaper with circulation in Luxembourg, which is expected to be the *Luxemburger Wort* and/or the Luxembourg Stock Exchange's website, www.bourse.lu and (b) in a manner which complies with the rules and regulations of any other stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notices will, if published more than once, be deemed to have been given on the date of the first publication, as provided above.

Except in the case of Notes listed on the Luxembourg Stock Exchange (unless its rules so permit), until such time as any definitive Notes are issued, there may, so long as the global Note(s) representing the Notes is or are held in its or their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication as aforesaid the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg, as appropriate, for communication by them to the Noteholders. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg, as appropriate.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a global Note, such notice may be given by any Noteholder to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

The holders of Receipts, Coupons and Talons will be deemed for all purposes to have notice of the contents of any notice given to Noteholders in accordance with this Condition.

16. SUBSTITUTION OF THE ISSUER

- (a) The Issuer may, without the consent of any Noteholder or Couponholder, substitute for itself any other body corporate incorporated in any country in the world as the debtor in respect of the Notes, any Coupons, the Deed of Covenant and the Agency Agreement (the "Substituted Debtor") upon notice by the Issuer and the Substituted Debtor to be given in accordance with Condition 15, provided that:
- (i) the Issuer is not in default in respect of any amount payable under the Notes;
 - (ii) the Issuer and the Substituted Debtor have entered into such documents (the "Documents") as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each Noteholder to be bound by these Terms and Conditions and the provisions of the Agency Agreement as the debtor in respect of the Notes in place of the Issuer (or of any previous substitute under this Condition 16);
 - (iii) the Substituted Debtor shall enter into a deed of covenant in favour of the holders of the Notes then represented by a global Note on terms no less favourable than the Deed of Covenant then in force in respect of the Notes;
 - (iv) if the Substituted Debtor is not Piraeus Bank, the Deed of Guarantee extends to the obligations of the Substituted Debtor under or in respect of the Notes, any Coupons, the Deed of Covenant and the Agency Agreement and continues to be in full force and effect;
 - (v) if the Substituted Debtor is resident for tax purposes in a territory (the "New Residence") other than that in which the Issuer prior to such substitution was resident for tax purposes (the "Former Residence"), the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Noteholder has the benefit of an undertaking in terms corresponding to the provisions of Condition 10, with the substitution of references to the Former Residence with references to the New Residence;
 - (vi) the Substituted Debtor and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the Documents;
 - (vii) legal opinions shall have been delivered to the Agent from lawyers of recognised standing in the jurisdiction of incorporation of the Substituted Debtor, in England and in Greece as to the fulfilment of the requirements of this Condition 16 and that the Notes and any Receipts, Coupons and/or Talons are legal, valid and binding obligations of the Substituted Debtor;
 - (viii) if Notes issued or to be issued under the Programme have been assigned a credit rating by Standard & Poor's and/or Moody's and/or Fitch, Standard & Poor's and/or Moody's and/or Fitch as the case may be, having been notified of the proposed substitution, shall not have stated within 30 days thereafter that, as a result of such substitution, the credit rating of the Notes would be downgraded;
 - (ix) each stock exchange on which the Notes are listed shall have confirmed that, following the proposed substitution of the Substituted Debtor, the Notes will continue to be listed on such stock exchange; and
 - (x) if applicable, the Substituted Debtor has appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Notes and any Coupons.
- (b) Upon such substitution the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Notes, any Coupons, the Deed of Covenant and the Agency Agreement with the same effect as if the Substituted Debtor had been named as the Issuer herein, and the Issuer shall be released from its obligations under the Notes, any Receipts, Coupons and/or Talons, the Deed of Covenant and under the Agency Agreement.

- (c) After a substitution pursuant to Condition 16(a) the Substituted Debtor may, without the consent of any Noteholder or Couponholder, effect a further substitution. All the provisions specified in Conditions 16(a) and 16(b) shall apply *mutatis mutandis*, and references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.
- (d) After a substitution pursuant to Condition 16(a) or 16(c) any Substituted Debtor may, without the consent of any Noteholder or Couponholder, reverse the substitution, *mutatis mutandis*.
- (e) The Documents shall be delivered to, and kept by, the Agent. Copies of the Documents will be available free of charge during normal business hours at the specified office of each of the Paying Agents.

17. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes ranking *pari passu* in all respects (or in all respects save for the amount and date of the first payment of interest thereon) with the outstanding Notes and so that the same shall be consolidated and form a single series with the outstanding Notes.

18. GOVERNING LAW; SUBMISSION TO JURISDICTION

- (a) The Agency Agreement, the Deed of Covenant, the Deed of Guarantee, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law except that (i) Condition 20 and (ii), in the case of Dated Subordinated Notes issued by Piraeus Bank, Condition 3(a) is governed by and shall be construed in accordance with Greek law and in the case of Dated Subordinated Notes issued by Piraeus PLC, Condition 3(b) and clause 5.8 of the Deed of Guarantee are governed by and shall be construed in accordance with Greek law.
- (b) Piraeus Bank irrevocably agrees, for the exclusive benefit of the Noteholders that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes (together "Proceedings"), which may arise out of or in connection with the Agency Agreement, the Deed of Covenant, the Deed of Guarantee and the Notes and, for such purpose, irrevocably submits to the jurisdiction of such courts.
- (c) Piraeus Bank irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably and unconditionally agrees that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction. Nothing in this Condition shall limit any right to take Proceedings against Piraeus Bank in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.
- (d) Piraeus Bank irrevocably and unconditionally agrees that service in respect of any Proceedings may be effected upon Piraeus Bank S.A., London branch at Tower 42, 25 Old Broad Street, London EC2N 1PB and undertakes that in the event of it ceasing to maintain a London branch Piraeus Bank will forthwith appoint a further person as its agent for that purpose and notify the name and address of such person to the Agent and agrees that, failing such appointment within fifteen days, any Noteholder shall be entitled to appoint such a person by written notice addressed to Piraeus Bank and delivered to Piraeus Bank or to the specified office of the Agent. Nothing contained herein shall affect the right of any Noteholder to serve process in any other manner permitted by law.

19. THIRD PARTY RIGHTS

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20. PIRAEUS BANK NOTEHOLDERS AGENT

Should law 3156/2003 of the Hellenic Republic (the "Bond Law") apply in the case of issue of Notes by Piraeus Bank (the "Piraeus Bank Notes"), Piraeus Bank shall, if required to do so under the Bond Law, whether the holders of Piraeus Bank Notes (the "Piraeus Bank Noteholders") are organised in a group or otherwise, appoint an agent (the "Piraeus Bank Noteholders Agent") by way of a written agreement (the "Piraeus Bank Noteholders Agency Agreement"). The Piraeus Bank Noteholders Agent shall represent the Piraeus Bank Noteholders judicially and extra-judicially in accordance with the provisions of the Bond Law. The Piraeus Bank Noteholders Agency Agreement shall include, among others, provisions for convening meetings of the Piraeus Bank Noteholders to consider, *inter alia*, any matter affecting their interests, as may be required under the Bond Law. The particular duties, rights and liabilities of the Piraeus Bank Noteholders Agent and any amendments to the Conditions and this Offering Circular, inherent to (i) the appointment of the Piraeus Bank Noteholders Agent, and (ii) the entering into the Piraeus Bank Noteholders Agency Agreement shall be included in the relevant Final Terms and/or, if necessary, any supplement to this Offering Circular which will be prepared for the issue of Piraeus Bank Notes.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used by the relevant Issuer for the general corporate and financing purposes of the Group (as defined below) which include making a profit. If in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

PIRAEUS GROUP FINANCE PLC

Introduction

Piraeus Group Finance PLC ("Piraeus PLC") was incorporated in and under the laws of England on 26th October, 2000 as a public limited company of indefinite duration registered in England with number 4097418. Piraeus PLC operates under the Companies Act 1985. The registered office of Piraeus PLC is at Tower 42, 25 Old Broad Street London EC2N 1PB, telephone +44 20 7537 1118. Piraeus PLC was acquired by Piraeus Bank on 25th January, 2001 and the share capital of Piraeus PLC continues to be held, directly or indirectly, by Piraeus Bank. Piraeus PLC's legal and commercial name is Piraeus Group Finance PLC.

Directors

The Directors of Piraeus PLC and their respective business addresses and principal activities in relation to Piraeus PLC and Piraeus Bank are:

Name	Address	Principal activities
Chris Wheeler	Tower 42, 25 Old Broad Street London EC2N 1PB	Director of Piraeus PLC
Irini Tzortzoglou	Tower 42, 25 Old Broad Street London EC2N 1PB	Director of Piraeus PLC Director of Piraeus Group Capital Ltd

Other than as disclosed above, no Director has any activities outside Piraeus PLC which are significant with respect to Piraeus PLC.

The Secretary of Piraeus PLC is Jamestown Investments Limited, 4 Felstead Gardens, Ferry Street, London E14 3BS.

Piraeus PLC has no employees or non-executive Directors.

Piraeus PLC is not aware of any potential conflict of interest between the duties to Piraeus PLC of the persons listed above and their private interests or other duties.

Activities

The share capital of Piraeus PLC was acquired, directly or indirectly, by Piraeus Bank with the intention that Piraeus PLC should operate as a financing vehicle for Piraeus Bank and the Group. Except in connection with the Programme, Piraeus PLC has not engaged in any activities since its incorporation. Piraeus PLC has no subsidiaries or associated companies. Piraeus PLC is not aware of any arrangement the operation of which may at a subsequent date result in a change of control of Piraeus PLC.

General

Piraeus PLC has made no investments since the date of the last published financial statements and has made no firm commitments on future investments.

As Piraeus PLC is a finance company whose sole business is raising debt to be on-lent to Piraeus Bank and other subsidiaries of Piraeus Bank on an arm's-length basis, Piraeus PLC is dependent upon Piraeus Bank and other subsidiaries of Piraeus Bank servicing these loans.

There have been no recent events particular to Piraeus PLC which are to a material extent relevant to the evaluation of Piraeus PLC's solvency.

No trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on Piraeus PLC's prospects for the current financial year have been identified.

Piraeus PLC's objects are set out in paragraph 4 of its Memorandum of Association and includes carrying on its business as a general commercial company.

Other than the execution of the Programme Agreement, the Agency Agreement, the Deed of Covenant and the Notes (each as defined in this Offering Circular) Piraeus PLC has not entered into any contract outside the ordinary course of its business which could result in Piraeus PLC being under an obligation or entitlement that is material to Piraeus PLC's ability to meet its obligations to the holders of Notes under the Programme.

Piraeus PLC has no audit committee and complies with general provisions of English law on corporate governance.

Capitalisation and Indebtedness

The following table sets out the capitalisation and indebtedness of Piraeus PLC as at 31st December, 2007. There has been no material change in the capitalisation of Piraeus PLC since 31st December, 2007.

	Year ended 31st December, 2007	Year ended 31st December, 2006
	(Amounts in EUR thousands)	
Authorised Share Capital of 50,000 Ordinary Shares of £1 each.....	75	73
Issued Share Capital of 50,000 Ordinary Shares of £1 each paid up as to 25p each	18	18
Profit and loss account.....	286	201
Total Shareholders' Equity	286	1,148
Shareholders' Equity.....	286	1,148
Creditors falling due within one year.....	3,234,714	2,563,897
Total Shareholders' Equity and Liabilities	6,699,694	5,269,630

The debt of Piraeus PLC as of 31st December, 2007 was €6,684.2m (2006 – €5,251.8m).

As at the date of this Offering Circular, no call has been made on the 75p not paid up on each Ordinary Share (£37,500 in total).

Accounts and Dividends

Since the date of its incorporation, two dividend payments have been made. This amounted to €3.5m in 2006, and €6m in 2007. Copies of the latest annual accounts for the years dated 31st December, 2006 and 2007 and interim (if any) accounts of Piraeus PLC, if required to be produced, will be available free of charge at the specified offices of Deutsche Bank S.A. Luxembourg in Luxembourg.

Selected financial information relating to Piraeus PLC

The financial information set out below has been derived from the audited financial statements of Piraeus PLC at 31st December, 2007. Such information should be read in conjunction with, and is qualified in its entirety by reference to, Piraeus PLC's audited financial statements and the related notes thereto incorporated by reference to this Offering Circular.

Profit and Loss Account

	Year ended 31st December, 2007	Year ended 31st December, 2006
	(Amounts in EUR thousands)	
Turnover.....	287,533	156,693
Interest Payable.....	(279,928)	(151,275)
Foreign Exchange Gains/(Losses).....	(100)	6
	7,505	5,424
Administrative Expenses.....	(186)	(136)
Profit/Loss on ordinary activities before Taxation	7,319	5,288
Tax on Profit on Ordinary Shares	(2,181)	(1,587)
Retained Profit/Loss for the financial period	5,138	201

Balance Sheet

	Year ended 31st December, 2007	Year ended 31st December, 2006
	(Amounts in EUR thousands)	
Current Assets		
Amounts due from Parent undertakings.....	6,684,529	5,255,835
Fair Value of derivatives.....	15,156	13,786
Cash at bank and in hand.....	9	9
	6,699,694	5,269,630
Creditors: Amounts falling due within one year	(3,234,714)	(2,563,897)
Derivative financial instruments	(15,156)	(13,786)
Net Current Assets	3,449,824	2,691,947
Creditors: Amounts falling due after more than one year	(3,449,824)	(2,690,799)
Net Assets	286	1,148
Capital and Reserves		
Called up capital.....	18	18
Profit and loss	268	1,130
Shareholders' Funds	286	1,148

Audited Cash Flow Statement of Piraeus Group Finance plc

	1st January– 31st December, 2007	1st January– 31st December, 2006
	(Amounts in EUR thousands)	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash Inflows		
Interest and Commission receipts	287,533	15,693
Increase in deposits from Customers and Credit Institutions (excluding borrowings from Credit Institutions)	0	0
Add: the decrease in accrued income.....	0	0
Less: the increase in accrued income.....	13,999	19,291
Sum of Cash Inflows	<u>273,534</u>	<u>137,402</u>
Cash Outflows		
Interest and Commission Expense	279,928	151,275
Staff and Other Administrative Expenses.....	0	0
Other operating and Exceptional expenses	186	136
(Gain)/Loss from FX trading and revaluations and loss from securities trading	100	(6)
Increase in loans and advances to Customers and Credit Institutions.....	1,411,381	2,041,175
Less: the decrease in prepaid expenses.....	0	0
Add: the decrease in accrued expenses.....	0	0
Less: the increase in accrued expenses.....	14,381	19,331
Add: the decrease in other liabilities excl. Dividends & Taxes payable.....	0	0
Less: the increase in other liabilities excl. Dividends & Taxes payable.....	0	0
Taxes and Dividends Cash Flows	5,715	4,625
Sum of Cash Outflows	<u>1,682,929</u>	<u>2,177,874</u>
Net Cash from Operating Activities	<u>(1,409,395)</u>	<u>(2,040,472)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Sum of Cash Inflows	0	0
Sum of Cash Outflows	0	0
Net Cash from Investing Activities	0	0
CASH FLOW FROM FINANCING ACTIVITIES		
Cash Inflows		
Increase in liabilities from Issuing bonds and other securities .	1,412,710	1,642,569
Increase in Subordinated debt.....	0	400,000
Sum of Cash Inflows	<u>1,412,710</u>	<u>2,042,569</u>
Cash Outflows		
Interest expense from issued bonds	0	0
Sum of Cash Outflows	<u>0</u>	<u>0</u>
Net Cash from Financing Activities	<u>1,412,710</u>	<u>2,042,569</u>
Net Increase in Cash and Cash Equivalents	3,315	2,097
Cash and Cash Equivalents at the Beginning of the Year ..	2,444	347
Cash and Cash Equivalents at the End of the Year	5,759	2,444

PIRAEUS BANK S.A. AND THE PIRAEUS BANK GROUP

The following overview should be read in conjunction with, and is qualified in its entirety by, the more detailed information and the financial statements, including the notes thereto, appearing elsewhere or incorporated by reference in the Offering Circular.

1. Overview of Piraeus Bank S.A. and the Piraeus Bank Group

Piraeus Bank S.A. (the "Bank") was incorporated in Greece on 6th July, 1916 pursuant to the laws of the Hellenic Republic and is presently operating as a credit institution under the Codified Law 2190/1920 and Law 2076/1992, each as in force. The Bank is a company limited by shares (société anonyme) with the legal name 'Piraeus Bank Société Anonyme'. It is registered in Greece (number 6065/06/B/86/04) and has its registered office at 4 Amerikis Str., 105 64 Athens, Greece (telephone +30 210 333 5000). It has been listed on the Athens Exchange ("ATHEX") since 1918, and is subject to regulations and supervision by the Bank of Greece as well as the Hellenic Capital Market Commission. The Bank's commercial name is Piraeus Bank S.A. The duration of the Bank as determined by its Articles of Association has been extended to terminate on 6th July, 2099.

The Bank was initially headquartered in the city of Piraeus, port of Athens. The Bank was nationalised in 1975 and reverted to private ownership in 1991 to a group of prominent businessmen. Today, the Bank is the flagship company of the Piraeus Bank Group of Companies (the "Piraeus Bank Group" or the "Group") and the direct parent of the majority of the subsidiaries comprising the Group.

Both the Bank and the Group, as a whole, have developed rapidly over the last few years, through organic growth and acquisitions. At 31st December, 2007 the Group's assets totalled €46.4 billion and is now the fourth largest banking group in Greece in terms of loans (market share as of 31st December, 2007 was 12.0 per cent.). The Group contains a number of companies covering a wide spectrum of retail and commercial banking services in the Greek market, including corporate and investment banking, mutual funds management, equity brokerage, leasing, financial consulting, venture capital and bancassurance.

In addition to organic growth, the Piraeus Bank Group has made a series of strategic acquisitions with the goal of establishing a strong presence in the dynamically developing market. In 1998 Piraeus Bank acquired and absorbed the Greek operations of Chase Manhattan Bank and in 1999 of National Westminster Bank. In June 2000, through an exchange of shares, Piraeus Bank merged with two of its banking subsidiaries, Macedonia-Thrace Bank and XiosBank, in which it had held controlling interests since April 1998 and February 1999, respectively. In early 2002, Piraeus Bank acquired the Hellenic Industrial Development Bank ("ETBA Bank"), thus enhancing the Group's capital base and increasing its market share in banking activities, leasing and asset management. ETBA Bank was successfully absorbed by Piraeus Bank in December 2003. In 2004, the acquisition of Interbank New York and its absorption by Marathon Bank took place. In December 2004, the merger with Devletoglou Securities formed Piraeus Sigma-Devletoglou Securities SA (renamed Piraeus Securities SA). In 2005, Bulgarian Eurobank (renamed Piraeus Bank Bulgaria AD), Serbian Atlas Bank (renamed Piraeus Bank Beograd) and Egyptian Commercial Bank (renamed Piraeus Bank Egypt SAE) were incorporated into Piraeus Bank Group. In the same year, the merger by absorption of Hellenic Investment Company was also completed. In 2007, Piraeus Bank completed the acquisition of 99.6 per cent. of the share capital of the Ukrainian Bank 'International Commerce Bank' (renamed Piraeus Bank ICB), while at the end of the year Piraeus Bank acquired the Cypriot branch network of Arab Bank.

In October 2007, Piraeus Bank, after a ten-year period of co-operation, transferred to ING its stake in their joint venture capital (ING Piraeus Life Insurance SA). This new distribution partnership will cover exclusive distribution of ING life insurance, employee benefits and pension products through the Piraeus Bank network in Greece and, respectively, the promotion of Piraeus Bank retail banking products from ING's agent network in Greece.

The Bank's know-how extends into retail banking, small and medium-sized enterprises ("SMEs"), capital markets and investment banking, leasing and shipping. These services are offered through the Bank's branch network and its subsidiaries, and through the electronic banking network of 'winbank'.

Internationally, the Group has expanded its presence steadily. The Group operates in New York through its subsidiary Marathon Bank (14 branches), in London through a branch of Piraeus Bank, in Albania through its subsidiary Tirana Bank (39 branches), in Romania through its subsidiary Piraeus Bank Romania S.A. (110 branches), in Bulgaria through its subsidiary Piraeus Bank Bulgaria

(76 branches), in Serbia through its subsidiary Piraeus Bank (Beograd) (45 branches), in Egypt through Piraeus Bank Egypt (53 branches) and in the Ukraine through Piraeus Bank ICB (86 branches).

In accordance with Greek law, the Bank prepared annual audited and semi-annual unaudited financial statements in accordance with Greek GAAP (until 31st December, 2004). As of 1st January, 2005, the Bank prepares all its financial statements under the International Financial Reporting Standards ("IFRS"), while, due to comparability purposes, 2004 financial statements are also prepared under IFRS. PricewaterhouseCoopers are the auditors for the annual financial statements. The quarterly financial statements prepared by the Bank under IFRS are unaudited.

At 31st December, 2007, Piraeus Bank Group had a network of 744 branches (of which 424 were abroad) and 1,060 ATMs (622 on-site and 438 off-site) in Greece and employed 12,357 people (6,600 of whom were employed by the Bank). Its equity capital amounted to €3.3 billion with a CAD ratio of 12.3 per cent. and a Tier 1 ratio of 9.8 per cent. (Basle I).

Customer deposits and retail bonds issued amounted to €23.9 billion, loans reached €30.7 billion and total assets were €46.4 billion.

There have been no recent events particular to Piraeus Bank which are to a material extent relevant to the evaluation of Piraeus Bank's solvency.

2. Strategy

Piraeus Bank has taken advantage of the deregulation and consolidation of the Greek market in the 1990s by increasing its presence in the domestic retail banking market and raising its share of the loan market from 0.3 per cent. in 1991 to 12.0 per cent. at the end of 2007 (source: published financial statements – Bank of Greece). The Greek banking market offers opportunities for development as viewed by a variety of measures, such as household loans-to-GDP (30 per cent. as opposed to 43 per cent. in the Eurozone) or business loans-to-GDP (49 per cent. as opposed to 82 per cent. in the Eurozone) (source: Bank of Greece).

Over the next three years, the Bank seeks to achieve a 14 per cent. share of loans in Greece where room for growth in the mortgage and consumer credit segments is considerable. The Group plans to maintain its focus on servicing SMEs through specialised products and longer credit terms. With regard to medium and large enterprises and shipping, the Group aims to establish a greater presence, with profit margins commensurate with the assumed risk. The Group's loans in arrears (for a period of more than 90 days) are targeted to be reduced to below 2.5 per cent. by 2010.

In investment banking, the Group intends to enhance its current presence in the market, whereas in the private banking sector the renewal of electronic data processing ("EDP") and organisation infrastructures is anticipated to strengthen the Group's involvement in asset management.

In Southeast Europe and the eastern Mediterranean area, the Group aims to take advantage of the banking reforms expected in the medium-term by further improving its share of the loan market in each country where it operates.

The Bank plans to maintain its branch expansion rate by establishing approximately 20 new branches over the next 12 months, mainly in the Attica prefecture surrounding Athens where economic activity exceeds the potential of the existing network. This will complement the historically strong presence in Northern Greece which the Bank had acquired via the purchase of ex-Macedonia Thrace Bank in 1998. These new branches, along with the maturing of more than 110 branches established in the past five years, are expected to contribute decisively to the further growth of the Group's operations.

The Group is keen to expand its business while maintaining efficiency. The Group's medium-term cost-to-income target ratio is set to be below 42 per cent. by 2010 (as opposed to 45.1 per cent. in 2007). The maturing of its Greek branch network and the cost containment policy drove after-tax return on equity ("ROE") to 29.6 per cent. from 29 per cent. in 2006.

No trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on Piraeus Bank's prospects for the current financial year have been identified.

Other than the execution of the Programme Agreement, the Agency Agreement, the Deed of Covenant, the Deed of Guarantee and the Notes (each as defined in this Offering Circular), neither Piraeus Bank nor any other group member has entered into any contract outside the ordinary course of its business which could result in any Piraeus Bank group member being under an obligation or

entitlement that is material to Piraeus Bank's ability to meet its obligations to the holders of Notes under the Programme.

3. Piraeus Bank Group Organisational Structure

The Greek financial services sector has historically been characterised by the presence of specialised companies established around a principal bank. In a similar manner, the Piraeus Bank Group is comprised of Piraeus Bank S.A. and its subsidiaries. Piraeus Bank S.A. is not dependent upon any other entities within the Group. The following diagram summarises the divisional structure of the principal subsidiaries of the Piraeus Bank Group as at 31st December, 2007:

Piraeus Bank Group				
Commercial Banking	Investment Banking	Asset Management	Bancassurance	Non-Financial Companies
Piraeus Bank Tirana Bank (90.72%) Marathon Banking Corporation (86.64%) Piraeus Bank Romania (100%) Piraeus Leasing Romania (100%) Piraeus Leasing (87.55%) Piraeus Best Leasing (42.10%) Piraeus Multifin (100%) Piraeus Factoring (100%) Multicollection (51.0%) Piraeus Bank Beograd (100%) Piraeus Bank Bulgaria (99.98%) Piraeus Bank Egypt (95.36%) Tirana Leasing (100%) Piraeus Leasing Bulgaria (100%) Auto Leasing Bulgaria (100%) Piraeus Egypt Leasing (95.30%) International Commerce Bank Ukraine (99.95%)	Piraeus Securities (100%) Euroinvestment & Finance (90.67%)	Piraeus Asset Management (100%) Piraeus Asset Management Europe (100%) Piraeus Group Capital (100%) Piraeus Group Finance (100%) Piraeus Egypt Asset Management (85.71%)	Piraeus Insurance and Reinsurance Brokerage SA (100%) Piraeus Insurance Reinsurance Broker Romania SRL (100%) Piraeus Insurance Brokerage EOOD (99.98%)	Piraeus Direct Services (100%) Piraeus Cards (100%) Exodus (50.10%) Picar (100%) Piraeus Real Estate Property (100%) ETBA Industrial Estates (65.00%) Piraeus Real Estate Consultants (100%)

4. Ownership of Piraeus Bank S.A.

In September 2007, Piraeus Bank completed a 1.35 billion share capital increase by cash contribution, which significantly enhanced its capital base, so as to continue the growth of its operations and volumes, both in the domestic and international markets.

As of 31st December, 2007, Piraeus Bank's share capital consisted of 339,198,587 common registered shares listed on the Athens Exchange and the total number of shareholders stood at 145,425. It was resolved in the Second Iterative Ordinary General Meeting of shareholders, held on 7th May, 2008, that, amongst other things, Piraeus Bank would decrease the total number of shares to 328,791,050, through the cancellation of 10,407,537 own shares.

No individual shareholder owns an interest in excess of 5.0 per cent. No shareholder has a controlling interest in Piraeus Bank.

Ownership (%)	Shareholder Identity
41.8	Foreign institutional investors
10.9	Greek institutional investors
9.0	Corporates
3.3	Treasury Stock
2.5	Greek State (ex-ETBA Bank's shareholder)
32.5	Individual Shareholders

Piraeus Bank is not aware of any arrangements the operation of which may at a subsequent date result in a change in control of Piraeus Bank.

5. Management of Piraeus Bank S.A.

The Board of Directors of the Bank consists of 17 members: seven Executive and 10 Non-Executive, three of whom are independent and their tenure will expire on 12th April, 2009.

In accordance with the provisions of article 2, para. 2(e) of the resolution 3/347/12.07.2005 of the Hellenic Capital Market Commission, Piraeus Bank notifies that Mr. Nikolaos Zografos (Non-Executive Member), submitted his resignation at the Board of Directors meeting on 3rd June, 2008. Mr. Spiridonas Papaspirou was elected as new Member of the Board of Directors, in replacement of the resigned. Mr Ilias Milis was elected as new Member of the Board of Directors, from 21st May, 2008, in replacement of the resigned, Mr. Georgios Provopoulos.

The above resolutions shall be submitted for ratification at the next General Meeting of the shareholders of the Bank.

The Board of Directors was reconstituted as a body and designated its Executive and Non-Executive Members, in accordance with Law 3016/2002, as follows:

Executive Members

Michael Sallas of Georgios, Chairman
Theodoros Pantalakis of Nikolaos, Vice-Chairman and Managing Director
Alexander Manos of Stefanos, Managing Director
Christodoulos Antoniadis of Georgios, Deputy Managing Director
Stavros Lekkakos of Michael, Deputy Managing Director
Ilias Milis of Dimitrios, Deputy Managing Director
Spiridonas Papaspirou of Athanasios, Deputy Managing Director

Non-Executive Vice-Chairmen

Konstantinos Aggelopoulos of Panagiotis
Ioannis Vardinoyiannis of Vardis

Non-Executive Members

Georgios Alexandridis of Paraschos, Independent Non-Executive Member
Hariklia Apalagaki of Andreas, Non-Executive Member
Eftyhios Vassilakis of Theodoros, Non-Executive Member
Iakovos Georganas of Georgios, Non-Executive Member
Stylianos Gkolemis of Dimitrios, Non-Executive Member
Fotini Karamanli of Achilleas, Independent Non-Executive Member
Theodoros Mylonas of Pavlos, Independent Non-Executive Member
Vassilios Fourlis of Stylianos, Non-Executive Member

Other than as disclosed above no Executive Member, Non-Executive Vice Chairman or Non-Executive Member has any activities outside Piraeus Bank which are significant with respect to Piraeus Bank.

Piraeus Bank is not aware of any potential conflicts of interest between the duties to Piraeus Bank of the persons listed above and their private interests or other duties.

The business address of each person identified above is 4 Amerikis Street, 105 64 Athens, Greece.

6. Activities of the Piraeus Bank Group

The Piraeus Bank Group, either through the Bank or its subsidiaries, provides a wide variety of banking products and services to retail customers and corporate clients. The Group is active in retail banking, corporate banking, shipping, investment banking and e-banking, and provides services in equity brokerage, asset management and bancassurance.

6.1. Retail Banking and Branch Network

Retail banking is mainly conducted through the Bank's branch network in Greece and abroad through the Group. The Bank offers a variety of products in retail banking and is focused on developing specialised products for the Greek market. Facilitated by the Bank's branch network and alternative distribution channels, mortgage and consumer credit totals have grown significantly over the last few years and are expected to continue, particularly as the loan market itself has significant room for development.

6.1.1. Deposit Products

The Bank offers a wide range of depositary and investment products suited for individual clients as well as for corporate clients, in all major foreign currencies. Total deposits have been increasing, supported by the expanding branch network.

Deposits (on a consolidated basis)

Amounts in EUR million as at 31st December

	2007	2006	Change
Savings deposits.....	3,573	3,626	-1%
Sight deposits.....	5,007	4,034	24%
Term deposits.....	12,354	8,774	41%
Retail bonds issued, repos and other deposits.....	2,981	1,529	95%
Total customer deposits and retail.....	23,914	17,964	33%

6.1.2. Personal Investment and Mutual Funds

Investment opportunities in mutual funds are provided by Piraeus Asset Management Mutual Funds and Piraeus Asset Management Europe S.A.

6.1.3. Mortgage and Consumer Credit

Mortgage and Consumer Credit continued to grow in 2007, accounting for 32.8 per cent. of the Group's total loan advances. The 2007 domestic market share for the Group reached 9.9 per cent. in the consumer credit segment and 7.8 per cent. in mortgage credits.

Regarding personal loans, the Bank offers customised interest-rate products off its individualised consumer loan platform. With respect to mortgage and home repair loans, the Bank distributes a wide range of fixed and floating rate mortgages of up to 30 years' maturity. With respect to credit card issuance, holders of Visa, MasterCard, and co-branded credit cards amounted to 356,000, generating €745 million in turnover. The total number of debit cards rose to more than 993,000 as at 31st December, 2007, and the market is expected to grow as spending habits converge with the European average. The Bank is active in consumer vehicle financing via Piraeus Multifin S.A., granting financing for new and used vehicles at either the purchase (stock finance) or sale stages. Piraeus Multifin works with more than 450 car dealerships, including certain main dealers.

Consumer Credit (on a consolidated basis)

Amounts in EUR million as at 31st December

	2007	2006	Change
Consumer loans.....	4,336	2,904	49%
Mortgage loans.....	5,743	4,442	29%
Totals.....	10,079	7,347	37%

6.1.4. Other Retail Banking Services

6.1.4.1. Bancassurance and Insurance Brokerage

In 2007, the Bank's branch network continued to strategically promote bancassurance products, resulting in an increase of the total premiums under management by 59% to €196.2 million, with new products amounting to €72.4 million.

The Group has two brokerage companies, Piraeus Insurance Brokerage and Reinsurance Brokerage (under the distinctive title "Piraeus Insurance Brokers S.A."), which are active brokers in the product area of non-life insurance contracts and Piraeus Insurance Agency S.A. (under the distinctive title "Piraeus Brokerage"), which is mostly active in the area of life insurance products. The activity of both companies aims initially at covering the insurance needs of the Bank's customers as well as the needs of the Group in total.

At the same time, the two companies aim at widening the Group's customer base, by establishing co-operation with individuals or enterprises that have not yet had a customer relation with the Group. The organisation, experience and co-operation with the most significant insurance companies in Greece and abroad, and ING as regards Piraeus Insurance Brokers and Piraeus Brokerage respectively allow companies to ensure full coverage, low insurance premiums and high quality of service.

6.1.4.2. e-banking

In 2007, for the seventh consecutive year, winbank (the electronic banking division of Piraeus Bank), achieved one of its main strategic objectives by launching the Piraeus Bank e-banking platform winbank continued to maintain its top position in the market. It continues to lead at a domestic and international level through innovation and high quality services which have led to winbank receiving various distinctions. More specifically, its internet banking and mobile banking services were ranked first in benchmark tests carried out by the Greek high-tech magazine PC Magazine ("Editor's Choice"). At the same time, the new innovative service of sending and receiving cash through ATMs "Instant Cash" was awarded the pan-European distinction "Best Online and Mobile Award 2007" by EFMA (European Financial Management and Marketing Association). The "Instant Cash" service provides the possibility of sending cash to third parties through internet or telephone.

In addition, the service customer/user satisfaction rate is exceptionally high, since 94 per cent. and 92 per cent. of the customers in Greece said they were either satisfied or very satisfied with internet banking and ATM services availability respectively. Internet banking visits increased by 37 per cent., active customers' numbers by 60 per cent. and money transactions by 41 per cent. Out of the Bank's total, winbank served above 65 per cent. of payments to the State (VAT, Social Security Institute (IKA), Insurance Organisation for Professionals (OAE)), 53 per cent. of money transfers and 31 per cent. of stock exchange trading. The users of "winbank alert" increased by 76 per cent. and received more than 1,447,000 messages (e-mail, SMS and phone calls).

In 2007 winbank introduced the provision of the specialised device extraPIN generator (in Greece and Romania) to its customers, which enhances security and improves user experience by generating single-use security codes.

In 2007 winbank completed the first phase of development of the new uniform platform that will allow all subsidiaries abroad to provide internet banking, mobile banking and phone banking services to their customers. The first bank that took advantage of this new platform was Tirana Bank in Albania (including all of its subsidiaries abroad until the end of 2008). At the same time, the creation of a call centre in all subsidiaries abroad was completed.

In Greece, easypay machines (Automatic Payment Systems) are installed in 229 branches, in 24 Citizen Service Centres, as well as 13 off-site locations, significantly reducing the number of cashiers required in those branches. Income from "card-not-present" sales increased by 44 per cent. for Greek internet business through Piraeus Bank paycentre services, increasing the total turnover of transactions carried out by 42 per cent., reaching €181 million.

The winbank easypay service (www.easypay.gr) is a portal for remote credit card payments to enterprises, and during its second year of operation, it managed to attract 370 Greek companies marking an annual increase of 67 per cent.

By the end of 2007, the Group's ATM network comprised 1,060 units (622 on-site and 438 off-site). In Greece, there were 659 ATMs (322 on-site and 337 off-site), which saw an increase in transactions by 32 per cent. In addition, the installation of new machines supporting online cash deposits continued at an intensive rate, raising the number of installed units to 50 and accounting for 31 per cent. of the total deposits in ATMs.

In 2007 approximately 223,000 new debit cards were delivered (more than 65 per cent. than in 2006), raising their total number to approximately 755,000, while transactions amounting to more than 20 million were carried out. More than 993,000 debit cards were in circulation throughout the Group. Finally, at the end of the year "weBuy", the first prepaid card for distance purchases and payments was issued.

6.2. *Corporate Banking*

Piraeus Bank Group offers financing services to businesses that operate in all sectors of the economy through its: Corporate Banking Division, Shipping Banking Division, branch network, subsidiary banks and subsidiary leasing and factoring companies.

Piraeus Bank attributes great importance to its relationship with medium-large corporations, providing a wide range of modern banking services and products, including syndicated loans and bond issues. The Bank manages its larger corporate relationships, including Greece's biggest corporate names, centrally, through the Corporate Banking Division. The needs of SMEs are met through the branch network, where specialised products are offered, as well as loans targeted to specific market segments. The product range encompasses all types of working capital, trade finance, fixed assets and equipment and mortgages, leasing, factoring, documentary, letters of guarantee, foreign exchange, capital markets and advisory services.

Piraeus Bank has also established a specialised shipping centre providing the full range of banking products and services needed by shipping companies.

6.2.1. *Corporate Loans and Advances to Businesses*

Large corporates and shipping accounts constitute 22.7 per cent. of the Group's loans. In 2007, Piraeus Bank improved its return on employed capital, by means of more efficient use of the existing portfolio and cross selling. At the same time, it focused on improving its client base composition and upgrading the services offered. 2007 was a year of significant development for Piraeus Bank shipping banking sector. Financing doubled, with a balance of €1.5 billion at the end of 2007.

The Bank uses a threefold approach to SMEs that consists of product design, customer service procedures and after-sales support. The Bank supports this approach via a network of executives, trained to assess customer needs, evaluate them and implement decisions effectively and unbureaucratically, and sees itself as having a competitive edge in the area of SMEs.

With respect to leasing activities, Piraeus Leasing S.A. focuses on car, real estate and machinery leasing and has an estimated market share as regards credit expansion of 21.0 per cent. (source: Piraeus Bank estimate), establishing the Group's leading position in Greece. Total assets have increased to €1,237 million in 2007 compared with €1,042 million in 2006. In 2007 the separation of some of the leasing operations of Piraeus Leasing was completed and their contribution moved to the subsidiary Piraeus Leases, which has now undertaken the Group's leasing activities.

Piraeus Best Leasing S.A. is a subsidiary of Piraeus Leasing S.A. and currently manages 7,317 motor vehicles (as opposed to 6,604 in 2006).

In July 2007, Piraeus Bank acquired 94 per cent. of the shares of the Olympic Commercial and Tourist Enterprises S.A., known as AVIS Rent-a-Car. The company holds a dominant position in its field and is active in short-term and long-term car leasing. It is constantly developing. In 2007, 1,541 new cars were added, increasing the long-term fleet to 17,313 vehicles and the total fleet to 19,103 vehicles, a rise of 10 per cent. in relation to the previous year and an 18 per cent. increase in value. The turnover grew by 6 per cent. in relation to the previous year, coming mostly from long-term leasing.

Aiming to improve the Group's efficiency, the two companies are due to be merged. This is expected to be completed in 2008, creating the biggest car operating leasing company in Greece.

The Group provides domestic and export factoring services to Greek businesses, as well as consumer factoring through Piraeus Factoring S.A. It offers amounts receivable management and collection, credit risk insurance, financial statements improvement and ongoing information on customers' solvency. The company is a member of the international organisation Factor Chain International ("FCI") and co-operates with the major factoring organisations abroad.

Loans (on a consolidated basis)

Amounts in EUR million as at 31st December

	2007	2006	Change
Medium–Large Enterprises	5,420	3,912	39%
Shipping.....	1,541	743	107%
SMEs.....	13,665	8,803	55%
Total	20,626	13,458	53%

6.3. Investment Banking

Piraeus Bank has a significant presence in the developing capital markets of Greece and has acquired a large share in the securities underwriting market. Piraeus Bank Group is one of the leading IPO advisory institutions and among the major underwriters in the Greek market. The Group has also developed in the areas of syndicated loans arrangement, bond issuance, and offers consulting services for capital restructuring, company valuation, acquisitions and mergers and special financing for corporate clients.

6.3.1. Capital Market Operations

Piraeus Bank provides underwriting and consulting services throughout the capital market product spectrum.

Thanks to its broad branch network and contacts with major institutional investors, in 2007 Piraeus Bank was once again ranked in the top places having participated in all IPOs effected during the year, as either principal underwriter or underwriter.

Piraeus Bank provides underwriting services for IPOs on the ATHEX, for share capital increases, and for corporate bonds (convertible or regular). It also provides consulting services for company listings, capital restructuring, company valuation, acquisitions and mergers.

6.3.2. Stock Exchange Operations — Piraeus Securities S.A.

Piraeus Securities SA is the Bank's brokerage house. It trades, and intermediates in the trade of Greek and foreign shares, derivatives, government and corporate bonds and offers a wide range of investment services to its customers through its network. It is one of the first securities companies to have become a member of the ATHEX since its establishment in 1990. The company's national network includes three of its own branches and 30 associated brokerage offices as well as the entire network of Piraeus Bank's branches. The firm works with the majority of Greek and foreign institutional investors who are active in the domestic market.

In 2007, the company continued its leading role in the field of investment banking activities; and provided services to thousands of investors. Based on the total of transactions, its market share reached 9.0 per cent. Piraeus Securities average daily transactions in shares amounted to €87 million, achieving once more a significantly increased transaction volume by 31 per cent. in 2007, thus reaching €22 billion.

Furthermore, Piraeus Securities operated in all major global capital markets on behalf of its customers. The activity of its first subsidiary brokerage company in Romania was significant during 2007.

For several years the company has maintained a strong presence in the ATHEX derivatives market maintaining its market share in futures on stocks (18.2 per cent.) during 2007. Its transaction volumes in derivatives in all major global capital markets on behalf of its customers were also significant.

6.3.3 Custody Services

Custodian services are provided on a wide range of instruments including shares, bonds and derivative products etc. in the domestic as well as in foreign markets, for the Bank's network and institutional investors. The Bank is a general clearing member of the ADEX and the service range includes dividend/interest collections, corporate actions, and underwriting services for listed companies.

In 2007 the distribution and support of all products continued successfully (in bonds, shares and derivatives), in both the domestic and the international capital markets, with the total assets under management rising to €8.3 billion. Piraeus Bank provides custody services in all markets of Western and Eastern Europe, Asia and the USA, constantly raising portfolios and transactions.

In 2007, for a second consecutive year, Piraeus Bank was awarded the distinction “Best in Class for the Years 2006/7-In Client Services” by Money Markets, the international status magazine published by the British Publishing House Callender Media Group Publication, for the custody services offered both in Greece and abroad. This distinction comes as recognition of the Bank’s efforts to become the preferred choice of private and institutional investors for custody services in Greece and abroad.

6.4. Asset Management

Total assets under management by Piraeus Bank Group amounted to €25,960 million at the end of 2007 against €19,552 million at the end of the previous year, recording an increase of 33 per cent. This substantial growth was the result of the increased customer base of the Group, the further expansion of its network in Greece and abroad but also the intensive cross-selling elements marking positive improvements for the near future, where funding is of significant importance to the banks in the midst of a volatile international market in terms of liquidity.

Assets Under Management by the Group Amounts in EUR million (end of year)

	2007	2006	Change
Deposits and repos.....	22,067	16,735	32%
Retail bonds	1,847	1,230	50%
Assets under management ⁽¹⁾	2,046	1,588	29%
Total	25,960	19,522	33%

⁽¹⁾ M/F (excluding money market) and wealth management

6.4.1. Piraeus Asset Management Mutual Funds SA

Piraeus Asset Management Mutual Funds S.A. is the bank’s investment arm in the management of mutual funds of institutional and investors. The company, with the exception of Piraeus M/F management, operates as a local representative/distributor of Goldman Sachs, JP Morgan Asset Management, Pioneer Asset Management and ING Luxembourg M/F. It also manages Piraeusinvest Equity M/F and Piraeusinvest Bond M/F offered by Piraeus Asset Management Company Luxembourg as well as various institutional portfolios.

In total, the company manages/represents 197 Mutual Funds. The total assets at the end of 2007 amounted to €1,018 million from €817 million in 2006, marking an increase of 25 per cent., whereas the value of other portfolios amounted to €32 million.

6.4.2. Wealth Management

During 2007, Piraeus Bank Wealth Management continued building on the comprehension of its new business model. The range of the products and services offered was expanded by adding new Mutual Funds, deposit products as well as offering structured investment products. Moreover, human resources were further strengthened in the Wealth Management unit, by attracting experienced executives and customer consultants. At the end of 2007, assets under management in Wealth Management amounted to €1,086 million from approximately €800 million at the end of 2006, marking a significant increase, while operating profit increased by 19 per cent.

6.5. Treasury

Treasury is entrusted with the Bank’s asset and liability management and serves as the Group’s principal point of access to the financial markets by actively participating in the interbank markets for money, foreign exchange, bonds and derivatives. Within guidelines of rational risk exposure and efficient capital allocation, Treasury trades and manages market risks, with the aim of delivering results and contributing to the Bank’s overall performance.

The Bank is a primary dealer of Greek State Bonds and plays an active role in the Greek debt markets. The Bank is a member of EUREX and a founding member of the ADEX.

Treasury has an established client base of institutional investors, which underpins the distribution of a variety of investment and risk management products addressing specific customer needs. The Bank is also active in the niche market of trading banknotes. In terms of technology, Treasury is equipped with digital information platforms, a variety of trading systems and comprehensive risk management systems.

In the course of expanding its funding capacity and broadening its funding base, the Bank established a Euro Commercial Paper ("ECP") programme in 2003. As at 31st December, 2007, the size of the ECP Programme was €5.0 billion and issuance equalled €2,905 million, capped by the Bank's funding requirements. The Bank also established a Euro Medium Term Note ("EMTN") Programme. As at 31st December, 2007, the size of the EMTN Programme was €10.0 billion, while senior issuance equalled €2,610.0 million and subordinated issuance €795.8.

6.6. International Banking Activities

In the context of its strategic goal to expand and diversify its sources of income, Piraeus Bank Group continued the rapid geographic expansion of its activities in 2007 in both developed and mainly South-eastern European and Eastern Mediterranean emerging markets.

The main features of the Group's international activities in 2007 included: significant growth of figures and international branch network, establishment of new subsidiaries of the broader financial sector and establishment of interbank relationships in funding operations.

In 2007 the Piraeus Bank Group international subsidiary branch network was strengthened by the opening of 189 branches against 87 branches established through organic growth in 2006. New branches per country were as follows: Albania 3; Romania 56; Bulgaria 9; Serbia 19; Egypt 14; Ukraine 86 and the USA 2. By the end of 2007 the Group had thus a presence in eight foreign countries (nine countries if operations in Cyprus are included which started in the beginning of 2008) through a network of 424 branches and employed a workforce of 5,757.

A pivotal point of the Group's policy in these markets is to focus its efforts on the expansion of SMEs and retail banking, which offer both substantial profit margins and growth perspectives.

At the end of 2007, total customer deposits in units of Piraeus Bank Group abroad amounted to €3,329 million, an increase of 45 per cent. over last year (€2,294 million), while total customer loans rose by 112 per cent. to €6,201 million.

Deposits from Customers

Amounts in EUR million as at 31st December

	2007	2006	Change
UK — Piraeus Bank branch	60	42	43%
USA — Marathon Bank NY	494	526	-6%
Romania — Piraeus Bank Romania S.A.	513	297	72%
Albania — Tirana Bank IBC	425	344	24%
Bulgaria — Piraeus Bank branches	598	399	50%
Serbia — Piraeus Bank Beograd	102	81	25%
Egypt — Piraeus Bank Egypt	1,028	581	77%
Cyprus.....	20	24	-17%
Ukraine (ICB)	89	—	—
Total	3,329	2,294	45%

Loans and Advances to Customers

Amounts in EUR million as at 31st December

	2007	2006	Change
UK — Piraeus Bank branch	517	278	86%
USA — Marathon Bank (N.Y.)	390	378	3%
Romania — Piraeus Bank Romania S.A.	2,280	642	255%
Albania — Tirana Bank IBC	350	214	63%
Bulgaria — Piraeus Bank branches	1,363	788	73%
Serbia — Piraeus Bank	399	177	125%
Egypt — Piraeus Bank Egypt	753	403	86%
Cyprus.....	30	38	-21%
Ukraine (ICB)	121	—	—
Total	6,201	2,920	112%

6.6.1. Piraeus Bank Branch in London

The activities of the Bank's London branch include:

- exploration of credit risk investment opportunities in emerging markets;
- mortgage loans mainly to Greek citizens interested in buying a house in London;
- mortgage loans to British citizens interested in buying a house in Greece and Bulgaria; and
- various deposit products customised to customer needs.

6.6.2. Marathon National Bank of New York

Marathon National Bank of New York holds a U.S. banking operating licence, is supervised by the U.S. Office of the Comptroller of the Currency, and provides a wide range of banking services and products through its branch network.

At the end of 2007, Marathon Bank showed a decrease of its total assets and deposits of 6 per cent. and 6 per cent. respectively, while credits increased by 3 per cent. Marathon Bank reached a network of 14 branches and total assets amounted to €557 million.

6.6.3. Piraeus Bank Romania S.A.

Piraeus Bank Romania was founded in 1995 as Pater Credit Bank, and in 2000 it was acquired and incorporated into the Piraeus Bank Group. During 2007, Piraeus Bank Romania grew further by:

- expanding its branch network units to 110;
- upgrading its centralised operations;
- offering new deposit and consumer credit products; and
- enlarging its market share to 4.8 per cent. (source: Central Bank of Romania).

By 31st December, 2007, the deposits of Piraeus Bank Romania rose to €513 million, total assets grew by 196 per cent. amounting to €2,878 million, and equity reached €273 million.

In addition, the following subsidiaries operate in Romania: Piraeus Real Estate Consultants, Piraeus Leasing Romania, Piraeus Insurance Reinsurance Brokerage Romania, Piraeus Securities Romania and Multicollection Romania (Debt Collection Company).

Piraeus Leasing Romania achieved an increase in loans in 2007 of 161 per cent. against 2006, totalling €192 million. The company's profits were €1.1 million in 2007.

6.6.4. Tirana Bank IBC

Tirana Bank was founded in September 1996 as the first privately owned banking institution in Albania and currently has assets totalling €554 million (as at 31st December, 2007, up 37.0 per cent. over the previous year). It increased its share of the banking sector in 2007 capturing an estimated 14.4 per cent. of loans in the domestic market (source: Central Bank of Albania). The current network of Tirana Bank IBC consists of 39 branches following the addition of three new branches. As at 31st December, 2007, total equity was €60 million. In October 2004, Tirana Leasing S.A. was set up to offer leasing services in the context of a complete product range.

6.6.5. Piraeus Bank Bulgaria AD

Piraeus Bank started operating as the first foreign bank in Bulgaria in 1993. The Bank initially focused on servicing Greek business in its efforts to penetrate the local market. During 2006, the full legal and functional merging with Evrobank was completed. Today, the Bank caters to local, non-Greek business and individual needs via its network of 76 branches, through a broad range of products and services. As at 31st December, 2007, deposits had risen by 50 per cent. to €598 million and loans increased by 73 per cent. amounting to €1,363 million representing 7.2 per cent. of the local loan market (source: Central Bank of Bulgaria).

Piraeus Leasing Bulgaria and Auto Leasing Bulgaria continued their course of development in 2007, with total assets configuring at €104.4 million, their loans at €96.9 million and their profit before tax at €1.6 million. During 2007, Piraeus Leasing Bulgaria entered the operating leasing sector, by acquiring Direct Leasing Bulgaria, which was then renamed Piraeus Best Leasing Bulgaria. In June 2006 its subsidiary Piraeus Insurance Brokerage commenced operation.

6.7. *Other activities*

Other activities are mostly associated with the real estate sector, with the aim of exploiting investment opportunities and synergies on the real estate market. Having foreseen the growth perspectives in the South-eastern European real estate market as associated with the countries' gradual integration in the EU, Piraeus Bank, at the beginning of 2006, proceeded to the incorporation of Trieris Real Estate Fund, an international investment company which is mainly involved in real estate investment in such countries.

6.7.1. Piraeus Real Estate Investment Company S.A.

Piraeus Real Estate Investment Company S.A. is the first institutional real estate investment organisation operating under the special investment Law 2778/1999 and was listed on the Athens Exchange on 28th June, 2005.

6.7.2. Picar S.A.

The company has undertaken the utilisation and operation until 2052 of the Citylink Building Complex which covers an entire block. This 65,000 m² building complex was opened to the public in 2005, except for its dining and recreation facilities which began operating in the final months of 2006.

Citylink already hosts the Piraeus Bank headquarters, the Attica Department Stores and the well-known Holmes Place Athens Health Club Spa, as well as the fully renovated "Pallas", "Aliko" and "Mikro Pallas" theatres.

6.7.3. ETBA Industrial Estates S.A.

ETBA Industrial Areas was set up by Piraeus Bank Group after the acquisition of ETBAbank. The country's industrial areas were then assigned. Piraeus Bank holds a 65 per cent. and the Greek State a 35 per cent. stake in the company. As a result an original, profitable and highly efficient private public partnership was developed, which marks yet another pioneering choice of Piraeus Group.

The industrial areas were developed in stages during the 1970s and 1980s, under the responsibility of the state-owned ETBAbank, and became organised accommodation areas for industries. Despite weaknesses that emerged in some cases, the industrial areas played a major part in the regional development and supported the manufacturing and processing activities. Currently, ETBA Industrial Areas S.A. operates 32 industrial areas nationwide, where it keeps building and managing infrastructure projects. Over 2,500 businesses are currently established there, employing over 40,000 people.

The company's revenues mainly come from the sale of land within the owned industrial areas, as well as from management services (water supply, sewage, biological purification, etc.). Additionally, as a result of the long experience in development project management, the company derives income from relevant services.

The assets of the company amount to €242.8 million, and total equity to €217.4 million, while profit before tax for 2007 was €17.4 million.

6.7.4. Piraeus Real Estate S.A. (formerly Diagonios S.A.)

The company provides a full range of real estate design, development and management services and is active both in the Greek and the Balkan real estate markets. It is involved in real estate development, project management and administration, and integrated real estate management on behalf of owners/investors, while it also offers investment consulting services to real estate investment companies and funds.

In 2007 the company managed the construction of projects with a total value of €8.6 million, completed building refurbishment projects of €16.7 million, realised property valuations amounting to €1.3 million, provided the services of a financial and technical consultant amounting to €0.4 million and continued the management of five major commercial and recreation developments in which the Group has equity participation.

7. Risk Management

Risk management is one of the key Group functions, with particular interest and importance for the Management. The continuous development and implementation of an effective risk management

framework is a top priority target for the Bank's Management, aiming to ensure the stability and continuity of its operations. The core mission of the risk management function is to safeguard the Group's interests by establishing suitable risk management policies, by clearly identifying appropriate risk-assumption limits, by supporting decisions on optimal use of regulatory capital, and by continuously harmonising the Group's risk management practices with international best practices and regulatory requirements.

Since 2006 a Risk Management Committee has been established at Board level and has been entrusted with risk management related duties, in order to safeguard the effective monitoring and uniform control of all forms of risk across the Group, their specialised handling, as well as the required co-ordination at Bank and Group level. The Committee is responsible for the formulation of risk management strategy, the management of regulatory capital, the development of an internal risk management framework and the definition of the risk management governing principles. The Committee meets at least once every quarter, while it evaluates annually the adequacy and effectiveness of the Group's risk management policy, the suitability of limits, the adequacy of provisions and the overall adequacy of capital in relation to the level and form of risks assumed.

The Assets and Liabilities Committee (ALCO) has an active role in the Group's risk management process. The Committee meets at least once a month, in order to review market developments, in relation to the level of financial risk exposures of the Bank and its subsidiaries. During 2007, special emphasis was placed on the issue of liquidity management, in order to secure sufficient liquidity for the Bank and to cope with the volatile market conditions that have arisen as a consequence of the international credit turmoil.

The Group Risk Management Division operates as an independent unit in Piraeus Bank, reporting to the Board Risk Management Committee for issues relevant to its operation, and is subject to the review of the General Division of Internal Audit, in terms of the adequacy and efficiency of the risk management procedures. The unit is responsible for the design, specification and implementation of the policy on risk management, in accordance with the guidelines of the Board's Risk Management Committee. During 2007, the Risk Management Division was enhanced significantly by qualified and experienced professionals able to contribute to the implementation of the new regulatory framework Basel II, showing the importance of this issue to the Management. Special importance is given to the expansion and implementation of an effective risk management framework across the subsidiaries of the Group at international level.

Independent units have been established and staffed in the Group subsidiaries for the monitoring and management of financial risk assumed. Moreover, efforts were intensified for the development and/or improvement of the monitoring/information systems from subsidiaries, aiming at improving the Group's overall capacity for centralised risk monitoring.

With respect to the risk management infrastructure, an integrated risk management system has been operating since 2002. The system generates a wide range of data and reports used in the analysis of market and liquidity risk, as well as for the monitoring of credit risk exposure. It is also the platform currently used for the calculation of capital requirements according to the new supervisory framework of Basel II. In 2007 Piraeus Bank Group continued to invest heavily in the systems and broader infrastructure needed for the identification, monitoring and management of risk, in order to respond successfully to the growing risk management requirements stemming from the Group's dynamic expansion.

Similarly, for the purposes of managing operational risk and in accordance with the new supervisory framework, a new pilot operational risk management system has been put in operation, for the analysis and recording of loss events since 2006. This environment will be further developed and put in full operation at Group level during 2008.

7.1. Market Risk

Market risk is defined as the risk of incurring losses due to adverse changes in the level or the volatility of market prices and rates, including equity prices, interest rates, commodity prices and foreign exchange rates as well as changes in their correlation.

The Bank has established a market risk limit system. The utilisation of limits is monitored by the Market Risk Management unit of the Group's Risk Management Division. Piraeus Bank applies commonly accepted and widely used techniques for the measurement of market risk.

The "Value-at-Risk" measure is an estimate of the maximum potential loss in the net present value of a portfolio, over a specified period (holding period) and within a specified confidence level. Piraeus Bank implements the RiskMetrics parametric Value-at-Risk methodology, assuming a one-day holding period and utilising a 99 per cent. confidence level. Value-at-Risk is measured for the positions in the trading book including the Available for Sale equity portfolio.

The Value-at-Risk estimate for the Bank's trading book on 31st December, 2007 was €6.5 million, including the Available for Sale equity portfolio. This estimate consists of €1.1 million due to interest rate risk, €6.7 million due to equity risk and €0.2 million due to foreign exchange risk. There is a reduction in the Value-at-Risk estimate of €1.5 million due to the diversification effect in the portfolio on 31st December, 2007.

The Bank tests the validity of the Value-at-Risk estimates by conducting back-testing on its trading book. The Value-at-Risk estimate is compared on a daily basis against the actual change in the value of the portfolio, due to the changes in market prices. In 2007 there were two cases where the actual change in the value of the portfolio was larger than the Value-at-Risk estimate, whereas in 2005 and 2006 three and four instances had been observed respectively.

In addition, the Bank monitors risks by using sensitivity indicators and calculating the effect of changes in the level of market prices to the value of all items on and off balance sheet items, so as to have a complete view on the level and evolution of risk factors.

Finally, the risk assessment process is complemented by the regular application of a number of stress testing scenarios, where the measurement of the effect of extreme adverse changes in market rates is an additional tool for the measurement of market risks.

Due to the expansion of the Group's international business operations, the Bank constantly strengthens its infrastructures and closely monitors the evolution of market risks at subsidiary level, as well as on a consolidated basis.

A unified Group Market Risk Management Policy has been in place since the beginning of 2003. On the basis of this policy, every Group unit has been assigned corresponding market risk limits, which are monitored on a systematic basis.

During 2007, the Bank's risk profile did not change significantly compared to the previous year, while the market risks taken stood within acceptable limits. It is worth mentioning that the Bank does not hold structured high risk transactions or positions linked to the sub-prime debt market.

7.2. Operational Risk

Piraeus Bank acknowledges operational risk as a distinct type of risk and aims to establish and maintain an integrated approach to the operational risk management across all its business units, as well as its subsidiaries.

The Bank implemented a group-wide Operational Risk Management Framework during 2007. The framework was developed in 2006 according to the quantitative and qualitative requirements of the Basel II framework regarding operational risk and set the foundation for the efficient management and monitoring of that type of risk. It is noted that the first implementation of the Operational Risk Management Framework at Bank and Group level was fully compliant with the regulatory requirements under the Basel II Standardised Approach.

In 2007, the Operational Risk Management Unit (which is under the supervision of the Group Risk Management Division), in co-operation with the business units of the Bank and the subsidiaries, co-ordinated the implementation of a number of large scale projects related to the adoption of the framework with respect to:

- calculation of operational risk capital charges at both Bank and Group level
- operational risk and control self assessment for business and supporting units at Bank level
- operational loss data collection at both Bank and Group level.

As far as the mitigation of operational risk is concerned, the Bank relies, in addition to the implementation of the Operational Risk Management Framework, on the quality of its human resources, its information systems infrastructure, its internal control environment and its insurance policies for the recovery of the actual losses generated from operational risk events. Furthermore, the development of the Business Continuity Plan ("BCP") was implemented during 2007, along with

the existing Disaster Recovery Site ("DRS"), minimizing the risk of any disruption in the operations of the Bank in cases of emergency situations.

7.3. Credit Risk

The continuous development of infrastructures, systems and methodologies, aimed at quantifying and evaluating credit risk, both for business and retail portfolio, is an essential condition for the timely and efficient support of Management and business units, with respect to decision making, policy formulation and fulfilment of supervisory requirements.

There are three risk measurement tests to assess credit risk at counterparty level:

1. a debtor's creditworthiness and the probability of defaulting on contractual obligations is systematically assessed;
2. the exposure to credit risk arising from the claim is monitored; and
3. in the event that the debtor defaults on the obligations the possibility of potential recovery is estimated, based on existing collaterals and security provided.

These three credit risk measurement parameters are incorporated into the Group's day-to-day operational activities.

Borrower creditworthiness is assessed by applying credit rating models appropriate for their characteristics/features. According to policy, borrowers are rated when the credit limit is initially determined and thereafter they are systematically re-rated on an annual basis. The Group regularly confirms the predictive power of the rating models, thus ensuring that they accurately depict credit risk and allow for the timely implementation of relevant measures.

As far as business credit is concerned, the rating models applied depend on the nature and the size of the enterprise. Piraeus Bank Group use the Moody's Risk Adviser ("MRA") borrower credit rating system for the evaluation of credit risk that arises from loans to medium-sized and large enterprises. It is noted that the MRA system has been used in the domestic financial subsidiaries since 2005, while from 2006 it has been extended to the Group's subsidiaries abroad. Regarding small and medium-sized enterprises, internally developed rating systems, as well as scoring systems, are applied.

In the framework of further improving the Group's credit evaluation and monitoring systems, efforts to extend the MRA system and tailor it to the special characteristics of small and medium-sized enterprises were started in 2007. Also, according to the requirements of the new supervisory framework for credit institutions (Basel II), separate credit rating models have been developed and are currently being implemented for specialised lending.

As far as retail credit is concerned, the Group places high priority on the adoption and implementation of modern methods for credit risk monitoring and management. Monitoring the risk of retail credit involves the evaluation of the credit risk scoring parameters, the analysis of the portfolio structure, and the distribution of the debtor population, as well as the monitoring of current and/or potential problem loans. Since 2002 the Bank has applied scoring models to evaluate the credit risk of its consumer products.

In addition, behaviour scoring models have been developed and are expected to be operative soon for each product. In 2007 significant progress was made towards the goal of developing and implementing application scoring in the international subsidiaries' systems. The use of such systems is expected to contribute significantly to more sophisticated assessments of borrower credit risk at the time of the application at Group level.

During 2007, stress testing continued to constitute an integral part of the Group's credit risk measurement and quantification process. Piraeus Group systematically performs credit risk stress testing exercises, in accordance with instructions issued by the Bank of Greece (BoG Governor's Act 2577/2006), the results of which are presented to and evaluated by the Board Risk Management Committee.

Finally, the rate of the Group's loans in arrears for more than 90 days (to both businesses and private individuals) has been decreasing over time. More specifically, this rate dropped to 3.4 per cent. of the credits in 2007 against 4.1 per cent. in 2006, comparing favourably to the Greek market average of 4.5 per cent.

7.4. Liquidity Risk

Piraeus Bank considers liquidity risk management as a key priority. As a result of the adverse conditions in the sub-prime debt international capital markets during the second half of 2007, Piraeus Bank implemented an even more rigorous application of liquidity risk management practices.

Liquidity risk management refers to the ability of Piraeus Bank to maintain sufficient funds in order to fulfil its payment obligations. In order to manage this risk future liquidity requirements are monitored thoroughly, along with the respective needs for funding, depending on the predicted expiration of open transactions. In general, liquidity management is a process of balancing cash flows with time bands, so that under normal conditions the Bank is in a position to meet all its payment obligations, as they fall due. Liquidity ratios are measured and monitored on a daily basis, in accordance to the Liquidity Risk Policy, as well as the respective Regulatory Framework of Financial Institutions Liquidity Adequacy set by the Bank of Greece.

In addition, stress testing scenarios are performed on a regular and ad hoc basis, so as to calculate the impact of potential extreme market conditions on the Group's liquidity position. The scenarios applied are based on various assumptions regarding potential reductions in available funds through negative changes to balance sheet items, such as a drop in the balance of deposits or debt securities issued or a drop in the market value of liquid assets, such as debt securities or equities.

During 2007, Piraeus Bank managed the adverse market liquidity conditions in an effective manner, by maintaining and further expanding its funding sources. Indicative means to achieving this aim were the increase in customer and interbank deposits and the increase in debt securities issued, as well as the share capital increase that took place in September 2007. All in all, the analysis of liquidity risk indicates that Piraeus Bank raised comfortably the funds required to support its growth during 2007.

8. Analysis of Loan Portfolio

Net loans achieved a share in total assets in 2007 of 65.2 per cent. The loan portfolio of the Piraeus Bank Group is highly diversified across various sectors with loans to individuals (mortgage, consumer credit) comprising 32.8 per cent. of the total loan portfolio of the Group, loans to medium and large enterprises and shipping 22.7 per cent., and loans to SMEs 44.5 per cent. of the loan portfolio as at 31st December, 2007.

Distribution of Piraeus Bank Group Loans and Advances per Sector Amounts in EUR million as at 31st December

	2007
Industry.....	4,089
Handicraft	238
Trade.....	3,537
Shipping	1,544
Tourism.....	1,373
Energy and Transport	752
Construction	3,780
Mortgage.....	5,743
Consumer.....	4,336
Public Companies and Organisations	254
Other Sectors	5,059
Total Loans	30,705

The majority of loans granted by the Group are on a floating rate basis, with interest resets mostly at one- or three-month intervals. As of 31st December, 2007, the Group's net loans and advances, in currencies other than Euro, amounted to €5,111.2 million (16.8 per cent. of total net loans and advances to customers).

Net loans and Advances to Customers in Euro & Foreign Currencies Amounts in EUR million as at 31st December

	Composition	
	2007	2007
Euro.....	25,178	83.1%
Other Currencies.....	5,111	16.9%
Total Net Loans and Advances to Customers	30,289	100.0%

With regards to asset quality, the Group's non-performing loans ("NPLs") ratio was recorded at 2.05 per cent. in the end of 2007 compared to 2.37 per cent. in December 2006. The coverage ratio of non-performing loans by cumulative provisions stood at 66 per cent., while the ratio exceeds significantly 100 per cent., when collaterals are taken into account. Applying the stricter definition of IFRS 7, the ratio of loans in arrears above 90 days was 3.4 per cent. in 2007 versus 4.1 per cent. in 2006. The improvement is mainly due to the implementation of a prudent policy and the effective management of loans in arrears.

Loan Quality

Amounts in EUR million as at 31st December

	2007	2006	2005
Total Loans	30,705	20,804	15,884
Non-performing Loans (NPLs)	628	494	542
Total loan loss provisions.....	416	378	433
Addition to loan provisions during the year	109.5	74.1	67.7
Amounts written off during the year.....	70.3	127.4	137.7
NPLs as a percentage of total loans	2.1%	2.4%	3.4%*
Loan loss provisions as a percentage of total loans.....	1.4%	1.8%	2.7%
Loan loss provisions as a percentage of NPLs.....	66.2%	76.6%	80.0%
Write-offs as a percentage of NPLs	11.1%	25.8%	25.4%

* Including the newly consolidated companies, Piraeus Bank Egypt and Euroinvestment SA

9. Analysis of Funding

As at 31st December, 2007, the Group's total obligations to customers amounted to €22.1 billion, while total customer deposits and retail bonds amounted to €23.9 billion recording an increase of 33 per cent. over the previous year. The Group emphasised on customer deposits especially during the 4th quarter of 2007, by launching new products and reinforcing marketing activities. This effort will continue in 2008 by the launching of further new products.

As at 31st December, 2007, the Group's deposits, in currencies other than Euro, amounted to €5,161.3 million (23.4 per cent. of total obligations to customers).

Total Obligations to Customers in Euro and Other Currencies Amounts in EUR million as at 31st December

	Composition	
	2007	2007
Euro.....	16,906	76.6%
Other Currencies.....	5,161	23.4%
Total obligations to Customers	22,067	100.0%

Obligations to Customers by Maturity Amounts in EUR million as at 31st December, 2006	Less than 3 months	More than 3 months and up to 1 year	More than 1 year	Total
	Total obligations to customers	19,863.3*	1,358.7	845.4

* Includes savings and sight deposits

Liabilities to credit institutions totalled €10,706 million as at 31st December, 2007 compared with €4,883 million at the end of 2006, an increase of 119 per cent. Interbank funding in foreign currencies represents approximately 19 per cent. of the total interbank deposits, whereas maturities in all currencies mostly do not exceed one year. Currency mismatches are managed through short-term foreign exchange forward transactions.

10. Information Technology

It is the goal of Piraeus Bank to ascertain the availability of leading technology capable of supporting business needs and ensuring delivery of quality services. Technology infrastructure is primarily based on four major banking systems: (a) customer relationship management ("CRS"), (b) accounts

management, (c) general ledger, and (d) treasury systems. These four core systems are complemented by additional product and service oriented applications.

Information Systems

Aiming at supporting business decision-making processes at Bank level, the processing systems of the customer-oriented data of Data Warehouse, which were designed and operate according to the specifications of the modern systems of performance management, were completed in 2007.

At the same time, in order for the operation of the Bank to be completely customer-oriented, the first application within the framework of the CRS systems has been completed and is in operation. This application provides a more complete sales force automation for business customers, by applying the internationally known Siebel system. In 2008, the implementation of the remaining CRM systems (Campaign Management, Customer Service) is expected to take place, completing the infrastructures for the overall (360°) management of the Bank — Customer relationship.

As regards tackling financial crime, in co-operation with Norkom, a pioneer company in the sector specialising in systems of detection and prevention of economic fraud, a system has been implemented for the timely detection of internal fraud, which, in combination with the corresponding existing system of protection against money – laundering, AML (Anti-Money Laundering), further “shields” the Bank, in accordance with the specifications of the European Union and the Bank of Greece. At the same time, the project of implementing the module AML of Norkom within all subsidiaries banks of the Group, is in progress, and is expected to be completed by the first semester of 2008.

Lending IT Systems

The core loans system (“LS”) was extended to include new functionalities and features, resulting in the distribution of new innovative and competitive products. A management system of corporate loans applications was developed in the LS system, supporting SMEs’ applications, as well as the workflow support system, of both the approving process, and the loan management by the central services. Furthermore, the Automated Credit Assessment Tool (“ACAT”) system, for the automated assessment of the applications of small enterprises and professionals, has been developed and successfully installed, a system based on combinations of business rules managed by the Business Rules Management System (“iLog BRMS”). Finally, at the same platform, a selection system of consumer products was developed and delivered to the network (Sales Wizard of consumer loans).

Basel II

Within the framework of the Bank’s compliance to the requirements of Basel II, flows of data processing and exporting were created, by almost all central systems of the Bank, as well as all the subsidiaries in Greece and abroad.

By applying internal know-how, a special IT system has been developed for the processing of all this data, aiming at calculating the capital adequacy of the Bank with regard to the total credit risk of the Group. The system processes the data exported by the primary systems of the Bank, executes algorithms which calculate the “asset segmentation” and “collateral allocation” and produces the final information with regard to the credit risk, in accordance with the specifications set by the Bank of Greece.

New Central Data Centre

In the second half of 2007, the planning of the Bank’s new datacentre in Attica was completed and its production commenced. The datacentre specifications are the most up-to-date, with high availability of infrastructures and potential of extension, so as to cover the Bank’s future needs. Furthermore, it will host the IT infrastructure of the subsidiary banks abroad, within the framework of the strategic consolidation of the Group’s central systems. The new data centre has been completed.

IT Infrastructure

In 2007, transition to server virtualisation technology took place for the first time. This particular technology allows more than one server system to operate within one actual machine with multiple benefits (such as financial and environmental) since the total energy consumption in electrical and thermal charge is reduced, with direct flexible reallocation of the resources in cases of extension or

in emergencies, and all these without any impact of “no downtime”. Indicatively, 140 servers have been transited to 20 actual machines.

Furthermore, new equipment investment has been made, aiming for the improvement of system availability. To this purpose, new Storage Area Network disc systems have been installed, which, in combination with the existing systems, improve significantly the potential of operation continuation in the event of a breakdown, as they contribute to a better synchronisation with the Disaster Site of the Bank, allowing their parallel updating and the fastest possible transition in the event of operation breakdown of the Data Centre.

In the systems’ security sector, the new automatic central identity management system “IDM” was completed, resulting in better control and management of the Bank’s users’ access to the systems, in alignment with the most up-to-date international practices.

Telecommunications

During 2007, full transition of the Bank’s telephone network to new IP technology has been effected. By applying this particular technology, homogenisation of telephone and data network may be achieved in a fully parametrical and effortlessly adaptable environment. Side benefits are the possibility of interaction between the telephone network and the Bank’s applications, aiming at the best possible customer service. Such applications are expected to be implemented during 2008. It should be underlined that Piraeus Bank is the first major Greek bank which has converted its whole telephone network to IP technology.

International Operations

In the latter part of 2007 Piraeus Bank created a separate International IT Division to provide consistent delivery of a uniform operational model across subsidiaries and support growth targets. This division constitutes part of the new Governance Model applied by Piraeus Bank, aiming at Technology alignment of the Bank’s subsidiaries through a common application and infrastructure international blueprint, bringing together business strategy and IT projects through appropriate decision bodies and processes. In addition, International IT Division’s objectives include provision of application implementation and support as well as infrastructure implementation and operations services for the Blueprint and existing core banking systems.

The creation of the International Blueprint started with the implementation for Cyprus, a project launched in October 2007, planned to be delivered by the end of May 2008. Egypt will be the second country where the Blueprint will be applied; this project started in December 2007 with an expected completion date in 2008.

More specifically, International IT in close collaboration with local IT Departments in 2007 has delivered or is in the process of delivering the following projects:

- For all countries (as specified)
 - Core Banking system functionality enhancements
 - Basel II requirements compliance
 - Implementation of IP telephony in Bulgaria, Romania, Serbia and Egypt
 - Implementation of the process management system ARIS in Bulgaria and Albania
 - Implementation of a new Custody system in Bulgaria and Romania
 - Implementation of Call Centre/Help Desk system in Romania and Serbia
 - Upgrade of SWIFT system in Serbia and Albania
- Piraeus Bank Bulgaria
 - New scorecards for credit cards
 - Implementation of a new website
 - Stock Exchange intermediary brokerages services system
- Piraeus Bank Romania
 - New internet banking

- Implementation of Payroll system of Companies
- Piraeus Bank Belgrade
 - Implementation of e-banking for individuals
- Tirana Bank, Albania
 - Implementation of credit cards migration
 - Upgrade of Loans system
- Piraeus Bank Egypt
 - Upgrade of Intranet/Internet systems
 - Implementation of Documents and Email archiving system
 - Implementation of Bank's authorisation system

Operations and Central Support

In 2007, projects and initiatives for the operation and central support of the Bank and its subsidiaries were developed, aiming mostly at the:

- further automation and centralisation of the branch network operations;
- Bank's compliance with the new law provisions of the supervisory authorities;
- utilisation and the enhancement of the standardisation and management system of the Bank's operations; and
- standardisation, homogenisation and support of the Piraeus Group subsidiary banks abroad.

Funds Transfer and Payments Systems

Compliance with the demands of the market and the European Central Bank, the utilisation of the most up-to-date technologies as well as the preservation of the supremacy of the payments systems, was once more set as the Bank's target in the funds transfer and payments systems sector.

The alignment of the Bank with the Single Euro Payments Area "SEPA" (training, observation and co-ordination of the transition to the new environment plan) constituted the main axis of action for the Funds Transfer Unit for 2007. Apart from adapting payments systems to the new models, the transition to the new payments environment included the Bank's interconnection with the new systems of SEPA for the settlement of transactions at a European level, the upgrade of all swift infrastructures, the training of the branch network and the customers' briefing. More than 200 new forms of payment became available to the Bank's customers through all available channels, either electronic or otherwise.

TARGET2, the new system of settlement of operations of large value transactions and the transition of the Bank to this system was another great achievement in 2007, since it includes adapting back-office, swift and payments systems to the new facts. This project is in progress and shall be completed in 2008.

The constant upgrade of funds transfer products and services, in combination with boosting all funds transfer services sales in 2007 resulted in a total increase of operations by 45 per cent., of commissions by 40 per cent. and of new funds transfer customers by 91 per cent.

In 2007 Piraeus Bank received two important awards in the funds transfer services:

- the "Recognised for Excellence in Europe" award by the European Foundation for Quality Management (EFQM), following the distinction in 2005 "Committed to Excellence".
- the Quality Award "Straight-Through Processing (STP) Excellence Award", awarded for a four consecutive year by Deutsche Bank in recognition of outstanding quality of outgoing payments by Piraeus Bank.

Finally, Piraeus Bank was ranked second amongst Greek banks in the funds transfer sector at a national level survey for medium and small size enterprises.

11. Human Resources

As at 31st December, 2007, the Piraeus Bank Group employed 12,357 persons (as compared with 9,253 in 2006, up 33.5 per cent.), Piraeus Bank S.A. employed 4,901 persons (as compared with 4,596 in 2006, an increase of 6.6 per cent.), and the Group's subsidiaries employed 7,456 persons (as compared with 4,657 in 2006).

The Group is an active practitioner of equal opportunity employment. The female gender outnumbers the male gender, with 56.0 per cent. women versus 44.0 per cent. men.

The dynamic nature of its human resources is yet another important advantage of the Group, facilitating the Group's success by introducing and implementing changes in technologies, methods and targets with great flexibility.

At the same time, Piraeus Bank Group takes advantage of the high rate of graduate and post-graduate degree holders (68 per cent.), so that its highly educated and specialised staff contributes substantially to the achievement of its corporate targets.

More emphasis was placed in 2007 on the international network's human resources as a result of the Group's geographical expansion. More specifically, the staff employed abroad reached 5,757 employees (47 per cent. of the Group) at the end of the year. In Greece a large percentage of the Group's activity is taking place in Attica prefecture and therefore its human resources are proportionally allocated, resulting in 4,401 (35 per cent.) employees in the prefecture of Attica, 831 employees (7 per cent.) in the region of Thessalonici and 1,368 (11 per cent.) in the rest of the country.

12. Participations (Subsidiaries and Associates)

Piraeus Bank Group subsidiaries that were fully consolidated as at 31st December, 2007, are listed in the table below:

Subsidiary companies	Direct and Indirect participation
Tirana Bank I.B.C.	90.72%
Marathon Banking Corporation	86.64%
Piraeus Bank Romania S.A.	100.00%
Piraeus Securities S.A.	100.00%
Piraeus Asset Management Europe S.A.	100.00%
Piraeus Leasing S.A.	87.55%
Piraeus Insurance and Reinsurance Brokerage S.A.	100.00%
Piraeus Multifin S.A.	100.00%
Piraeus Factoring S.A.	100.00%
Multicollection S.A.	51.00%
Piraeus Leasing Romania SRL	100.00%
Picar S.A.	100.00%
Piraeus Real Estate Investment Property S.A.	38.69%
Piraeus Group Finance P.L.C.	100.00%
Piraeus Best Leasing S.A.	42.10%
Piraeus Direct Services S.A.	100.00%
General Construction and Development Co. S.A.	66.67%
Piraeus Real Estate S.A.	100.00%
Komotini Real Estate Development S.A.	100.00%
ETBA Industrial Estates S.A.	65.00%
ND Development S.A.	100.00%
Property Horizon S.A.	100.00%
Bulfina S.A.	100.00%
ETBA Finance S.A.	100.00%
Exodus S.A.	50.10%
Piraeus Cards S.A.	100.00%
Piraeus ATFS S.A.	100.00%
Piraeus Group Capital LTD	100.00%
Tirana Leasing S.A.	100.00%
Piraeus Leasing Bulgaria S.A.	100.00%
Auto Leasing Bulgaria S.A.	100.00%
Piraeus Property S.A.	100.00%
Piraeus Development S.A.	100.00%
Piraeus Asset Management S.A.	100.00%
Piraeus Buildings S.A.	100.00%
Piraeus Developer S.A.	100.00%
Piraeus Bank Egypt S.A.E.	95.36%
Piraeus Bank Beograd A.D.	100.00%
Piraeus Bank Bulgaria A.D.	99.98%

Subsidiary companies	Direct and Indirect participation
Estia Mortgage Finance P.L.C.	—
Philoktimatiki Public LTD	53.20%
Philoktimatiki Ergoliptiki LTD	53.20%
AGR Investments S.A.	100.00%
KL Real Estate S.A.	100.00%
New Evolution S.A.	100.00%
Imperial Stockbrokers Limited	90.67%
Imperial Eurobrokers Limited	90.67%
EMF Investors Limited	90.67%
Euroinvestment Mutual Funds Limited	90.67%
Bull Fund Limited	90.67%
Good Works Energy Photovoltaics S.A.	33.15%
Piraeus Green Investments S.A.	100.00%
New Up Dating Development Real Estate and Tourism S.A.	100.00%
Sunholdings Properties Company LTD	26.60%
Euroinvestment & Finance LTD	90.67%
Lakkos Mikelli Real Estate LTD	50.64%
Polytropon Properties Limited	39.90%
Shinefocus Limited	39.90%
Capital Investments & Finance S.A.	100.00%
Maples Invest & Holding S.A.	100.00%
Margetson Invest & Finance S.A.	100.00%
Vitria Investments S.A.	100.00%
SSIE Piraeus Securities Romania S.A.	99.33%
Piraeus Insurance Brokerage EOOD	99.98%
Piraeus Egypt Leasing Co.	95.30%
Piraeus Egypt Brokerage Co.	94.98%
Piraeus Egypt Asset Management S.A.E.	85.71%
Piraeus Real Estate Consultants S.R.L.	100.00%
Piraeus Insurance Reinsurance Broker Romania S.R.L.	100.00%
Piraeus Leases S.A.	87.55%
Trieris Real Estate Management LTD	100.00%
International Commerce Bank JSC	99.95%
Iapetos Energy Photovoltaics S.A.	33.16%
Phoebe Energy Photovoltaics S.A.	33.16%
Orion Energy Photovoltaics S.A.	33.16%
Astraios Energy Photovoltaics S.A.	33.16%
Multicollection Romania S.R.L.	51.00%
Olympic Commercial & Tourist Enterprises S.A.	94.00%
Piraeus Rent Doo Beograd	100.00%
Phenillion Enterprisers LTD	100.00%
Estia Mortgage Finance II PLC*	—
Piraeus Leasing Doo Beograd	100.00%
Piraeus Real Estate Consultants Doo	100.00%
Piraeus Real Estate EOOD	100.00%
Piraeus Real Estate Egypt LLC	99.80%
Piraeus Bank Egypt Investment Company	95.17%
Piraeus Best Leasing Bulgaria EAD	99.98%
Piraeus Insurance Agency S.A.	100.00%
Ekathariseis Aktiploias S.A.	100.00%

*The companies Estia Mortgage Finance PLC and Estia Mortgage Finance II PLC are consolidated as special-purpose entities.

As at 31st December, 2007, the Piraeus Bank Group associate companies, which are consolidated using the equity method, are presented in the following table:

Associate company	Business activity	Direct and Indirect participation	Profit Before Tax for the year ended	
			Total Equity as at December 2007 (amounts in thousand €)	31st December, 2007 (amounts in thousand €)
Crete Scientific & Techn. Park Manag. & Develop. Co. S.A.	Scientific and technology park management	30.45%	181	3
"Evros" Development Company S.A.	European Community programmes management	30.00%	187	(91)
Etanal S.A.	Management of Fish Trading centre	25.00%	635	163
Stalko S.A.	Electrical equipment production	25.00%	3,405	191
Project on Line S.A.	Information technology and software	40.00%	182	239
Alexandria for Development and Investment	Investment company	20.98%	3,229	53
Nile Shoes Company	Footwear Seller and Manufacturer	37.51%	790	32
Piraeus Insurance Consultant	Insurance Brokerage	38.15%	105	60
Integrated Storage System Co.	Warehouse and Mail Distribution Management	38.15%	90	10
Delphi Advanced Research Technologies LTD	Information Technology Services	22.67%	120	28
APE Comm. Property Real Estate Tourist & Develop S.A.	Real Estate, development/tourist services	27.80%	(1,642)	0
APE Fixed Assets Real Estate Tourist & Development S.A.	Real Estate, development/tourist services	27.80%	(2,077)	0
Borg El Arab Company	Manufacturing vegetable oils and animal foods	26.20%	4,362	187
Trieris Real Estate LTD	Property Management	22.80%	16,974	964
European Reliance Gen. Insurance Co. S.A.	General and life insurance and reinsurance	30.00%	47,826	4,000
Hellenic Steel Company S.A.	Manufacturing and trading of steel products	30.83%	13,184	7,213
Ape Investment Property S.A.	Real estate, development/tourist services	27.20%	48	(12)
Sciens International Investments & Holding S.A	Holding Company	29.80%	228,626	3,026

13. Profit and Loss Account

Set out below is the summary consolidated Profit and Loss Account of the Piraeus Bank Group for the years ending 31st December, 2007 and 2006 respectively. After-tax profit attributable to Piraeus Bank's shareholders amounted to €622.1 million in 2007 compared with €434.6 million the year before, representing a growth of 43.1 per cent. Basic EPS in 2007, according to the average number of shares (Piraeus Bank's shares less treasury share) was €2.14.

The 2007 annual results for the Piraeus Bank Group were characterised by the following highlights:

- Growth of net interest income by 28 per cent. and net commission income by 25 per cent.
- Rise of net interest margin-NIM (on average interest earning assets) above 3.08 per cent.
- Expansion of the loan portfolio by 48 per cent.
- Rise of deposits (including retail bonds issued) by 33 per cent.

Summary Consolidated Profit and Loss Account
Amounts in EUR million as at 31st December

	2007	2006	Change
Interest income	2,6624.1	1,674.8	58.9%
Less: Interest expense	1,745.1	959.7	81.8%
Net Interest Income	917.0	715.1	28.2%
Plus: Net Commission Income	226.5	180.6	25.4%
Plus: Dividend Income	10.3	18.5	-44.3%
Plus: Net Trading Income	61.3	29.4	108.2%
Plus: Gains less losses from investment securities	172.4	139.0	24.0%
Plus: Other operating income	245.7	141.3	73.9%
Total Net Revenues	1,633.1	1,224.0	33.4%
Less: Staff expenses	379.0	301.8	25.6%
Less: Administrative expenses	303.9	247.4	22.9%
Less: (Profit)/loss on sale of property and equipment	(12.2)	(12.0)	1.9%
Less: Depreciation and amortisation	66.1	55.4	19.2%
Total expenses	736.8	592.6	24.3%
Less: Impairment losses on loans and advances	115.9	77.0	50.5%
Less: One-off impairment loss			
Less: Share of profit of associates	4.9	2.2	127.4%
Profit before Tax	785.3	556.5	41.1%
Less: Income tax expense	133.9	100.1	33.7%
Minority interests	29.3	21.8	34.5%
Net Profit attributable to Shareholders	622.1	434.6	43.1%

Net revenues in 2007 amounted to €1,633.1 million compared with €1,224.0 million in 2006 enhanced by 33.4 per cent. Net interest income and commissions constitute 70.0 per cent. of the Group's total net revenues.

Total cost (personnel costs, administrative and profit/loss on sale of property and equipment plus depreciation and amortisation) amounted to €736.8 million against €592.6 million in 2006. The increase in operating cost is the result of the rapid expansion of the Group's business, both domestically and internationally. In the last 12 months, 208 new branches were added to the Group (19 in Greece and 189 abroad), of which 86 branches belong to International Commerce Bank (ICB) in Ukraine which was acquired in 2007.

The cost to income ratio improved to 45.1 per cent. down from 48.4 per cent. in 2006.

As at 31st December, 2007, return on equity increased to 29.5 per cent. after tax (against 29.0 per cent. in 2006).

14. Balance Sheet

As at 31st December, 2007 the Group's assets had increased to €46.4 billion as compared with €30.8 billion a year ago. The share of net loans in total assets remained at the level of 65.2 per cent. (66.0 per cent. in 2006).

As at 31st December, 2007, customer deposits (including retail bonds issued) constituted 51.5 per cent. of Total Liabilities & Equity (against 58.1 per cent. in 2006), while interbank deposits constituted 23.1 per cent. and 15.8 per cent. respectively.

Summary Consolidated Balance Sheet
Amounts in EUR thousands as at 31st December

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and balances with central banks	3,400	1,885
Treasury bills and other eligible bills	215	165
Other financial instruments at fair value through P&L	5,015	2,021
Loans and advances to credit institutions	2,612	2,627
Derivative financial instruments	83	56
Loans and advances to customers	30,705	20,804
Minus provisions for loan impairment	416	378
Net loans and advances to customers	30,289	20,427
Investment securities	1,494	1,400
Investments in associates	117	30
Goodwill	180	139
Other intangible assets	85	53
Property, plant and equipment	863	524
Investment Property	693	620
Held for sale	5	13
Deferred tax assets	144	100
Other assets	1,233	871
Total Assets	<u>46,427</u>	<u>30,931</u>
LIABILITIES AND EQUITY		
Due to credit institutions	10,706	4,883
Derivative financial instruments	87	60
Due to customers	22,067	16,735
Debt securities in issue	7,789	5,262
Other borrowed funds	989	1,005
Other liabilities	1,176	930
Deferred tax liabilities	134	72
Retirement benefit obligations	170	153
Total Liabilities	43,118	29,099
Shareholders' funds	3,082	1,616
Minority interests	228	216
Total Equity	<u>3,310</u>	<u>1,832</u>
Total liabilities and equity	<u>46,427</u>	<u>30,931</u>

15. Capital Adequacy

On a consolidated basis, the Group's capital adequacy ratio as at 31st December 2007, calculated in accordance with the Bank of Greece requirements (Basel I), stood at 12.26 per cent. with the Tier 1 ratio standing at 9.76 per cent. The corresponding Group's capital adequacy ratio as at 31st December 2006 was 11.03 per cent. with the Tier 1 ratio at 7.38 per cent.

16. Recent Developments (after the announcement of the full year 2007 results)

In January 2008, Piraeus Bank Cyprus Ltd commenced operations of four branches (following approval from Central Bank of Cyprus) and acquired the local branches of Arab Bank Cyprus. These initiatives accelerated the implementation of the Group's business plan in Cyprus.

In February 2008 Standard & Poor's upgraded the credit rating outlook of Piraeus Bank to 'positive' from 'stable', affirming the Bank's BBB+ rating. Piraeus Bank's representative office commenced operations in Moscow.

In March 2008 Piraeus Bank was awarded, by Microsoft, the recognised global distinction in the field of electronic banking among worldwide financial organisations, "Windows in Financial Services Developer Award 2008", for its project "winbank international". Piraeus Bank represents the single European company to be awarded.

In April 2008 the Bank concluded a one-year Schuldschein type loan in the amount of €450,000,000 which was disbursed on 23rd April, 2008. On 24th April, 2008, the third securitisation of the Bank's mortgage portfolio of €800,000,000 was concluded, aiming at enhancing the Bank's funding sources.

On 14th May, 2008, Piraeus Bank announced its first quarter results for 2008. The Financial Statements are available on the Bank's site (www.piraeusbank.gr). Some key performance highlights of the first quarter results are presented below:

- Increase of Group's net profit after tax and minorities by 46 per cent. increased by €138.5 million as against €94.9 million (excluding the one-off trading gain) in the first quarter of 2007 (€248.2 million, including the one-off trading gain).
- Significant enhancement of profitability, increasing by 24 per cent. from Greece and by 217 per cent. from international operations.
- Acceleration of deposits' growth rate to 39 per cent. from March 2007 to March 2008, while loan growth remained at 48 per cent. for the same period. The quarterly incremental change of deposits in absolute figures exceeded the respective loan increase (an increase of €3.3 billion deposits, as against an increase of €3.0 billion in loans).
- Significant expansion of international activities' volumes: loan portfolio up by 106 per cent. and deposits also accelerated, up by 71 per cent., from March 2007 to March 2008.
- Expansion of the branch network from 545 units in March 2007 to 782 at end-March 2008 (an increase of 43 per cent.), out of which 322 units are in Greece and 460 abroad. In the first quarter of 2008 alone, 38 new branches were established.
- Group's human resources reached 13,115 (increasing by 34 per cent.), increasing by 3,312 new employees from March 2007, 834 in Greece and 2,478 abroad.

The Board of Directors of Piraeus Bank decided during the Second Iterative Ordinary General Meeting of shareholders, held on 7th May, 2008, to decrease the total number of shares from 339,198,587 to 328,791,050, due to the cancellation of 10,407,537 own shares. Share capital increased by cash contribution, through the 2007 dividend reinvestment plan: the total value of the new shares amounts to €16,072,930.08. Consequently, the Bank's share capital increases by €3,589,320.06 through the offer of 752,478 new ordinary registered voting shares of a nominal value of €4.77 per share. The Bank's share capital will amount to €1,571,922,628.56 divided in 329,543,528 shares of a nominal value of €4.77 per share.

Mr. Georgios Provopoulos, Vice Chairman and Managing Director of Piraeus Bank, submitted his resignation to the Board of Directors meeting held on 21st May, 2008. The Bank's Board of Directors elected Mr. Ilias Milis as replacement Director from 21st May, 2008.

THE BANKING SECTOR IN GREECE

Structure of the Market

Owing to the Greek legal framework that historically has required the establishment of specialised institutions for the provision of specific financial services, until recently the majority of Greek banks created subsidiaries for the provision of specific categories of financial services. As a consequence, the market was dominated by groups of companies each established around a principal bank.

The banking sector has expanded rapidly in the last ten years as a result of deregulation and modernisation, as well as entry into the Eurozone. In the past nine years, restructuring has led to higher concentration. Seven state-controlled banks and four private banks have changed ownership, while some new banks have entered the market. However, the five biggest banks had more than 73.0 per cent. share in the market (in terms of loans) at the end of December 2007.

Commercial Banks

There are currently five large commercial banks. These are the National Bank of Greece, Alpha Bank, EFG Eurobank Ergasias, Piraeus Bank and Emporiki Bank (acquired by Credit Agricole in 2006). Most specialised credit institutions, like the Agricultural Bank of Greece and the Postal Savings Bank, have been transformed into commercial banks (listed on the Athens Exchange) following increased liberalisation of the Greek market. Traditionally, commercial banks are the dominant group among all categories of deposit and credit institutions operating in the Greek financial market.

Foreign Banks

At the end of December 2006, there were approximately 22 foreign-owned or incorporated credit institutions, which are still operating through branches in the Greek banking market (source: Hellenic Banking Association). Principal participants include Citibank, HSBC, Société Générale, BNP Paribas and Bank of Cyprus. Overall, foreign banks have made limited inroads into the Greek retail market.

Specialised Credit Institutions

Today, there is only one major specialised credit institution, the Deposits and Loans Fund (which is part of the Ministry of Economy and Finance). The role of specialised credit institutions has been decreasing significantly in the last few years.

Economic Environment

Greek economy grew by 4.0 per cent. in 2004 at constant prices, compared to 4.2 per cent. in 2006. Private consumption remained the main growth driver, while exports also had a positive contribution to the GDP increase. The national consumer price index reached 2.9 per cent. by the end of December 2007 on an annual basis, down from 3.2 per cent. in 2006. In the monetary sector, the general government deficit as a GDP percentage reached 2.8 per cent. as opposed to 2.6 per cent. in 2006 while the public debt reached 94.5 per cent. of the GDP.

For 2007 it is anticipated that the Greek GDP rate will rise to 3.6 per cent., thus sustaining the positive 2007 performance. The 2008 Budget target is to further decrease the deficit to 1.6 per cent., increase revenues and attain stricter control over public expenditure. Inflation rate is expected to increase in 2008 versus 2007 mainly due to the above any estimation increases in oil prices, while unemployment rate is anticipated to continue to improve year by year. At any rate, and despite the favourable environment, the need for structural changes, e.g. in the labour market, business environment, public administration etc., feature among the top priorities for the Greek economy.

Greek banks have the opportunity to expand their activities given the low bank intermediation in relation to Greek GDP when compared with their European peers. Greece's entry into the Eurozone has redefined the strategic goals and the activities of domestic financial institutions, although rapid technological developments and the integration of the financial and capital markets pose a whole new range of challenges.

In order to face these challenges, Greek banks have made substantial investments in IT projects and in the modernisation of the products and services they provide. On the other hand, in recent years a significant number of mergers and acquisitions have taken place as a result of the transformation of the Greek banking system to conform to the new European environment. At the same time, Greek banks have increased their presence in Southeastern Europe and Eastern Mediterranean either through the acquisition of local credit institutions or through the establishment of representative offices and branches. The expansion in the Balkans follows the significant expansion and growing

presence in this area of Greek businesses and utility firms, which have made significant investments in the area.

The growth prospects of the Greek market for financial products and services seem rather positive when compared with the other markets in the Eurozone. The outstanding balances of housing and consumer loans as a percentage of GDP were 30.0 per cent. and 15.0 per cent. respectively at the end of December 2007, while in the other markets in the Eurozone the corresponding figures were 43.0 per cent. and 17.0 per cent. respectively (source: Bank of Greece). This suggests there is significant potential for the further growth of this retail banking business in the next few years.

Apart from the retail banking business, there are also very good prospects for expansion in the areas of investment banking and asset management services, such as pension fund management and private banking, as well as in bank assurance.

It is also important to note that although competition in the Greek market has intensified during recent years, the net interest margin of the Greek banks remains at satisfactory levels due to the major restructuring of the asset side of their balance sheets, which now include more profitable asset categories, in particular household lending and lending to small and medium-sized firms.

Another important development characteristic of the Greek banking system is the gradual improvement of the quality of the Greek banks' assets following substantial clean-up operations in recent years. This has been supported by the strength of the economy and the lack of major credit exposures, either to businesses or to the individual sectors. For Piraeus Bank specifically, loans in arrears above 90 days equal approximately 3.4 per cent. of the total loan portfolio as at 31st December, 2007.

Market Share of the Six Principal Banks in Greece at 31st December, 2007

	<u>Lending</u>	<u>Deposits</u>
	(per cent.)	
National Bank of Greece.....	18.7	22.4
EFG Eurobank.....	16.8	12.8
Alpha Bank.....	16.2	13.3
Piraeus Bank.....	12.0	9.5
Emporiki Bank.....	9.4	8.1
ATE bank.....	8.2	9.5
Other.....	18.7	24.4

Source: Published financial statements of each bank & Bank of Greece

SELECTED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

Annual financial information

Consolidated Balance Sheet

	31st December, 2007	31st December, 2006
	(in thousand euros)	
ASSETS		
Cash and balances with central banks	3,400,169	1,885,146
Treasury bills and other eligible bills	214,819	165,226
Loans and advances to credit Institutions	2,611,891	2,626,853
Derivative financial instruments — assets	83,216	56,435
Trading securities	4,506,731	1,964,900
Financial instruments at fair value through profit or loss	508,137	56,449
Loans and advances to customers (net of provisions)	30,288,785	20,426,615
Investment securities		
— Available for sale securities	1,383,628	1,300,126
— Held to maturity	110,356	99,880
Investments in associated undertakings	116,946	29,737
Intangible assets	264,635	192,291
Property, plant and equipment	863,430	524,087
Investment property	692,799	619,748
Held for sale	4,696	12,844
Deferred tax assets	144,397	100,253
Inventories — property	182,743	181,357
Other assets	1,049,963	689,270
TOTAL ASSETS	46,427,340	30,931,216
LIABILITIES		
Due to banks	10,705,784	4,882,851
Derivative financial instruments — liabilities	87,038	59,704
Due to customers	22,067,315	16,734,589
Debt securities in issue	7,788,572	5,261,513
Other borrowed funds	795,831	803,864
Hybrid capital	193,406	201,206
Retirement benefit obligations	169,604	153,232
Other provisions	3,750	11,744
Current income tax liabilities	97,851	47,017
Deferred tax liabilities	134,354	72,059
Other liabilities	1,074,256	871,017
Share Capital and reserves	3,082,015	1,616,201
Minority Interest	227,565	216,219
TOTAL LIABILITIES AND EQUITY	46,427,340	30,931,216

Consolidated Income Statement

	<u>2007</u>	<u>2006</u>
	(in thousand euros)	
Interest and similar income	2,662,084	1,674,818
Interest expense and similar charges.....	(1,745,115)	(959,680)
NET INTEREST INCOME	916,969	715,138
Fee and commission income	274,514	213,155
Fee and commission expense.....	(48,047)	(32,506)
NET FEE AND COMMISSION INCOME	226,467	180,649
Dividend income.....	10,307	18,511
Net trading income	49,671	34,926
Net income from financial instruments designated at fair value through profit or loss.....	11,625	(5,484)
Gains/ (losses) from investment securities	172,385	138,979
Other operating income	245,686	141,293
TOTAL NET INCOME	1,633,109	1,224,012
Staff costs	(379,022)	(301,789)
Administrative expenses	(303,935)	(247,357)
Depreciation and amortisation	(66,062)	(55,419)
Gains/(Losses) from sale of assets	12,202	11,971
Impairment losses on loans and receivables	(115,478)	(74,331)
Other provisions	(427)	(2,705)
TOTAL OPERATING EXPENSES	(852,722)	(669,630)
Share of profit of associates	4,927	2,167
PROFIT BEFORE INCOME TAX	785,313	556,549
Income tax expense	(133,854)	(100,099)
PROFIT FOR THE YEAR	651,459	456,450
Profit for the year attributable to the equity holders of Piraeus Bank	622,141	434,649
Minority Interest	29,318	21,801

Consolidated Cash Flow Statement

	Year ended 31st December, 2007	Year ended 31st December, 2006
	(in thousand euros)	
<i>Cash flows from operating activities</i>		
Profit before tax.....	785,313	556,549
Adjustments to profit before tax		
Add: impairment for loans and advances and other provisions	115,905	74,331
Add: depreciation and amortisation	66,062	55,419
Add: retirement benefits	35,241	24,825
(Gains)/ losses from valuation of trading securities and financial instruments at fair value through profit or loss	4,447	(20,862)
(Gains)/ losses from investing activities	(347,615)	(220,061)
	659,353	470,201
<i>Cash flows from operating profits before changes in operating assets and liabilities.....</i>		
<i>Changes in operating assets and liabilities:</i>		
Net (increase) / decrease in cash and balances with Central Bank	(287,225)	9,128
Net (increase) / decrease in treasury bills and other eligible bills	(138,517)	104,127
Net (increase) / decrease in trading securities and financial instruments at fair value through profit or loss	(2,641,236)	(799,897)
Net (increase) / decrease in loans and advances to credit institutions....	(823,708)	83,257
Net (increase) / decrease in loans and advances to customers	(10,020,121)	(5,041,588)
Net (increase) / decrease in other assets	(300,479)	(156,594)
Net increase / (decrease) in due to Banks	5,812,993	1,347,087
Net increase / (decrease) in amounts due to customers.....	5,229,521	3,538,061
Net increase / (decrease) in other liabilities.....	181,665	260,741
	(2,327,754)	(185,477)
<i>Cash from operating activities before income tax payment.....</i>	(40,151)	(15,477)
Net cash inflow/ (outflow) from operating activities	(2,367,905)	(200,954)
<i>Cash flows from investing activities</i>		
Purchases of property, plant and equipment	(303,474)	(201,808)
Sales of property, plant and equipment.....	96,402	44,682
Purchases of intangible assets.....	(51,021)	(15,510)
Purchases of available for sale securities	(956,724)	(924,957)
Disposals of available for sale securities.....	876,024	486,434
Purchase of held to maturity securities	(35,394)	(31,340)
Maturity of held to maturity securities	22,521	22,496
Acquisition of subsidiaries and participation in share capital increases ...	(64,536)	(80,231)
Disposal of subsidiaries	1,939	(10,910)
Acquisition of associates	(66,808)	(4,271)
Disposal of associates	24,855	9,961
Dividend receipts	10,295	32,533
	(445,921)	(672,921)
Net cash inflow/ (outflow) from investing activities	(445,921)	(672,921)
<i>Cash flows from financing activities</i>		
Net proceeds from issue of share capital.....	1,336,333	19,731
Net proceeds from issue/ (repayment) of debt securities and other borrowed funds.....	2,511,226	1,917,355
Prior year dividends	(215,670)	—
Purchases of treasury shares	(188,639)	(356,152)
Sales of treasury shares and share options.....	38,052	305,563
Other cashflows from financing activities.....	4,078	(145,394)
	3,485,380	1,741,103
Net cash inflow/ (outflow) from financing activities	(18,787)	(1,003)
Effect of exchange rate changes on cash and cash equivalents	652,767	866,225
Net increase/ (decrease) in cash and cash equivalents	4,381,289	3,515,064
Cash and cash equivalents at beginning of year	28,512	—
Cash and cash equivalents of new subsidiaries at the date of the acquisition (intercompanies excluded)	4,409,801	3,515,064
Net cash and cash equivalents at beginning of year	5,062,568	4,381,289
Cash and cash equivalents at end of year	4,409,801	3,515,064
Cash and cash equivalents at end of year	5,062,568	4,381,289

FORM OF THE DEED OF GUARANTEE

The following is the form of the Deed of Guarantee of Piraeus Bank:

“THIS DEED OF GUARANTEE is made on 2nd July, 2008 in London, England

by

(1) **PIRAEUS BANK S.A.**, a company incorporated in the Hellenic Republic (the “Guarantor”).

IN FAVOUR OF

(2) **THE HOLDERS AND THE ACCOUNTHOLDERS** (each as defined below) (together, the “Beneficiaries”).

WHEREAS

- (A) Piraeus Bank S.A., in its capacity as an issuer and Piraeus Group Finance PLC (“Piraeus PLC” and together with Piraeus Bank S.A. in its capacity as issuer, (the “Issuers”) have established a Euro Medium Term Note Programme (the “Programme”) for the issuance of notes. The Guarantor has authorised the giving of its irrevocable guarantee in relation to the notes issued by Piraeus PLC (the “Notes”).
- (B) The Issuers and the Guarantor have, in relation to the notes issued under the Programme, entered into a fiscal agency agreement (as amended, supplemented and/or restated from time to time, the “Agency Agreement”) dated 2nd July, 2008 with Deutsche Bank AG, London Branch as fiscal agent (the “Agent”, which expression shall include any successor) and the other paying agents named therein.
- (C) The Issuers have, in relation to the notes issued under the Programme, executed in London, England a deed of covenant (as amended, supplemented and/or restated from time to time, the “Deed of Covenant”) dated 2nd July, 2008.
- (D) The Guarantor has agreed to irrevocably guarantee the payment of all sums expressed to be payable from time to time by Piraeus PLC in respect of the Notes and under the Deed of Covenant.
- (E) The Guarantor entered into a deed of guarantee dated 21 June, 2007 in relation to the Notes (such deed of guarantee, the “Original Deed of Guarantee”).
- (F) The Guarantor agrees to make certain modifications to the Original Deed of Guarantee.
- (G) This Deed of Guarantee amends and restates the Original Deed of Guarantee. Any Notes issued under the Programme by Piraeus PLC on or after the date hereof shall be issued subject to this Deed of Guarantee (other than any such Notes issued so as to be consolidated and form a single series with any Notes issued prior to the date hereof which shall continue to be subject to the Original Deed of Guarantee).

THIS DEED OF GUARANTEE WITNESSES as follows:

1.1 Definitions and Interpretation

“Accountholder” means any accountholder or participant with a Clearing System which at the Relevant Date has credited to its securities account with such Clearing System one or more Entries in respect of a Global Note issued by Piraeus PLC, except for any Clearing System in its capacity as an accountholder of another Clearing System;

“Clearing System” means each of Euroclear and Clearstream, Luxembourg, and any other clearing system specified in the relevant Final Terms;

“Conditions” means the terms and conditions of the relevant Notes, including those contained in the applicable Final Terms, as the same may be modified or supplemented in accordance with the terms thereof, and any reference to a numbered “Condition” is to the correspondingly numbered provision thereof;

“Direct Rights” means the rights referred to in Clause 3 of the Deed of Covenant;

“Entry” means, in relation to a Global Note issued by Piraeus PLC, any entry which is made in the securities account of any Accountholder with a Clearing System in respect of Notes represented by such Global Note;

“Euroclear” means Euroclear Bank SA/NV, as operator of the Euroclear system;

“Holder” means, in relation to any Note, at any time, the person who is the bearer of such Note;

“person” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality; and

“Relevant Date” means, in relation to the payment of any sum expressed to be payable by Piraeus PLC in respect of a Note, whichever is the later of:

- (a) the date on which the payment in question first becomes due; and
- (b) if the full amount payable has not been received by the Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Holders.

“Senior Creditors of the Guarantor” means creditors of the Guarantor (a) who are unsubordinated creditors of the Guarantor, or (b) who are subordinated creditors of the Guarantor whose claims are expressed to rank in priority to the claims of the holders of Dated Subordinated Notes or other persons claiming under the Deed of Guarantee (whether only in the winding up of the Guarantor or otherwise).

- 1.2 Terms defined in the Conditions have the same meanings in this Deed of Guarantee.
- 1.3 Any reference in this Deed of Guarantee to any obligation or payment under or in respect of the Notes shall be construed to include a reference to any obligation or payment under or pursuant to Clause 3 of the Deed of Covenant.
- 1.4 Any reference in this Deed of Guarantee to a Clause is, unless otherwise stated, to a clause hereof.
- 1.5 Headings are inserted for convenience and ease of reference only and shall not affect the interpretation of this Deed of Guarantee.

2. Guarantee and Indemnity

- 2.1 The Guarantor hereby irrevocably guarantees:
 - (a) to each Holder the due and punctual payment of all sums from time to time payable by Piraeus PLC in respect of the Notes as and when the same become due and payable and accordingly undertakes to pay to such Holder, forthwith upon the demand of such Holder and in the manner and currency prescribed by the Conditions for payments by Piraeus PLC in respect of the Notes, any and every sum or sums which Piraeus PLC is at any time liable to pay in respect of the Notes and which Piraeus PLC has failed to pay; and
 - (b) to each Accountholder the due and punctual payment of all sums from time to time payable by Piraeus PLC to such Accountholder in respect of the Direct Rights as and when the same become due and payable and accordingly undertakes to pay to such Accountholder, forthwith upon the demand of such Accountholder and in the manner and currency prescribed by the Conditions for payments by Piraeus PLC in respect of the Notes, any and every sum or sums which Piraeus PLC is at any time liable to pay to such Accountholder in respect of the Notes and which Piraeus PLC has failed to pay.
- 2.2 The Guarantor irrevocably undertakes to each Beneficiary that, if any sum referred to in Clause 2.1 is not recoverable from the Guarantor thereunder for any reason whatsoever (including, without limitation, by reason of any Note, the Deed of Covenant or any provision thereof being or becoming void, unenforceable or otherwise invalid under any applicable law), then (notwithstanding that the same may have been known to such Beneficiary) the Guarantor will, forthwith upon demand by such Beneficiary, pay such sum by way of a full indemnity in the manner and currency prescribed by the Conditions. This indemnity constitutes a separate and independent obligation from the other obligations under this Deed of Guarantee and shall give

rise to a separate and independent cause of action if any sum is not recoverable under Clause 2.1.

- 2.3 Notwithstanding the foregoing provisions of Clauses 2.1 and 2.2 hereof, it is specifically agreed that the place of performance of any and all obligations under the Deed of Guarantee shall be London, England and consequently any and all payments of the Guarantor under this Deed of Guarantee shall be made out of or to the credit of bank accounts maintained with banks legally operating and situated in London, England.

3. Negative Pledge

The Guarantor covenants in favour of each Holder that it will duly perform and comply with the obligations expressed to be undertaken by it in Condition 4.

4. Taxation

The Guarantor covenants in favour of each Holder that it will duly perform and comply with the obligations expressed to be undertaken by it in Condition 10. In particular, if in respect of any payment to be made under this Deed of Guarantee, any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature is payable, the Guarantor shall pay the additional amounts referred to in Condition 10, all subject to and in accordance with the provisions of Condition 10.

5. Preservation of Rights

- 5.1 The obligations of the Guarantor hereunder shall be deemed to be undertaken as principal obligor and not merely as surety.
- 5.2 The obligations of the Guarantor hereunder shall be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and, in particular but without limitation, shall not be considered satisfied by any intermediate payment or satisfaction of all or any of Piraeus PLC's obligations under any Note or the Deed of Covenant and shall continue in full force and effect until all sums due from Piraeus PLC in respect of the Notes and under the Deed of Covenant have been paid, and all other obligations of Piraeus PLC thereunder have been satisfied, in full.
- 5.3 Neither the obligations expressed to be assumed by the Guarantor herein nor the rights, powers and remedies conferred upon the Beneficiaries by this Deed of Guarantee or by law shall be discharged, impaired or otherwise affected by:
- (a) the winding up, liquidation or dissolution of Piraeus PLC or analogous proceeding in any jurisdiction or any change in its status, function, control or ownership;
 - (b) any of the obligations of Piraeus PLC under or in respect of the Notes or the Deed of Covenant being or becoming illegal, invalid or unenforceable;
 - (c) time or other indulgence being granted or agreed to be granted to Piraeus PLC in respect of any of its obligations under or in respect of the Notes or the Deed of Covenant;
 - (d) any amendment to, or any variation, waiver or release of, any obligation of Piraeus PLC under or in respect of the Notes or the Deed of Covenant or any security or other guarantee or indemnity in respect thereof; or
 - (e) any other act, event or omission which, but for this sub-clause, might operate to discharge, impair or otherwise affect the obligations expressed to be assumed by the Guarantor herein or any of the rights, powers or remedies conferred upon the Beneficiaries or any of them by this Deed of Guarantee or by law.
- 5.4 Any settlement or discharge between the Guarantor and the Beneficiaries or any of them shall be conditional upon no payment to the Beneficiaries or any of them by Piraeus PLC or any other person on Piraeus PLC's behalf being avoided or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation for the time being in force and, in the event of any such payment being so avoided or reduced, the Beneficiaries shall be entitled to recover the amount by which such payment is so avoided or reduced from the Guarantor subsequently as if such settlement or discharge had not occurred.

- 5.5 No Beneficiary shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Deed of Guarantee or by law:
- (a) to make any demand of Piraeus PLC, save for the presentation of the relevant Note;
 - (b) to take any action or obtain judgment in any court against Piraeus PLC; or
 - (c) to make or file any claim or proof in a winding up or dissolution of Piraeus PLC,
- and (save as aforesaid) the Guarantor hereby expressly waives presentment, demand, protest and notice of dishonour in respect of each Note.
- 5.6 The Guarantor agrees that, so long as any sums are or may be owed by Piraeus PLC in respect of the Notes or under the Deed of Covenant or Piraeus PLC is under any other actual or contingent obligation thereunder or in respect thereof, the Guarantor will not exercise any right which the Guarantor may at any time have by reason of the performance by the Guarantor of its obligations hereunder:
- (a) to be indemnified by Piraeus PLC;
 - (b) to claim any contribution from any other guarantor of Piraeus PLC's obligations under or in respect of the Notes or the Deed of Covenant;
 - (c) to take the benefit (in whole or in part) of any security enjoyed in connection with the Notes or the Deed of Covenant by any Beneficiary; or
 - (d) to be subrogated to the rights of any Beneficiary against Piraeus PLC in respect of amounts paid by the Guarantor under this Deed of Guarantee.
- 5.7 The Guarantor irrevocably undertakes that its obligations hereunder in respect of Notes specified in the applicable Final Terms as Senior Notes will constitute direct, general, unconditional and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured (subject to Condition 4) and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by mandatory provisions of law.
- 5.8 The Guarantor irrevocably undertakes that its obligations hereunder in respect of Notes specified in the applicable Final Terms as Dated Subordinated Notes will constitute direct, general and unconditional, subordinated and unsecured obligations of the Guarantor which will be subordinated to the claims of Senior Creditors of the Guarantor in that payments under the Deed of Guarantee (whether in the winding up of the Guarantor or otherwise) will be conditional upon the Guarantor being solvent at the time of payment by the Guarantor and in that no amount shall be payable under the Deed of Guarantee (whether in the winding up of the Guarantor or otherwise) except to the extent that the Guarantor could make such payment and still be solvent immediately thereafter. For this purpose, the Guarantor shall be considered to be solvent if it can pay principal and interest in respect of the Dated Subordinated Notes and still be able to pay its outstanding debts to Senior Creditors of the Guarantor, which are due and payable.

In case of dissolution, liquidation and/or bankruptcy of the Guarantor the holders of Dated Subordinated Notes will only be paid by the Guarantor after all Senior Creditors of the Guarantor have been paid in full and such holders of Dated Subordinated Notes irrevocably waive their right to be treated equally with all other unsecured, unsubordinated creditors of the Guarantor in such circumstances.

6. Deposit of Deed of Guarantee

An original of this Deed of Guarantee shall be deposited with and held by the Agent until the date which is two years after all the obligations of Piraeus PLC under or in respect of the Notes and the Deed of Covenant have been discharged in full. The Guarantor hereby acknowledges the right of every Beneficiary to the production of this Deed of Guarantee.

7. Stamp Duties

The Guarantor shall pay all stamp, registration and other similar taxes and duties (including any interest and penalties thereon or in connection therewith) which are payable upon or in connection with the execution and delivery of this Deed of Guarantee, and shall, to the extent permitted by law, indemnify each Beneficiary against any claim, demand, action, liability,

damages, cost, loss or expense (including, without limitation, reasonable legal fees and any applicable value added tax) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

8. Benefit of Deed of Guarantee

- 8.1 This Deed of Guarantee shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.
- 8.2 This Deed of Guarantee shall enure to the benefit of each Beneficiary and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Guarantee against the Guarantor.
- 8.3 The Guarantor shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. Each Beneficiary shall be entitled to assign all or any of its rights and benefits hereunder.
- 8.4 No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but that does not effect any right or remedy of any person which exists or is available apart from the Act.

9. Partial Invalidity

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any applicable jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other applicable jurisdiction shall in any way be affected or impaired thereby.

10. Notices

- 10.1 All notices and other communications to the Guarantor hereunder shall be made in writing (by letter, telex or fax) and shall be sent to the Guarantor at:

Piraeus Bank S.A.

Address: 4 Amerikis Str
105 64 Athens
Greece

Tel: +30 210 333 5870
Fax: +30 210 333 5695
Attention: Mrs. Dimitra Pallikari, Legal Counsel
and

Address: 5, Korai Street
105 64 Athens
Greece

Tel: +30 210 333 5818
Fax: +30 210 325 4207
Attention: Kostas Fouskas- Deputy Treasurer, Head of Asset &
Liability Management

or to such other address, telex number or fax number or for the attention of such other person or department as the Guarantor has notified to the Beneficiaries in the manner prescribed for the giving of notices in connection with the Notes.

- 10.2 Every notice, demand or other communication sent in accordance with Clause 10.1 shall be effective as follows:
- (a) if sent by letter or fax, upon receipt by the Guarantor; and
- (b) if sent by telex, upon receipt by the sender of the Guarantor's answerback at the end of transmission;

provided that any such notice or other communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Guarantor.

11. Governing Law and Jurisdiction

- 11.1 This Deed of Guarantee (other than Clause 5.8) is governed by, and shall be construed in accordance with, English law. Clause 5.8 is governed by and shall be construed in accordance with, Greek law.
- 11.2 The Guarantor agrees, for the exclusive benefit of the Beneficiaries, that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Deed of Guarantee (respectively, "Proceedings" and "Disputes") and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- 11.3 The Guarantor irrevocably waives any objection which it might now or hereafter have to the courts referred to in Clause 11.2 being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.
- 11.4 The Guarantor agrees that the process by which any Proceedings are begun may be served on it by being delivered to Piraeus Bank S.A., London Branch at its principal place of business for the time being in England (currently Tower 42, 25 Old Broad Street, London EC2N 1PB). If the Guarantor ceases to maintain a branch in England, the Guarantor shall appoint a further person in England to accept service of process on its behalf. Nothing in this sub-clause shall affect the right to serve process in any other manner permitted by law.
- 11.5 The submission to the jurisdiction of the courts referred to in Clause 11.2 shall not (and shall not be construed so as to) limit any right to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

12. Modification

The Agency Agreement contains provisions for convening meetings of Holders to consider matters relating to the Notes, including the modification of any provision of this Deed of Guarantee. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Beneficiaries.

IN WITNESS whereof this Deed of Guarantee has been executed by the Guarantor and is intended to be and is hereby delivered on the date first before written.

EXECUTED as a deed
by
acting as attorney-in-fact
for and on behalf of
PIRAEUS BANK S.A.
in the presence of:

|

Signature of witness:

Name of Witness:

Address:

Occupation:

TAXATION

Taxation in the Hellenic Republic

The following discussion of Greek taxation, as it relates to the Notes and the Guarantee, is of a general nature and is based on the provisions of tax law, currently in force in Greece. Holders of Notes who are in doubt as to their personal tax position should consult their professional advisers.

Under the Greek tax laws as of the date hereof:

1. payments of interest from Piraeus Bank in respect of Notes issued by it to Noteholders who:
 - (a) reside in Greece or maintain a permanent establishment therein for Greek tax law purposes, will be subject to Greek withholding tax at the rate of 10 per cent., which does not exhaust the tax liability of certain types of such Noteholders;
 - (b) are not individuals and neither reside nor maintain a permanent establishment in Greece for Greek tax law purposes will not be subject to Greek income tax, provided that the relevant Noteholders present a "tax residence certificate" issued at a date not later than one year before such certificate is presented;
 - (c) are individuals, acting as "beneficial owners", and reside in a Member State of the European Union, other than Greece, in the sense of article 4 par. 1 of Law 3312/2005 ((Gov. Gazette No A' 35/2005) implementing into Greek Law Directive 2003/48/EC on taxation of savings income in the form of interest payments — the "Implementing Law") and receiving such payments from a "paying agent" in the sense article 4 par. 2 of the Implementing Law, will not be subject to any Greek tax withholding.
2. No Greek withholding tax shall be imposed on payments of principal or interest from Piraeus PLC (or of principal by Piraeus Bank under the Deed of Guarantee) in respect of Notes issued outside Greece by Piraeus PLC and paid to Noteholders who neither reside in Greece nor maintain a permanent establishment therein and provided further that such payments are not made out of Greece.
3. Payments of interest from Piraeus Bank under the Deed of Guarantee in respect of Notes issued by Piraeus PLC to Noteholders who:
 - (a) reside in Greece or maintain a permanent establishment therein for Greek tax law purposes, may be subject to Greek withholding tax at the rate of 20 per cent. which does not exhaust the tax liability of such Noteholders;

unless payment of interest under the Deed of Guarantee, qualifies as "interest" in the sense of article 4 par. 3 of the Implementing Law, the Guarantor acts as "paying agent" in the sense article 4 par. 2 of the Implementing Law, and the holder is an individual, providing evidence that he has not received or secured such interest for his own benefit, in the sense of article 4 par. 1(a) to (c) of the Implementing Law;
 - (b) are companies or legal entities and who neither reside nor maintain a permanent establishment in Greece for Greek tax law purposes, may be subject to Greek withholding tax at the rate of 25 per cent., which exhausts the tax liability of such Noteholders.

However, if such a Noteholder is a resident of a country with which Greece has executed a bilateral tax treaty for the avoidance of double taxation, then the provisions of such treaty shall prevail over the provisions of internal Greek tax laws and shall apply, provided such Noteholder presents to Piraeus Bank a duly signed and stamped "claim" for the application of the relevant treaty supported by a tax residence certificate issued at a date not later than one year before such claim is presented.
4. On 3rd June, 2003 the EU Council of Economic and Finance Ministers adopted Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the "EU Savings Directive").

The ultimate aim of the EU Savings Directive is to enable savings income in the form of interest payments made in one Member State to beneficial owners who are individuals resident for tax purposes in another Member State to be made subject to effective taxation in accordance with the laws of the latter Member State.

Greece has implemented the EU Savings Directive by virtue of the Implementing Law (Law 3312/2005 — Gov. Gazette No A' 35/2005), in force as of the 1st July, 2005, whilst in the course of 2005 and 2006 several implementing practical measures were enacted in this context.

Taxation in the United Kingdom

The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of the Notes. The comments are made on the assumption that Piraeus Bank is not resident in the United Kingdom for United Kingdom tax purposes and that any interest on Notes issued by Piraeus Bank (other than through its UK branch) will not have a UK source. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders should be aware that the particular terms of issue of any Series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other Series of Notes. The following is a general guide and should be treated with appropriate caution. Noteholders who are in any doubt as to their tax position should consult their professional advisers.

Noteholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

A. UK Withholding Tax on UK Source Interest

A.1 UK Notes Listed on a Recognised Stock Exchange

The Notes issued by Piraeus PLC (the "UK Issuer") or Piraeus Bank issuing through its UK branch (also the "UK Issuer", and together with Piraeus PLC, the "UK Issuers") which carry a right to interest ("UK Notes") will constitute "quoted Eurobonds" provided they are and continue to be listed on a recognised stock exchange within the meaning of Section 1005 of the Income Tax Act 2007 (the "**Act**"). Securities will be treated as listed on a recognised stock exchange if (and only if) they are admitted to trading on that exchange and either they are included in the United Kingdom official list (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange. The Luxembourg Stock Exchange is a recognised stock exchange for these purposes. While the UK Notes are and continue to be quoted Eurobonds, payments of interest on the UK Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

A.2 UK Notes issued by Piraeus Bank acting through its UK branch

In addition to the exemption set out in A.1 above, interest on Notes issued by Piraeus Bank acting through its UK branch may be paid without withholding or deduction for or on account of United Kingdom income tax if and for so long as Piraeus Bank issuing through its UK branch is a "bank" for the purposes of section 991 of the Act and so long as such payments are made by it in the ordinary course of its business. In accordance with the published practice of HM Revenue & Customs, such payments will be accepted as being made by Piraeus Bank issuing through its UK branch in the ordinary course of its business unless either:

- (i) the borrowing in question conforms to any of the definitions of tier 1, 2 or 3 capital adopted by the Bank of England whether or not it actually counts towards tier 1, 2 or 3 capital for regulatory purposes; or
- (ii) the characteristics of the transaction giving rise to the interest are primarily attributable to an intention to avoid United Kingdom tax.

A.3 Notes issued to UK corporation tax payers

Interest on the Notes may also be paid without withholding or deduction on account of UK tax where interest on the Notes is paid by a company and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) that the beneficial owner is within the charge to UK corporation tax as regards the payment of interest; provided that HM Revenue & Customs has not given a direction (in circumstances where it has reasonable grounds to believe that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

A.4 Notes with short maturity dates

Interest on the UK Notes may be paid without withholding or deduction for or on account of United Kingdom income tax if the relevant interest is paid on Notes with a maturity of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Notes part of a borrowing with a total term of a year or more.

A.5 All other Notes

In all cases falling outside the exemptions described in A.1, A.2, A.3 and A.4 above, interest on the UK Notes must be paid under deduction of United Kingdom income tax at the savings rate (currently 20 per cent.) (or, if the Finance Bill 2008 is enacted in its current form, from 6 April 2008, the basic rate, which would also be 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.

B. Payments by the Guarantor

If the Guarantor makes any payments in respect of interest on Notes issued by Piraeus PLC (or other amounts due under such Notes other than the repayment of amounts subscribed for the Notes) such payments may be subject to United Kingdom withholding tax subject to such relief as may be available under the provisions of any applicable double taxation treaty. Such payments by the Guarantor may not be eligible for the exemptions described in A above.

C. Payments under the Deed of Covenant

Any payments made by an Issuer under the Deed of Covenant may not qualify for the exemptions from United Kingdom withholding tax described above.

D. Provision of Information

Noteholders should note that where any interest on Notes is paid to them (or to any person acting on their behalf) by any UK Issuer or any person in the United Kingdom acting on behalf of any Issuer (a "paying agent") or is received by any person in the United Kingdom acting on behalf of the relevant Noteholder (other than solely by clearing or arranging the clearing of a cheque) (a "collecting agent"), then the relevant UK Issuer, the paying agent or the collecting agent (as the case may be) may, in certain cases, be required to supply to HM Revenue & Customs details of the payment and certain details relating to the Noteholder (including the Noteholder's name and address). These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom income tax and whether or not the Noteholder is resident in the United Kingdom for United Kingdom taxation purposes. Where the Noteholder is not so resident, the details provided to HM Revenue & Customs may, in certain cases, be passed by HM Revenue & Customs to the tax authorities of the jurisdiction in which the Noteholder is resident for taxation purposes.

For the purposes of the provision of information, "interest" should be taken, for practical purposes, as including payments made by a guarantor in respect of interest on Notes.

HM Revenue & Customs also has power, in certain circumstances, to obtain information from any person in the UK who pays amounts payable on the redemption of Notes which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to or receives such amounts for the benefit of another person. HM Revenue & Customs published practice indicates that it will not exercise its power to require this information in respect of amounts payable on the redemption of deeply discounted securities where such amounts were paid on or before 5th April 2009. Such information may include the name and address of the beneficial owner of the amount payable on redemption.

Luxembourg Taxation

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Withholding Tax

(i) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the laws of 21st June, 2005 (the "Laws") mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3rd June, 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "Territories"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it will be levied at a rate of 15 per cent. during the first three-year period starting 1st July, 2005, at a rate of 20 per cent. for the subsequent three-year period and at a rate of 35 per cent. thereafter. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 15 per cent.

(ii) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23rd December, 2005 (the Law) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Austria, Belgium and Luxembourg are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement (the "Programme Agreement") dated 2nd July, 2008 agreed with Piraeus Bank and Piraeus PLC a basis upon which they or any of them may from time to time agree to subscribe Notes. Any such agreement will extend to those matters stated under "Form of the Notes" and "Terms and Conditions of the Notes" above. In the Programme Agreement, Piraeus Bank and Piraeus PLC have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer, or in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all the Notes of the Tranche of which such Notes are a part within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issue of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the relevant Issuer and the relevant Dealer or Dealers may agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms. Each relevant Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Final Terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "Non-exempt Offer"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where

appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;

- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the “Law No. 25 of 1948, as amended; the “FIEL”) and each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

United Kingdom

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) in relation to any Notes issued by Piraeus PLC having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not, or in the case of the Guarantor would not, if it was not an authorised person, apply to the Issuer or the Guarantor; and

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief having made all due and proper enquiries) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of Piraeus PLC, Piraeus Bank and any other Dealer shall have any responsibility therefor.

None of Piraeus PLC, Piraeus Bank and any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the relevant Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

GENERAL INFORMATION

Authorisation

The establishment and update of the Programme and the issue of Notes by Piraeus PLC have been duly authorised by resolutions of the Board of Directors of Piraeus PLC dated 2nd June, 2004, 21st July, 2005, 14th June, 2007 and 27th June, 2008. The establishment and update of the Programme and the giving of the Deed of Guarantee have been duly authorised by resolutions of the Board of Directors of Piraeus Bank dated 12th May, 2004, 13th July, 2005, 18th April, 2007 and 31st October, 2007.

The issue of Notes by Piraeus Bank under the Programme is subject to the prior decision of the Board of Directors of Piraeus Bank.

Approval, listing and admission to trading

Application has been made to the CSSF to approve this document as a base prospectus in respect of Piraeus PLC and in respect of Piraeus Bank. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

Documents Available

For the period of 12 months following the date of this Offering Circular, copies of the following documents will, when published, be available from the registered office of each Issuer and from the specified offices of the Paying Agents for the time being in London and Luxembourg:

- (i) the constitutional documents of Piraeus Bank and Piraeus PLC (in English);
- (ii) the audited IFRS financial statements of Piraeus Bank in respect of the financial years 31st December, 2007 and 31st December, 2006 (in both cases with an English translation thereof) (in each case together with the audit reports prepared in connection therewith);
- (iii) the audited financial statements of Piraeus PLC in respect of the financial years ended 31st December, 2007 and ended 31st December, 2006 (in each case together with the audit reports prepared in connection therewith);
- (iv) the Programme Agreement, the Agency Agreement, the Deed of Covenant, the Deed of Guarantee, the forms of the temporary global Notes, the permanent global Notes, the Notes in definitive form, the Receipts, the Coupons and the Talons;
- (v) a copy of this Offering Circular;
- (vi) any future offering circulars, prospectuses, information memoranda and supplements to this Offering Circular and Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer or the relevant Paying Agent, as the case may be, as to its holding and identity) and any other documents incorporated herein or therein by reference; and
- (vii) in the case of each issue of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange and subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

In addition, copies of this Offering Circular, each Final Terms, relating to Notes which are admitted to trading and the Luxembourg Stock Exchange's regulated market and each document incorporated by reference are available in the Luxembourg Stock Exchange's website at www.bourse.lu.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final

Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Material or Significant Change

Save as disclosed in this Offering Circular, there has been no material adverse change in the prospects of Piraeus Bank, or Piraeus Bank and its subsidiaries as a whole (the "Group"), since 31st December, 2007, and no significant change in the financial position of Piraeus Bank or the Group since 31st March 2008.

Save as disclosed in this Offering Circular, there has been no material adverse change in the prospects of Piraeus PLC since 31st December, 2007 and no significant change in the financial position of Piraeus PLC since 31st December, 2007.

Litigation

None of Piraeus PLC, Piraeus Bank or any subsidiary of Piraeus Bank is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Piraeus PLC or Piraeus Bank is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of Piraeus PLC, Piraeus Bank or the Group.

Auditors of Piraeus PLC

The auditors of Piraeus PLC are PricewaterhouseCoopers LLP, Hays Galleria, 1 Hays Lane, London SE1 2RD (member of the Institute of Chartered Accountants in England and Wales). The financial statements of Piraeus PLC for the years ended 31st December, 2005 and 2006 have been audited by PricewaterhouseCoopers LLP. The auditors of Piraeus PLC have no material interest in Piraeus PLC.

Auditors of Piraeus Bank

The statutory auditors of Piraeus Bank are PricewaterhouseCoopers – Athens (member of the Institute of Certified Public Accountants of Greece).

The audited consolidated financial statements of the Group as of 31st December, 2006 and as of 31st December, 2007 were prepared in accordance with the IFRS and have been audited by PricewaterhouseCoopers – Athens.

The auditors of Piraeus Bank have no material interest in Piraeus Bank.

The audited financial statements of Piraeus Bank PLC as of 31st December, 2006 and 31st December, 2007 have been audited by PricewaterhouseCoopers LLP.

Post-issuance information

Save as set out in the Final Terms, the Issuers do not intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities.

ISSUER**Piraeus Group Finance PLC**

Tower 42
25 Old Broad Street
London EC2N 1PB
England

ISSUER AND GUARANTOR**Piraeus Bank S.A.**

4, Amerikis Str.
105 64 Athens
Greece

AGENT**Deutsche Bank AG, London Branch**

Winchester House
1 Great Winchester Street
London EC2N 2DB
England

PAYING AGENT**Deutsche Bank Luxembourg S.A.**

2 boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

**INDEPENDENT AUDITORS
OF PIRAEUS BANK****PricewaterhouseCoopers**

268 Kifissias Avenue
152 32 Athens
Greece

INDEPENDENT AUDITORS OF PIRAEUS PLC**PricewaterhouseCoopers LLP**

Hays Galleria
1 Hays Lane
London SE1 2RD
England

LEGAL ADVISERS

*To Piraeus PLC and Piraeus Bank
as to Greek law*

M. & P. Bernitsas Law Offices

5 Lykavittou Street
GR-105 72 Athens
Greece

*To the Dealers
as to English law*

Allen & Overy LLP

One Bishops Square
London E1 6AD
England

ARRANGER

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
London E14 5LB
England

DEALERS

ABN AMRO Bank N.V.

250 Bishopsgate
London EC2M 4AA
England

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB
England

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
London E14 5LB
England

Deutsche Bank AG, London Branch

Winchester House
1 Great Winchester Street
London EC2N 2DB
England

HSBC Bank plc

8 Canada Square
London E14 5HQ
England

Merrill Lynch International

Merrill Lynch Financial Centre
2 King Edward Street
London EC1A 1HQ
England

Natixis

30 avenue Pierre
Mendès France
75013 Paris
France

Piraeus Bank S.A.

4 Amerikis Str
10564 Athens
Greece

Banc of America Securities Limited

5 Canada Square
London E14 5AQ
England

CALYON

9 quai du Président Paul Doumer
Paris La Défense Cédex
92920
France

Credit Suisse Securities (Europe) Limited

One Cabot Square
London E14 4QJ
England

Goldman Sachs International

Peterborough Court
133 Fleet Street
London EC4A 2BB
England

ING Bank N.V.

Foppingadreef 7
1102 BD Amsterdam
The Netherlands

Morgan Stanley & Co. International plc

25 Cabot Square
Canary Wharf
London E14 4QA
England

Nomura International plc

Nomura House
1 St Martin's-le-Grand
London EC1A 4NP
England

UBS Limited

1 Finsbury Avenue
London EC2M 2PP
England

LUXEMBOURG LISTING AGENT

Deutsche Bank Luxembourg S.A.

2 boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

