

Announcement

Piraeus Bank agrees the sale of a corporate NPE portfolio equivalent to €1,950mn of legal claims or €1,450mn gross book value

Piraeus Bank S.A. ("**Piraeus**" or the "**Bank**" or the "**Group**") announces that it has entered into an agreement with Bain Capital Credit LP ("**Bain**") in relation to the sale of non-performing and denounced corporate credit exposures, secured with real estate collateral, equivalent to €1,950mn total legal claims or €1,450mn on-balance sheet gross book value (the "**Portfolio**" and the "**Transaction**", respectively).

The Transaction is subject to customary conditions, regulatory and other approvals by the respective authorities in Greece, including the consent of the Hellenic Financial Stability Fund.

The Transaction is expected to generate circa 20 basis points of CET-1 capital, as at 31st March 2018, while reducing the NPE ratio of the Bank by more than 100 basis points. Following the completion of the Transaction, Piraeus will have no control over the servicing of the Portfolio and will retain none of the risks and rewards associated with it.

"This is the first commercial real-estate backed NPE sale taking place in our country and one which Piraeus prepared and executed methodically. It sets the mark and materially contributes in the creation of the secured NPE market in Greece. The Transaction underlines our strong determination to continue de-risking our balance sheet and implementing our capital enhancing plan, in-line with our strategic initiative, Agenda 2020. We are greatly encouraged by Bain's direct investment in Greece, which we read as a strong vote of confidence in the prospects of the newly established NPE market, the recovering real estate prices and the Greek economy overall", Christos Megalou, the Group's Chief Executive Officer, said.

"We are delighted to continue to strengthen our position in the Greek non-performing credit, a market with circa €100bn of NPEs", said Alon Avner, a Managing Director and Head of Bain Capital Credit's European business.

"This investment demonstrates our interest in the market as we are excited to play a part in Greece's recovery. After having acquired similarly complex portfolios across Europe, this transaction showcases our expertise in executing deals of this magnitude", added Fabio Longo, a Managing Director and Head of Bain Capital Credit's European non-performing loan & real estate business.

"We are thrilled to be able to continue returning financially stranded Greek assets to being productive units of the economy, and look forward to further developing the great working relationships we have formed", said Brad Palmer, a Managing Director and Head of Bain Capital Credit's European operations.

UBS Limited is acting as exclusive financial advisor of Piraeus for the Transaction. Alix Partners and Ernst & Young have assisted in the preparation of data-rooms, real estate valuations and other materials related

to the Transaction. Shearman & Sterling is acting as international legal counsel to Piraeus and Zepos & Yannopoulos as Greek legal counsel to Piraeus for the Transaction.

Support in executing this deal for Bain Capital Credit was provided by Mount Street, loan servicing specialists; Property Solutions Asset Management and Danos Real Estate provided real estate valuation advice, whilst Kirkland & Ellis, Karatzas & Partners and Andreas Angelidis & Associates provided legal assistance. Other financial due diligence and advisory was performed by Deloitte. Alvarez & Marsal also provided support to Bain.

About Piraeus Bank

Piraeus Bank, founded in 1916, is the leading lender in Greece with a 30% market share, offering a full range of financial products and services to more than 5mn customers. Total assets of the Group amounted to €64bn, net loans to €41bn and customer deposits to €43bn on 31 March 2018. Piraeus Bank employees 13 thousand people in Greece and operates a nationwide network of 600 units, ranking first in customer satisfaction in the Greek market. In parallel, the Bank is at the forefront of digitalization and innovation in Greece, catering for the needs of more than 1.5mn customers in e-banking services. For more information on Piraeus Bank: <http://www.piraeusbank.gr/en>.

About Bain Capital Credit LP

Bain Capital Credit LP (www.baincapitalcredit.com), founded as Sankaty Advisors in 1998, invests up and down the capital structure and across the spectrum of credit strategies, including leveraged loans, high-yield bonds, distressed debt, private lending, structured products, non-performing loans and equities. The team of more than 200 professionals creates value through rigorous, independent analysis of thousands of corporate issuers around the world. In addition to credit, Bain invests across asset classes including private equity, public equity and venture capital, and leverages the firm's shared platform to capture opportunities in strategic areas of focus.