

# **PRESS RELEASE**

## **Piraeus Bank: Agreement for the Sale of Serbian Operations**

Piraeus Bank announces that it has entered into an agreement to sell its Serbian banking and leasing operations to Direktna Banka A.D., a local Serbian banking group that has been strongly growing its presence in the market, for a total cash consideration between €58mn up to €61mn, depending on the financial performance of the divested assets until completion of the transaction, through a combination of direct sale price and simultaneous reduction of capital in Piraeus Bank Beograd AD.

The transaction is conditional upon the usual corporate and regulatory approvals, including those of the National Bank of Serbia and the Hellenic Financial Stability Fund. The transaction represents another step towards the implementation of Piraeus Bank's Restructuring Plan commitments, as those were agreed with the Directorate General of Competition of the European Commission.

The transaction is expected to close in the first quarter of 2018, following the receipt of all necessary approvals and is neutral to Piraeus' CET-1 ratio.

Mr Christos Megalou, Chief Executive Officer of Piraeus Bank, said with regards to the transaction: "In accordance with our Restructuring Plan commitments to reduce our international presence, we are announcing the sale of our Serbian operations to Direktna Banka after a highly competitive sale process. We believe that Piraeus Bank AD Beograd customers and employees will benefit from being part of an enlarged banking group and we look forward to the timely completion of the transaction".

BNP Paribas acted as financial adviser to Piraeus Bank on the transaction, whilst Clifford Chance and Andric Law Office acted as legal counsel.

Athens 17 October 2017