



Wednesday, November 7th, 2018

Announcement

Eurobank announces the agreement for the acquisition of Piraeus Bank Bulgaria

Eurobank Ergasias S.A. ("Eurobank") announces that it has concluded an agreement with Piraeus Bank S.A. ("Piraeus Bank") for the acquisition of Piraeus Bank Bulgaria AD ("PBB"), a subsidiary of Piraeus Bank, by Eurobank's subsidiary in Bulgaria, Eurobank Bulgaria AD ("Postbank") (the "Transaction").

PBB, as of September 2018 had total assets of €1.7bn, total loans of €820m and deposits of €1.3bn, operating in retail and, mainly, corporate banking through a network of 70 branches and more than 900 employees.

The Transaction strengthens Postbank's position in the Bulgarian banking sector, with a pro forma market share in excess of 10%, ranking 3rd in terms of total loans. After the completion of the Transaction, Postbank will have total assets of more than €5bn, total equity in excess of €600m and, accounting for the expected fully-phased synergies, pre-provision income and net income in excess of €150m and €70m respectively. Furthermore, Postbank will retain a strong capital adequacy and solid liquidity.

The consideration for the shares amounts to €75m and the Transaction is expected to have at completion, a marginal impact of -14bps on Eurobank's CET1 ratio, while accounting also for the expected synergies, the Transaction is estimated to be capital accretive.

Mr. Stavros Ioannou, Eurobank Deputy CEO, said: "We are pleased to have reached an agreement with Piraeus Bank, for the acquisition of PBB by Postbank, our subsidiary in Bulgaria. The acquisition is in line with Eurobank's strategy to focus on the expansion of its international activities in markets which are deemed core, such as the Bulgarian one. Following the acquisition, Eurobank Bulgaria will be the 3rd largest bank in the country. Our goal is to better serve our customers and depositors, to support, through new financing, the Bulgarian economy, as well as the Greek corporates in the neighboring country.

We would also like to thank the Piraeus Bank colleagues for the excellent cooperation that led to the conclusion of the agreement and to also welcome our new colleagues from PBB."

Completion of the Transaction is subject to approvals by the relevant competent regulatory and supervisory authorities and is expected to take place during the 1st quarter of 2019.

Barclays Bank PLC, acting through its Investment Bank ("Barclays") acted as sole financial advisor to Eurobank in connection with the Transaction and Milbank, Tweed, Hadley & McCloy LLP and Karatzas & Partners Law Firm provided legal advice.

Important note: This release contains certain forward-looking statements. These forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to these uncertainties and risks, readers are cautioned not to place undue reliance on such



forward-looking statements, which speak only as of the date of this announcement. Eurobank disclaims any obligation to update any forward-looking statements contained in this announcement, except as required pursuant to applicable law.

Barclays, which is authorized by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Eurobank and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than Eurobank for providing the protections afforded to clients of Barclays nor for providing advice in relation to any matter referred to in this announcement.