

Monday, February 25th, 2019

**ANNOUNCEMENT OF APPROVAL OF TRANSACTION WITH A RELATED PARTY
PURSUANT TO Article 101, par. 2 of Greek Law 4548/2018**

The Board of Directors of the credit institution "Eurobank Ergasias Societe Anonyme" (hereinafter "Eurobank" or "Bank") announces the approval by the Board of Directors of the coming agreement pursuant to article 100 of Greek Law 4548/2018 of the Bank with the company to be incorporated under the name ["Grivalia Management Company SA"] (hereinafter "Related Party"), which is a related party to Eurobank within the meaning of paragraph 2(a) of article 99 of Greek Law 4548/2018 and in accordance with the International Accounting Standard 24, since the member of the Board of Directors of the Bank Mr. Georgios Chryssikos shall hold the majority (70%) of the shares of the Related Party and shall be an executive member of the board of directors of the Related Party.

The Bank shall conclude a services agreement with the Related Party under the following terms:

The agreement shall come into force upon completion of the merger by absorption by the Bank of the company under the name "GRIVALIA PROPERTIES Real Estate Investment Company SA" (hereinafter "Grivalia").

The object of the agreement are services which the Related Party shall provide to Eurobank with respect to properties, which 1) a) before the completion of the merger belonged to or leased/conceded by either Grivalia or companies controlled or managed exclusively by Grivalia or jointly with other persons and/or of companies in Greece or outside of Greece in which Grivalia held a shareholding participation before the completion of the merger, as well as those to be acquired by Eurobank after completion of the merger following the advice of Grivalia and b) belong to or are leased/conceded by either Eurobank or companies controlled or managed exclusively by Grivalia or jointly with other persons and/or of companies in Greece in which Eurobank holds directly or indirectly a controlling shareholding participation (hereinafter "Eurobank Controlled Entities") (the aforementioned properties hereinafter "Portfolio"), 2) are or will be owned by either Eurobank or Eurobank Controlled Entities through enforcement procedures (hereinafter "Repossessed Assets"), and 3) which are outside Greece and belong to companies controlled by Eurobank (hereinafter "Foreign Portfolio").

The related services to be assigned to the Related Party under said agreement have mainly and in summary as follows: advisory services relating to the acquisition, transfer, lease, management development and strategic planning of the management of real estate assets, including the preparation of the annual budget and the supervision of Eurobank's contractors and advisors. Following a specific mandate, the Related Party will also undertake certain implementation actions.

The Related Party and executives of the Related Party shall participate and/or make proposals to special committees to be established jointly by the Bank and the Related Party and/or of the Bank, that will decide with respect to the above issues.

The agreement will be concluded before the completion of the merger by absorption of Grivalia by the Bank and in any case within six months of the decision of the Board of Directors dated 22.02.2019. The duration of the agreement shall be 10 years from the completion of the merger.



The fees of the Related Party for the provision of its services shall be as follows:

a) Service Fee for the Portfolio and the Foreign Portfolio calculated on an annual basis on the market value of the relevant assets, as follows:

- 100 basis points for market value up to €500 million,
- 75 basis points for the next €500 million of market value,
- 50 basis points for market value exceeding €1billion.

The annual Service Fee will not be lower than €9.35 million (an amount calculated based on the total value of the Portfolio and the Foreign Portfolio of 31.12.2018 and after applying an initial 22% discount).

b) Repossessed Assets Fee, which shall be calculated on the basis of the relevant costs plus a profit margin. The estimated annual cost based on the figures for 2018 is ca. €1 million.

and

c) Incentive Fee which refers to the sale of Repossessed Assets and shall amount to 1% on the divestment proceeds, which shall increase to 2%, in the absence of an intermediary agent.

The total fees shall not exceed €12 million annually. All fees exclude VAT and shall be prepaid on a quarterly basis.