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*Athens, July 03, 2017*

## **ANNOUNCEMENT**

### **Eurobank announces its intention to sell up to 20,252,001 shares in Grivalia Properties by way of accelerated bookbuild offering.**

Eurobank Ergasias S.A. ("Eurobank") announces its intention to sell up to 20,252,001 ordinary shares in GRIVALIA PROPERTIES Real Estate Investments Company S.A. ("Grivalia Properties"), at a minimum price of €8.80 per share, representing approximately 20% of the share capital of Grivalia Properties and Eurobank's entire stake in Grivalia Properties, through an institutional private placement by way of an accelerated bookbuild offering (the "Placement").

Eurobank has engaged HSBC Bank plc, AXIA Ventures Group Ltd and Eurobank Equities Investment Firm S.A. as Joint Global Coordinators and Joint Bookrunners for the Placement (together, the "Bookrunners").

Fairfax Financial Holdings Ltd ("Fairfax") (acting through its affiliates) and various funds, whose investment manager is Pacific Investment Management Company LLC, have provided written letters of intention to acquire 10,000,000 and 5,065,000 shares, respectively, to be offered in the Placement, at a price of €8.80 per share.

If the Placement completes, Fairfax will be the largest shareholder controlling 41.5% of the total voting rights and acquire sole control over Grivalia Properties. Furthermore, if it is allocated the 10,000,000 shares mentioned in the previous paragraph, Fairfax's voting rights controlled will increase to approximately 51.4%. In this and certain other circumstances, Fairfax might be required to launch a tender offer for the remaining shares in Grivalia Properties.

The Placement is designed to fulfil Eurobank's restructuring plan as agreed with the European Commission. The transaction will be capital accretive for Eurobank and further enhance its CET 1 capital.

The bookbuilding process will commence immediately following the publication of this announcement and may be closed at short notice at the full discretion of the Bookrunners. The results of the Placement will be announced after the close of the accelerated bookbuild. Eurobank reserves the right, at its own discretion, to sell fewer shares or no shares at all. Eurobank has agreed to a lock-up of 60 days in relation to any residual shares in Grivalia Properties that it may retain following the Placement.



### **Important Notice**

The distribution of this announcement and the offer and sale of the shares in certain jurisdictions may be restricted by law. The shares may not be offered to the public in any jurisdiction in circumstances which would require the preparation or registration of any prospectus or offering document relating to the shares in such jurisdiction. No action has been taken by Eurobank or the Bookrunners or any of their respective affiliates that would permit an offering of the shares or possession or distribution of this announcement or any other offering or publicity material relating to such securities in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required to inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement is for information purposes only and does not constitute or form a part of an offer to sell or a solicitation of an offer to purchase any security of Grivalia Properties in the United States or in any other jurisdiction where such offer or solicitation is unlawful. The securities described in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any applicable state or foreign securities laws and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. There will be no public offering of securities in the United States. In the United States, the securities described in this announcement will be offered and sold solely to "qualified institutional buyers" as defined in Rule 144A under the Securities Act who are also "qualified purchasers" as defined in the US Investment Company Act of 1940, as amended.

In member states of the European Economic Area ("EEA") which have implemented the Prospectus Directive (each, a "Relevant Member State"), this announcement and any offer if made subsequently is directed exclusively at persons who are "qualified investors" within the meaning of the Prospectus Directive ("Qualified Investors"). For these purposes, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in a Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU. In the United Kingdom this announcement is directed exclusively at Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) who fall within Article 49(2)(A) to (D) of the Order, and (iii) to whom it may otherwise lawfully be communicated.

In connection with any offering of the shares of Grivalia Properties, the Bookrunners and any of their affiliates acting as an investor for their own account may take up as a proprietary position any shares and in that capacity may retain, purchase or sell for their own account such shares. In addition, the Bookrunners or their affiliates may enter into financing arrangements and swaps with investors in connection with which the Bookrunners (or their affiliates) may from time to time acquire, hold or dispose of shares. The Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Bookrunners are acting on behalf of Eurobank and no one else in connection with any offering of the shares and will not be responsible to any other person for providing the protections afforded to clients of the Bookrunners or for providing advice in relation to any offering of the shares. The Bookrunners may participate in the transaction on a proprietary basis.

No prospectus or offering document has been or will be prepared in connection with the Placement. Any investment decision to buy securities in the Placement must be made solely on the basis of publicly available information. Such information is not the responsibility of and has not been independently verified by any of Eurobank, the Bookrunners or any of their respective affiliates.

HSBC Bank plc which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority in the United Kingdom are acting only for Eurobank in connection with the Placement and will not be responsible to anyone other than Eurobank for providing the protections offered to the clients of the Bookrunners, nor for providing advice in relation to the Placement or any matters referred to in this announcement.

This document includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "intends", "expects", "will", or "may", or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. Any forward-looking statements are subject to risks relating to future events and assumptions relating to Eurobank or Grivalia Properties' business, in particular from changes in political conditions, economic conditions, evolving business strategy, or the retail industry. No assurances can be given that the forward-looking statements in this document will be realised. As a result, no undue reliance should be placed on these forward-looking statements as a prediction of actual results or otherwise.