



PIRAEUS BANK

Q1.2020 FINANCIAL RESULTS

01 June 2020



Q1.2020
FINANCIAL
RESULTS



01 Executive Summary

02 Financial Performance

03 Appendix

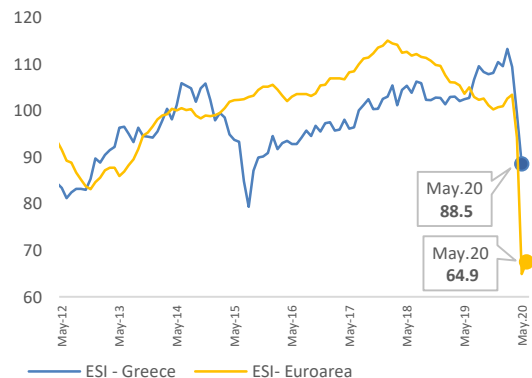




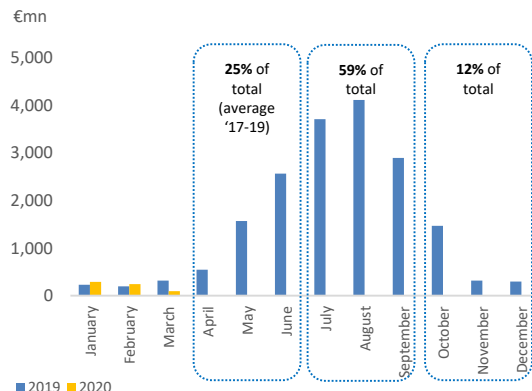
Q1.2020
FINANCIAL
RESULTS

01 Executive Summary

Economic sentiment evolution



Travel revenues a bellwether for Greek GDP

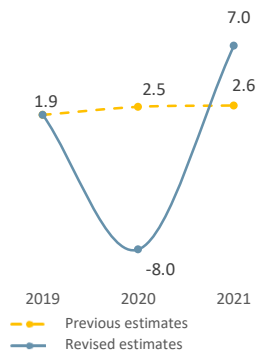


Source: Bank of Greece, European Commission DG-ECFIN, Piraeus Bank Research

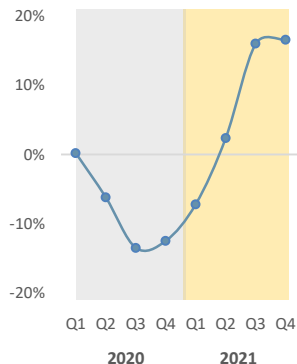
- **Unprecedented policy response** to address COVID-19 impact
- Economic sentiment points to a **milder vs Euroarea impact** for the Greek economy
- The **economy has restarted** as of early May post lockdown
- Successful management of the health crisis and **persistently good progress** post lockdown to-date
- A moderate pace of recovery for the tourism revenue during the summer period could be significant for Greece's 2020 GDP, resulting to a **better than expected outcome**
- On top of the **€20-24bn** measures of the Greek State, additional benefit is expected from the EU measures under way (**€32bn** from Recovery Fund)

Real GDP

% annual change

**Real GDP per quarter**

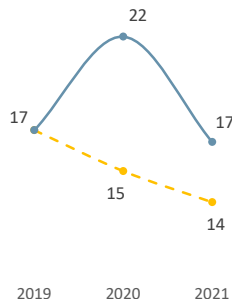
% annual change



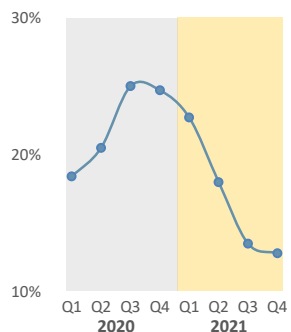
- Baseline scenario for **-1%** contraction in the 2Y period 2020-2021
- Key focus on **job protection & support for the hospitality sector**
- Revised estimates for **real estate prices** reflect **mild pressure**
- **Revised estimates impact incorporated in the collective ECL**

Unemployment

% of labor force

**Unemployment per quarter**

% of labor force

**Real Estate Prices**

Forecast for % annual change

*Non-residential real estate

Residential real estate

**2020-2021f
cumulative**

Previous

Revised

**Δ vs
previous**

9.1

0.2

-8.9

15.5

5.9

-9.6

Source: 2019 actual ELSTAT, 2020-2021 forecasts Piraeus Bank Research; *office prices

Measures introduced	Value added (€bn)
A. Budgetary measures (allowances, repayable advance, social security contributions, subsidies)	~8.4
B. Liquidity measures (State guarantees, deferral of tax obligations)	~3.3
C. Expected additional impact of liquidity measures	~8.0
Total	~20.0

Source: European Commission (Enhanced Surveillance Report - May 2020)

- Authorities have adopted an unprecedented amount of measures to support the economy, with an overall size of ~€20bn, or 10.5% of GDP. The €3.3bn liquidity support measures are expected to mobilise up to €8bn of additional loans
- The main beneficiaries of the economic support measures are employees, private sector enterprises, self-employed and freelancers
- Eligible to receiving support measures are more than 800k enterprises, with more than 1.7mn employees and more than 700k self-employed, freelancers and sole proprietorships, covering more than 80% of the private sector
- Three sources of funding are expected to be utilised: external (EU funds), State cash reserves & borrowing and banks' leverage
- The European Commission's proposal for a €750bn EU recovery fund could provide further significant support to the Greek economy to the tune of €32bn (17% of GDP) according to Commission's estimates, of which €22.5bn would be provided as grants and €9.5bn as loans (preliminary data)

- ✓ **Fully operational network (526 units)** throughout the lockdown period, considering all health & safety parameters
- ✓ **Proactive communication with affected customers** offering targeted solutions
- ✓ **Loans under moratoria** to-date amount to **€4.0bn**, provided to eligible non-NPL customers
- ✓ **Strong customer relationships:** private sector deposit inflows **+€1.6bn** since early Mar.20
- ✓ **Disbursements of new loans:** **€2.2bn** to-date, **€1.5bn** since early March, exceeding our aspired annual run-rate
- ✓ **Active participation in official sector funding support programmes**, receiving **~40%** of total applications for new working capital scheme with interest subsidy provided by the Hellenic Development Bank (TEPIX-II)
- ✓ **Accelerated digital penetration:** **8x** more winbank registrations during lockdown period vs same period last year and **94%** of total bank transactions executed via winbank compared to **88%** last year
- ✓ **All necessary measures recommended for the protection of employees have been taken:** work-from-home functionality since day-one of lockdown, digital communication tools, health and safety guides



Resilient Business Performance

- NIM of **2.4%**
- New loan production at **4.2%** yield
- Funding costs substantially improved
- Commission income increased **3%** yoy despite the headwinds



Cost Efficiency

- OpEx decrease **-7%** yoy
- Improved C:I at **50%**
- Staff costs **-11%** yoy
- Tight control of COVID-19 related expenses
- Additional **cost savings** to be implemented during 2020



COVID-19 Impact to P&L

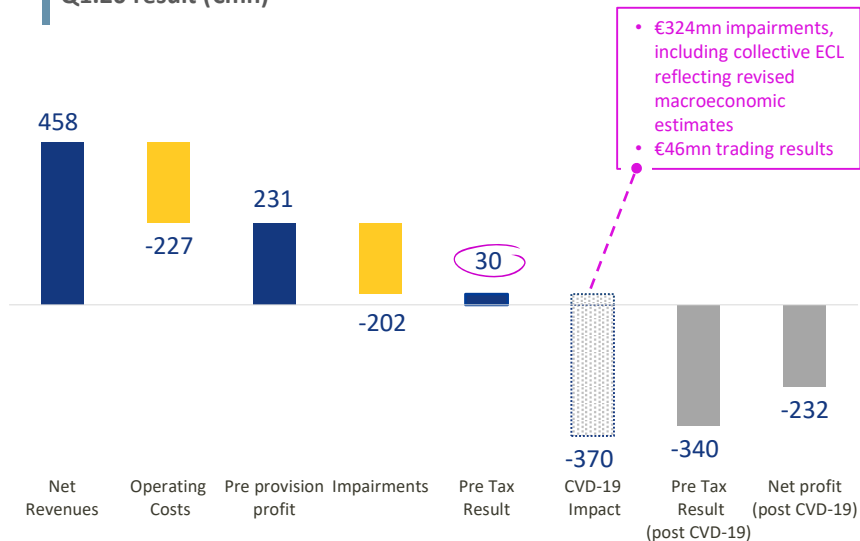
- COVID-19 impairments of **€324mn**, incorporating revised macro estimates
- Impact to trading results of **€46mn**
- **NPE inorganic effort continues unabated**



Capital & Liquidity Profile

- Capital ratio at **15.2%**
- LCR **131%**, LDR **81%**
- **~70bps** of capital benefit expected from amendments to the current capital regime as introduced by EC in late Apr.20

Q1.20 result (€mn)

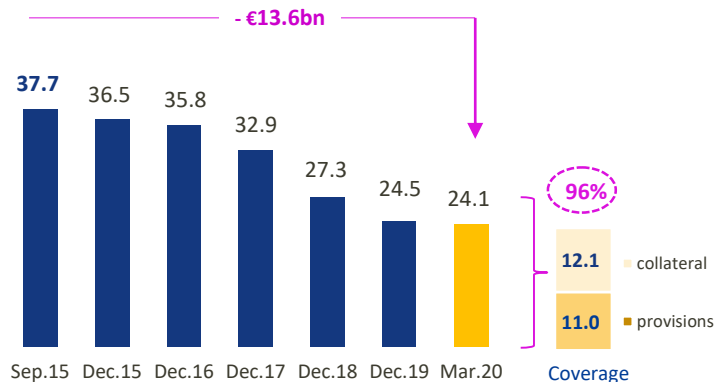


- NII stable yoy
- NFI increased **3%** yoy
- Net revenues up **3%** yoy
- OpEx down **7%** like-for-like
- PPI up **14%** like-for-like
- Underlying CoR at **192bps**
- **€30mn pre tax result in Q1.20**
- COVID-19 impact of **€370mn** in Q1.20
- Reported pretax result **-€340mn**; net **-€232mn**

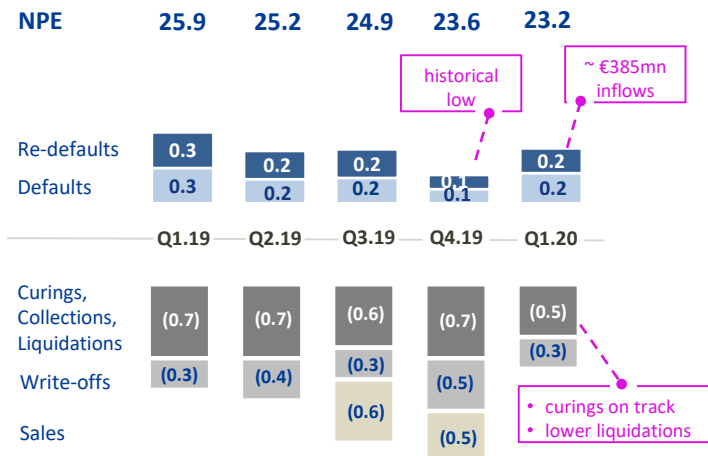
Note: impairments include results from associates

CONTAINED NPE INFLOWS & Milder OUTFLOWS IN Q1.20

Group NPE development | €bn



Bank NPE movement | €bn

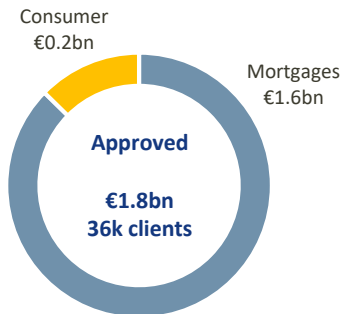


DEBT MORATORIA OFFERED TO NON-NPL CLIENTS



Retail

- €6.8bn eligible portfolio
- 254k clients

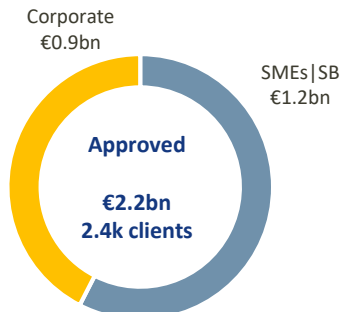


- 27% of eligible exposures under moratorium
- Mortgage moratoria will be supported by the upcoming government subsidy scheme



Business

- €13.4bn eligible portfolio
- 77k clients

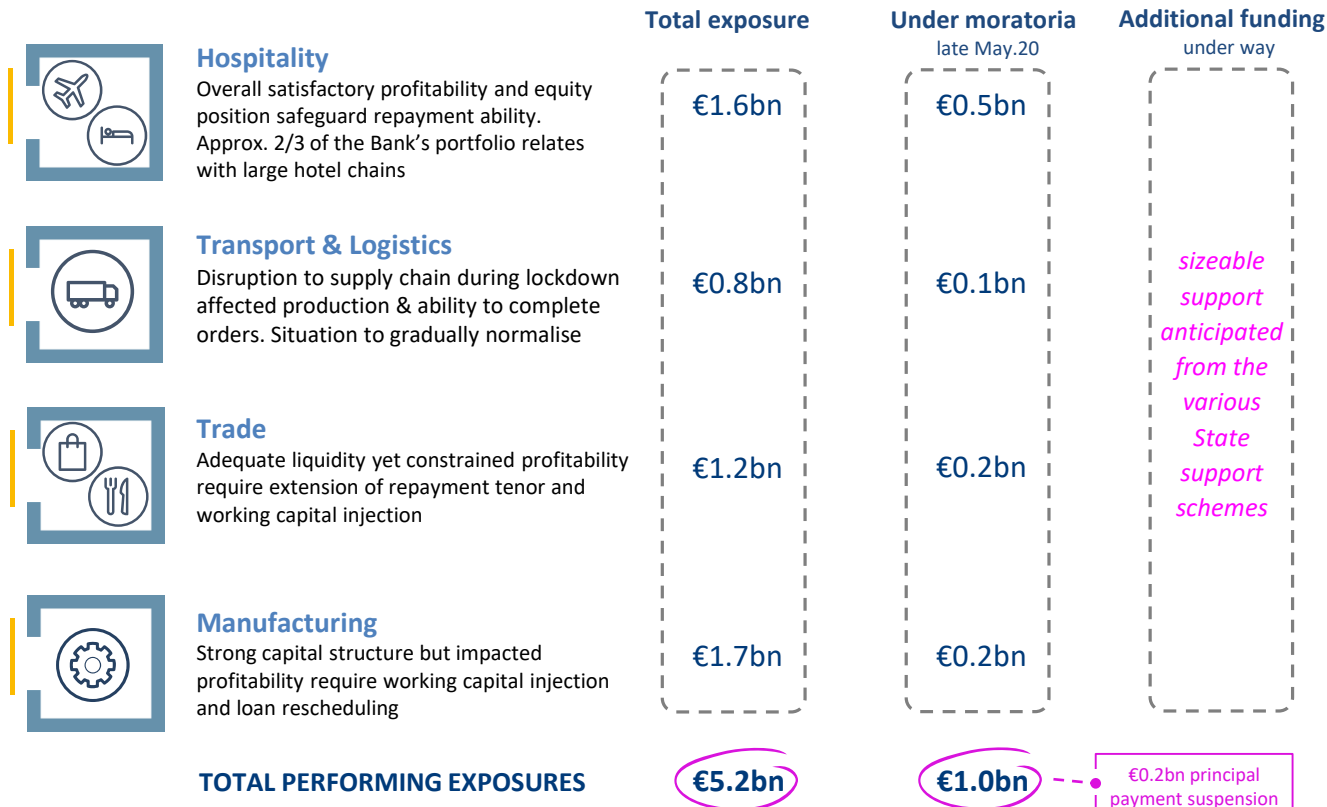


- Principal payment deferral of **€0.3bn**
- 16% of eligible exposures under moratorium
- The majority of clients under moratoria are expected to be included in the **government support schemes** receiving more than **€1bn** additional funding

Note: data as of late May.20

AFFECTED COMMERCIAL SECTORS RECEIVING TAILOR-MADE APPROACH

09



Loan disbursements in Greece | €bn

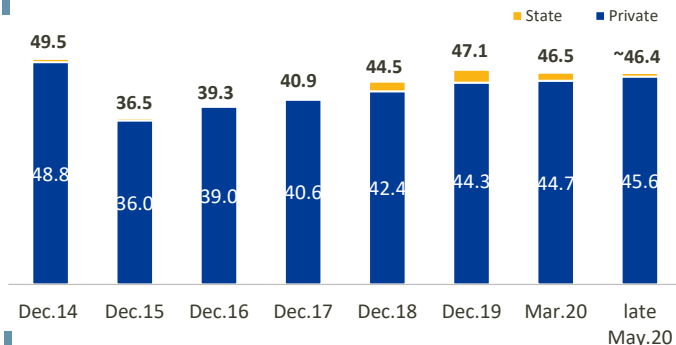


3 State schemes for financing support

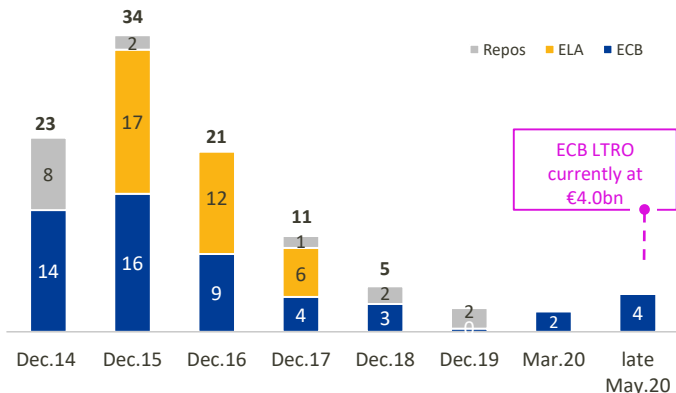
Programme Sponsor	Programme	Beneficiaries	Market Utilization	PB's Share
Hellenic Development Bank	Entrepreneurship Fund II ("TEPIX II"): Interest Rate Subsidy ("new money")	Impacted SMEs	~€2.0bn	no quota ~37% of market requests
	Guarantee Provision ("new money")	SMEs & Large Corporates	~€3.6bn funding	~€1.0bn funding
Ministry of Development & Investments	Interest Rate Subsidy outstanding lending facilities	Impacted SMEs	€0.75bn grant	no quota ~52% of market requests

Note: TEPIX II scheme completed; guarantee provision to be launched in Jun.20; interest rate subsidy scheme under way

Domestic deposits | €bn



Interbank funding | €bn



- Customer deposits increased **7%** yoy in Mar.20
- Q1.20 displayed the expected seasonality. Private sector balances increased **€1.3bn** year-to-date
- LCR **131%** in Mar.20, improved from **117%** at the end of Dec.19
- Available cash balances stand at **~€7bn**
- Net Interest Income supported by combined utilisation of:
 - ECB TLTRO III & LTRO
 - ECB Tiering capacity
- Outstanding Tier 2 issues of total **€0.9bn**, further enhancing capital buffers

Capital ratio	Phased-In Fully Loaded <i>with result of period</i>		Phased-In Fully Loaded <i>pro-forma</i>	
	Mar.20	Mar.20	Mar.20	Mar.20
€bn %				
CET-1 Capital	5.8	4.7	5.8	4.7
Total Capital	6.7	5.6	6.7	5.6
RWAs	44.6	43.4	44.3	43.1
CET-1 ratio	13.1%	10.8%	13.2%	10.8%
Total ratio	15.1%	12.8%	15.2%	12.9%

Note: pro-forma ratios for the RWA relief of the HFS portfolios (€0.3bn);
all figures incorporate profit for the period of 2019

- Significant improvement of RWA density to **74%** vs **82%** a year ago
- Considering pending EC amendments of **~70bps** in Mar.20, total capital ratio would increase to **15.9%**

SREP capital requirement			
%	2019	2020	2020
Pillar 1 CET1	4.50%	4.50%	4.50%
Pillar 2 Requirement (P2R)	3.25%	3.25%	1.83%
Capital Conservation Buffer (CCB)	2.50%	2.50%	-
Other Systemically Important Institutions	0.25%	0.50%	0.50%
CET-1 Requirement	10.50%	10.75%	6.83%
Pillar 1 AT1	1.50%	1.50%	2.11%
Pillar 1 T2	2.00%	2.00%	2.81%
Overall Capital Requirement (OCR)	14.00%	14.25%	11.75%

post March 2020
ECB statements

- Post supervisory flexibility provided to banks to operate below CCB in reaction to COVID-19, the OCR is at **11.75%** from **14.25%**; capital buffer of **€1.5bn** against the **11.75%**
- The change of P2R mix as per CRDV provides European banks with more flexibility

* fully phased systemic buffer level at 75bps as per BoG 2019 O-SII assessment

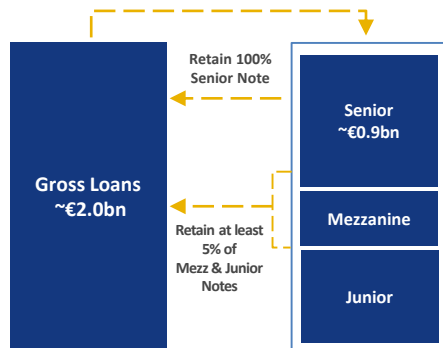
Iris  <i>held for sale</i>	Trinity  <i>held for sale</i>	Phoenix	Vega
€0.6bn	€0.3bn	~€2.0bn	~€5.0bn
<ul style="list-style-type: none"> • Personal loans & credit cards, SBL, leasing • Confirmed offer received 	<ul style="list-style-type: none"> • Secured large corporate loans • Signed €0.1bn first tranche (offers already received for second tranche) 	<ul style="list-style-type: none"> • Residential mortgage portfolio • Finalized perimeter • Business plan concluded • Pre-rating phase 	<ul style="list-style-type: none"> • Commercial and residential portfolio • Finalized perimeter • Business plan under way • Pre-rating to start
Sales		Securitizations	



Sale of Forthnet loans to BC Partners-owned United Group completed

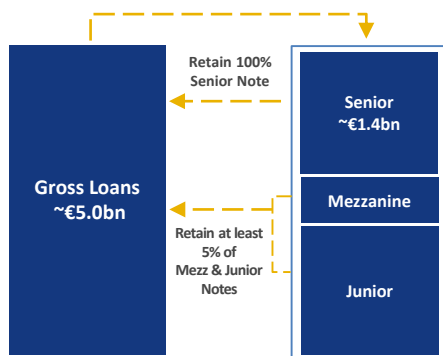
Note: amounts correspond to Gross Book Value; Iris was classified as HFS in Q3.19 and Trinity in Q4.19

“Phoenix”



- The transaction will opt-in for the HAPS guarantee
- The perimeter is comprised **22k** borrowers, **58k** loans
- The average borrower exposure is **€90k**
- **67%** of the perimeter refers to denounced portfolios
- Approx. **20** years of remaining tenor for the portfolio

“Vega”



- The transactions will opt-in for the HAPS guarantee
- **€1bn** relates to mortgages and **€4bn** to commercial exposures
- The portfolio will be securitised in **3 SPVs** to provide flexibility
- The perimeter is comprised **18k** borrowers, **53k** loans
- **70%** of the perimeter refers to denounced portfolios
- **43k** real estate properties underlying collateral

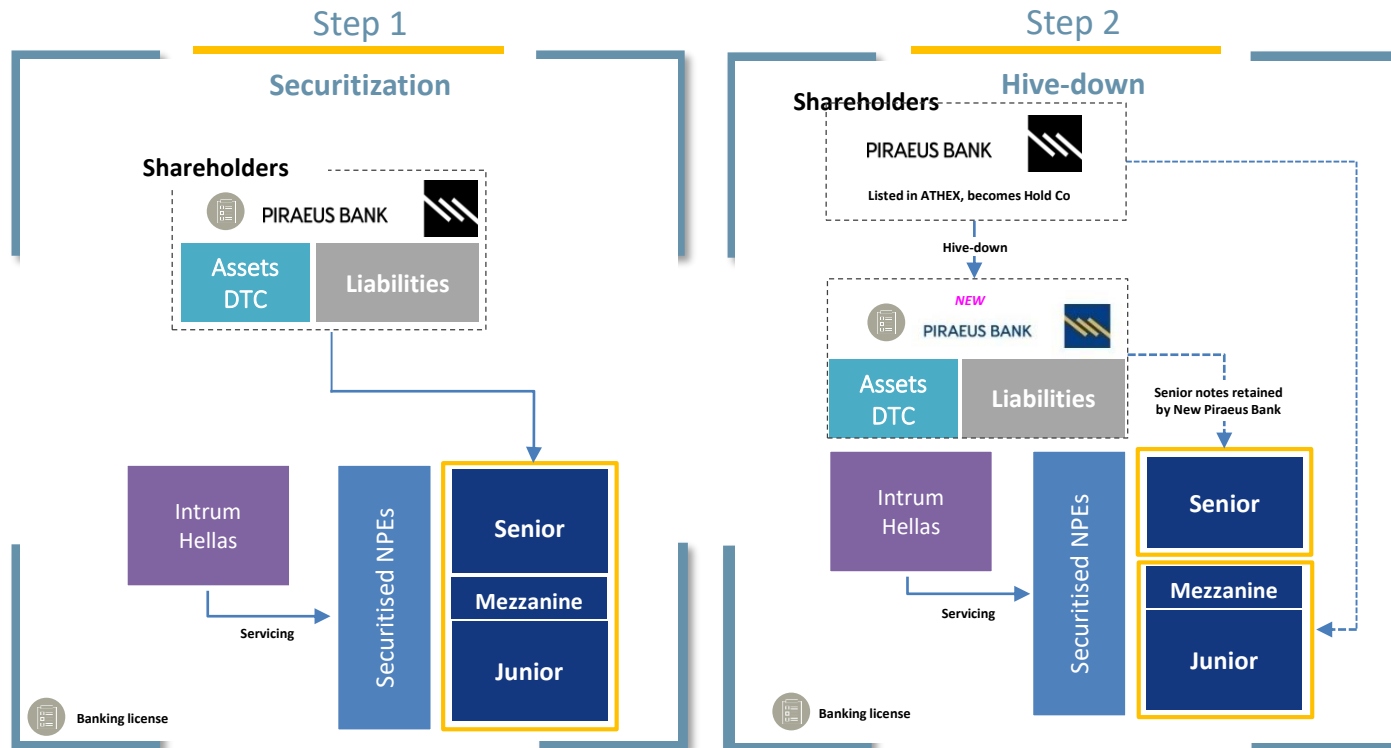
Note: senior tranches estimated based on latest perimeter information, pending rating confirmations



The corporate hive-down plan includes:

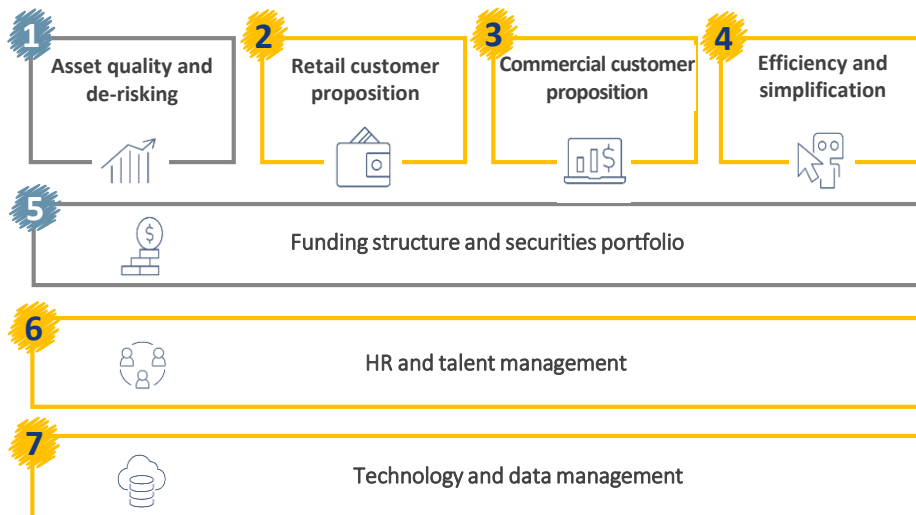
- * Piraeus banking operations will be hived-down to a new wholly owned banking subsidiary (“NewCo”)
- * Certain non-banking activities will remain with the parent entity, which will evolve into a financial holding company (“HoldCo”)
- * In the context of the hive-down, all necessary preparations for €7bn NPE securitisations are taking place
- * The HoldCo will hold not more than 95% of the Junior and Mezzanine Notes of the securitizations
- * The transformation balance sheet is expected to be approved by the Bank’s BoD in mid-Q3.20
- * The corporate hive-down plan is subject to all the relevant regulatory approvals
- * Isolation of legacy risk from core Bank and elaboration of the Bank’s de-risking strategy

Key steps	SPV setup Jul.20	Transformation B/S 31 Jul.20	Hive-down completion Q4.20	Derecognition of NPEs Q4.20-Q1.21



Note: banking operations to be hived-down to a new banking subsidiary; NPE securitisation senior notes and at least 5% of the junior and mezzanine notes transferred to New Piraeus Bank, while the remaining part of the mezzanine and junior notes to be retained by the holding company, in order to evaluate all the available options for maximizing recovery of the Subordinated Notes retained

Design & implement a new plan, capitalizing on the progress of 2017-2019 period, based on a fresh & agile business model



- Step up the **commercial proposition**, boosting **origination via digital and automation**, fully exploiting **high-potential businesses**
- Become the **Bank of choice**, through a customer centric, digitally enabled and targeted segment value proposition
- Enhance and **empower the Bank's talent** through a leaner and more rewarding staffing profile
- Promote **simplification** and **end-to-end automation** across the board to lower cost to serve and free-up commercial focus

First priority for design phase
until end July 2020

Strategic initiatives
already under way

Retail customer proposition



- Reduce branch network by more than **100 units**
- Identify optimum number of FTEs per branch according to new branch operating model
- New ways of product sourcing, leveraging winbank
- Upper mass servicing model
- Increase digital services fees

Commercial customer proposition



- Facilitate significant loan expansion
- Lending process redesign
- Digital enhancements leveraging winbank platform
- Increase fee margin to above **100bps** over assets
- Specifications of digital transaction services
- Identification & sizing of key sectorial opportunities

Efficiency and simplification



- **c.20%** OpEx reduction on a run-rate basis in the next 3 years (capitalizing on the progress of 2017-2019: from **€1.2bn** OpEx down to **€1.0bn**)
- Rightsizing of central functions
- Key process changes e.g. loan underwriting
- List-out key G&A containment initiatives, e.g. HQs campus



Customers transacting
online per week

+25%

more people transacting



increase in winbank
registrations

x8

more people registering



winbank penetration

winbank % of total transactions 95%

Registrations increase in higher ages x2

New winbank payments transaction +1mn

- ✓ Lockdown has been instrumental in driving the adoption of digital channels by traditional digital “hold-outs”
- ✓ Record number of new registrations within lockdown, while overall digital traffic has increased
- ✓ Substantial increase in usage of self-serve options (e.g. internet banking registration +433%, password reset/unlock +50%)
- ✓ Big impact on call center traffic as new users require much more “handholding” support, despite +70% increase in use of AI-based winbank virtual assistant and use of self-serve options
- ✓ Overall massive digital shift to all types of operations & transactions, while remote middle office options could support the branch operations

* data of 08.03-20.05.20

Customers

- Strong responsiveness to support customers in need
- Active participation in the execution of financing programs of the Greek State
- Tailor-made customer solutions for the impacted clientele base
- Piraeus Bank has already contacted **100%** of its business customers to assess potential COVID-19 impact



Community

- Donation to National Health System emergency health equipment (**20 ventilators**)
- Engagement of customers to participate in the collective effort utilizing the online **Pay & Save** service (**€0.4mn Bank's contribution**)
- Offering of **26 equipped and functional homes** in Attica, Thessaloniki and Patras for the accommodation of cancer patients
- Project Future's **4th cycle** initiated amid the COVID-19 lockdown, in a totally virtual environment (**c.250 young graduates** participate)



Employees

- Digital communication tools are used and effective remote work practices
- Effective practices are developed for work from home, aiming at performance and accountability
- Digital learning platform is being upgraded, utilizing new technologies and ensuring access to all
- New learning environment launched: "The Upgreat Digital Platform"
- A pulse survey was carried out in response to the current period's challenges with very positive results





PRINCIPLES FOR
RESPONSIBLE
BANKING



Principles for
Responsible
Investment

WE SUPPORT
Caring for Climate



WE SUPPORT



FTSE4Good



DRIVING SUSTAINABLE ECONOMIES

Sustainability Performance of Piraeus Bank Group

Sustainability Pillars

Sustainability KPIs

Economy

- Green Banking products (active loan balances)
- Agricultural Banking (EU & State aid payments to beneficiaries)

Environment



- High climate exposure of business borrowers
- Energy consumption per m²
- RES electricity consumption (Guarantees of Origin)
- CO₂ emissions / m² (tonnes)
- "Energy Office": nr. of branches with on-line energy monitoring
- Annual cost savings from environmental programs

Society & Culture

- Grants / Donations / Sponsorships with social benefit
- PIOP Museum visitors
- Cultural activities and exhibitions in PIOP Museums

Employees



- Human Rights e-learning course
- "Breakfast with Leaders": employees at informal meetings with CEO & ExCo members
- Beneficiaries from CR and volunteer activities

Corporate Governance

- Board Ethics Committee
- Corporate Responsibility Committee
- Code of Conduct & Ethics



Sustainability Indices

- MSCI ESG rating
- FTSE4Good ESG score
- CDP
- oekom Research
- ISS Corporate Solutions - Environmental & Social score
- ISS Corporate Solutions - Governance score



BBB
4.1/5
Management B
Medium C-
Disclosure score: 1/10 (highest score)
Disclosure score: 4/10
(10 indicates higher governance risk)

1

Management of PE/FPE portfolios

2

Operating efficiency improvement

3

Loan generation to support economy/employment

4

Hive-down process execution

5

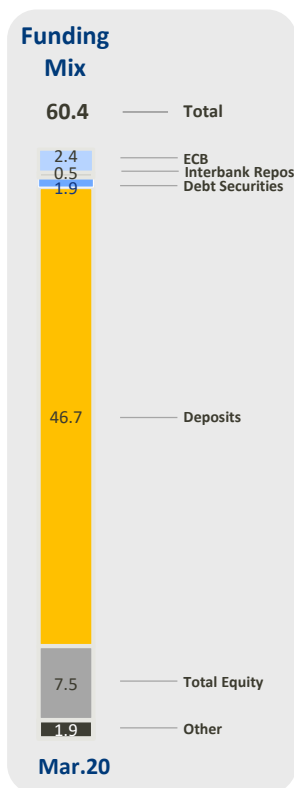
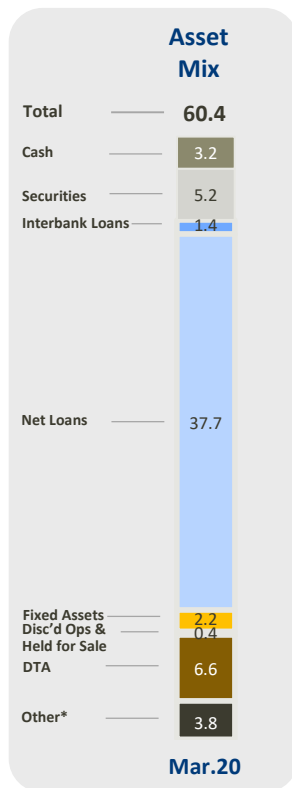
NPE securitization execution

Q1.2020
FINANCIAL
RESULTS



02 Financial Performance

amounts in €bn



ASSETS & LIABILITIES OVERVIEW

- ✓ Customer loans comprise 62% of assets
- ✓ Customer deposits comprise 77% of liabilities and total equity
- ✓ Funding mix enhanced on the back of €0.5bn Tier 2 issued in Feb.20 and the decision to take advantage of lower Eurosystem funding costs and switch interbank repo positions to ECB LTRO funding
- ✓ Loan-to-Deposit ratio at 81%, Liquidity Coverage ratio at 131% and Net Stable Funding ratio at 108%
- ✓ Increase of ~€1bn qoq in fixed income portfolio; higher GGB holdings post the lift of the supervisory cap in early Mar.2020

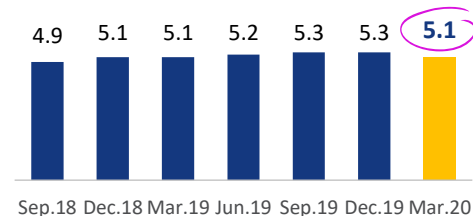
(*1) Other includes "other assets" (€3.5bn) and "goodwill & intangible assets" (€0.3bn)

Group, €mn	Mar.19	Dec.19	Mar.20	yoy
Cash/Interbank	2,779	4,656	4,585	65%
Net Loans	38,481	37,614	37,686	-2%
Securities	3,816	4,343	5,151	35%
Other Assets	14,178	14,618	12,957	-9%
Total Assets	59,254	61,231	60,378	2%
Interbank	4,315	3,296	2,884	-32%
Deposits	43,838	47,351	46,697	7%
Debt Securities	528	895	1,400	>100%
Other Liabilities	3,012	1,916	1,889	-37%
Equity	7,562	7,773	7,509	-1%
Total Liabilities & Equity	59,254	61,231	60,378	2%

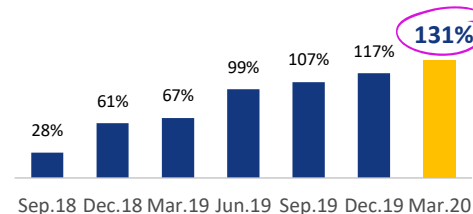
Note: Dec.19 loan figure excludes seasonal agri-loan of €1.5bn, incorporated in other assets

BALANCE SHEET EVOLUTION

Tangible Book Value | €bn



Liquidity Coverage Ratio | %



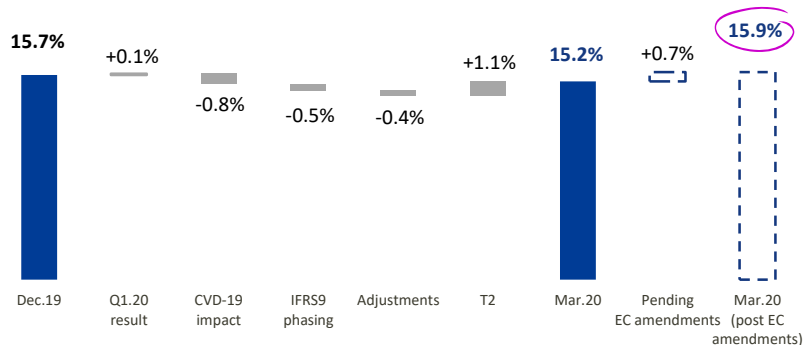
FRONTLOADED COVID-19 IMPACT AFFECTED Q1.20 PROFITABILITY

Group (€mn)	Q1.19	Q4.19	Q1.20 incl. CVD-19	o/w CVD-19 impact	Q1.20 excl. CVD-19
Net Interest Income	360	363	360		360
Net Fee Income	69	91	71		71
Core Banking Income	429	454	431		431
Trading & Other Income	15	359	(19)	(46)	27
Total Net Revenues	445	813	412	(46)	458
Total Net Revenues (recurring)	445	462	412	(46)	458
Total Operating Costs	(231)	(264)	(227)		(227)
Total Operating Costs (recurring)	(231)	(269)	(227)		(227)
Pre Provision Income	214	549	185	(46)	231
Pre Provision Income (recurring)	214	193	185	(46)	231
Impairments	(191)	(270)	(510)	(324)	(186)
Associates Income			(16)		(16)
Pre-Tax Result	23	279	(340)	(370)	30
Net Result	19	189	(232)		

- Net interest income at €360mn, flat yoy
- Net fee income +3% yoy, on the back of asset management fees & bancassurance
- Trading losses post mid-Feb.20 associated with market volatility due to COVID-19
- Operating costs continued their downward trend as per the annual target for mid-single digit decrease in 2020
- 192bps of underlying cost of risk in Q1.20 incorporating the success fee paid to the NPE servicer
- 68bps COVID-19 impairment (non-annualised), frontloading the impact of the revised macroeconomic assumptions
- Excluding COVID-19 impact of €370mn, pre tax profit stood at €30mn, while incorporating this burden, it stood at a loss of €340mn

Note: non-recurring items are displayed in the APM section of the presentation; COVID-19 impact for Q1.2020 amounts to €370mn (€324mn impairments and €46mn trading results). The respective impact in the Group's Financial Statements stands at €351mn, excluding €19mn profit incurred in trading income 01.01.20-21.02.20.

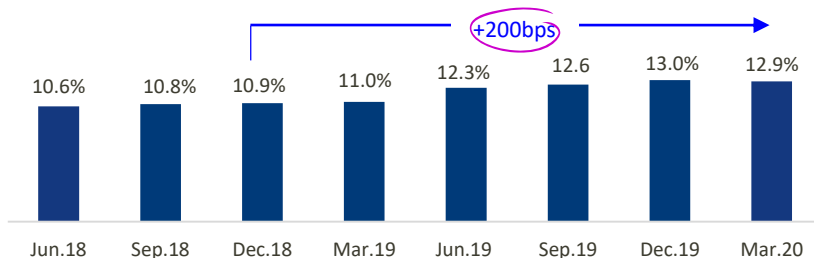
Total regulatory capital (% , phased in)



- Further 2020 capital benefit of **~0.7%** anticipated derived from EC amendments to capital regime:

- ✓ software: **0.3%**
- ✓ SME & infra lending: **0.3%**
- ✓ dynamic S1+S2: **0.1%**

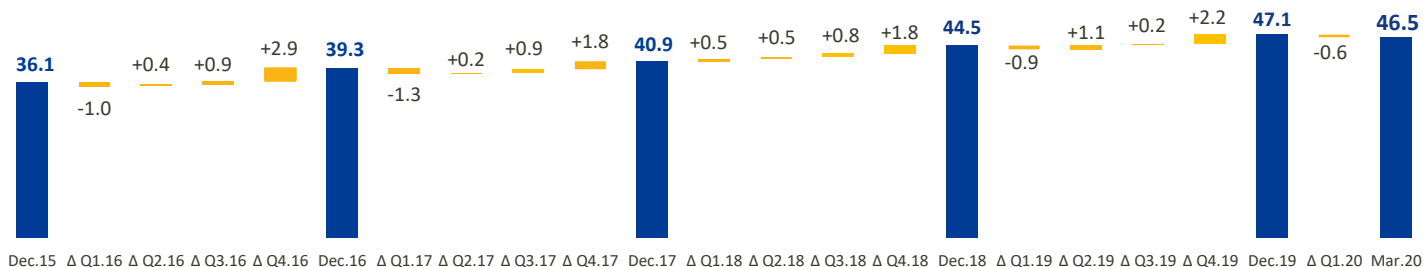
Total regulatory capital (% , fully loaded)



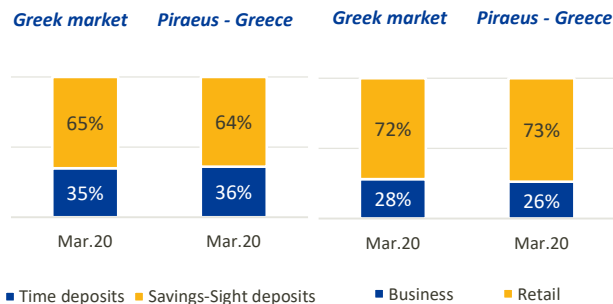
- 2018-2019 capital enhancement plan executed, incorporating internal capital generating actions, NPE servicer deal & Tier 2 issues **€0.4bn** in Jun.19 & **€0.5bn** Feb.20

- ✓ fully loaded capital ratio increased by **+200bps** since early 2019

Customer deposit movement in Greece (€bn)



Domestic deposit mix (%)



Deposit movement by segment (€bn)

Piraeus	FY.18 delta	Q1.19 delta	Q2.19 delta	Q3.19 delta	Q4.19 delta	Q1.20 delta	Mar.20 balance
Mass Farmers	+1.1	-0.1	+0.3	+0.1	+1.0	-	17.9
Affluent Private Banking	+1.0	-	+0.1	+0.1	-0.2	-	15.4
SB	-0.1	-	+0.3	+0.2	+0.1	+0.1	3.9
SME	-	-0.1	+0.1	+0.1	+0.1	+0.2	1.5
Corporate	-	-0.1	+0.2	-	-	+0.3	3.0
Govt & Other	+1.6	-0.6	+0.1	-0.2	+1.3	-1.2	4.8
Total	+3.6	-0.9	+1.1	+0.2	+2.2	-0.6	46.5

Net interest income decomposition (€mn)

	Q1.19	Q1.20
Net Loans	421	402
Fixed Income Securities	15	18
Other Assets	31	31
Interest Income	466	452

Customer Deposits	48	30
Due to Banks	4	2
Debt Securities	2	15
Other Liabilities	52	45
Interest Expense	106	92

Net interest Income	360	360
NIM¹	2.48%	2.39%

1. on assets excluding discontinued operations

- Net interest income resilient in Q1.20 at €360mn, flat yoy
- Improvement mainly from the liability side and funding costs
- Impact from loan portfolio de-risking and mild yield compression is reflected in loan interest income, yet front book comes at higher rates vs stock
- Increase of fixed income portfolio in Eurozone sovereign bonds supports NII
- Customer deposit costs trending lower, as well as reduced cost of wholesale funding (Eurosysteem and market repo) more than compensated for the increased cost derived from the Tier 2 issues

DOMESTIC LOAN PORTFOLIO YIELDS: FRONT BOOK LOAN PRICING HIGHER VS STOCK

Time deposit rate declines further, resiliency in loan rates

	Q1.19	Q2.19	Q3.19	Q4.19	Q1.20
Deposits	0.42%	0.40%	0.39%	0.33%	0.24%
Sight	0.50%	0.49%	0.46%	0.44%	0.27%
Savings	0.05%	0.05%	0.05%	0.05%	0.04%
Time	0.69%	0.67%	0.65%	0.51%	0.43%
<i>avg 3m euribor</i>	<i>-0.31%</i>	<i>-0.33%</i>	<i>-0.40%</i>	<i>-0.40%</i>	<i>-0.41%</i>
Loans	3.33%	3.32%	3.27%	3.29%	3.35%
Mortgages	1.99%	2.00%	1.97%	1.93%	1.92%
Consumer	6.77%	6.76%	6.97%	7.33%	7.43%
Business	3.61%	3.58%	3.46%	3.50%	3.59%

Loan rates: front book rates steadily above legacy book

Loan Rates		
Q1.20	Total Stock	Front Book
Mortgages	1.9%	2.6%
Consumer	7.4%	9.8%
Business	3.6%	3.9%
Total	3.3%	4.2%

Business Loan Rates		
Q1.20	Total Stock	Front Book
Corporate & SME	3.4%	3.6%
SBL	5.2%	6.5%
Total	3.6%	3.9%

Actual rates shown above refer to total Greek banking operations, quarterly averages

(€mn)	Q1.19	Q1.20	% Assets
Loans & Cards Business	35	34	0.21%
Funds Transfer	12	12	0.08%
Asset Management & Brokerage	5	10	0.07%
Bancassurance	8	10	0.07%
Letters of Guarantee	8	8	0.05%
Payments	8	8	0.05%
FX Fees	4	6	0.04%
Other	6	7	0.05%
Gross Fee Income	88	94	0.62%
Fee Expense	(19)	(23)	-0.15%
Net Fee Income	69	71	0.47%

- NFI in Q1.20 increased to €71mn, 3% yoy despite a significant fall in transaction volumes in Mar.20 due to the COVID-19 health crisis
- Fees stemming from asset management / brokerage and bancassurance were the key contributors of the increasing trend witnessed in Q1.20

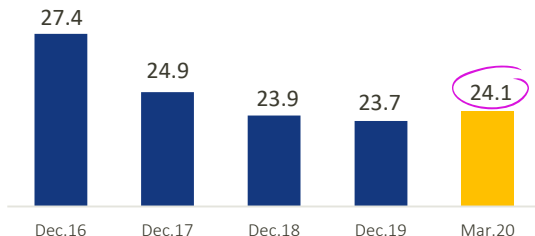
Total costs running at -7% reduction rate supporting the Bank's efficiency ratio

(€mn)	Q1.19	Q1.20	yoy
Staff costs	120	107	-11%
G&A costs	80	91	13%
Taxes & Duties	18	18	4%
Fees & Third Parties	14	15	2%
Products* (cards, insurance, collections, etc)	7	15	>100%
Promotion & Advertising	4	4	19%
Rents	2	2	-20%
Other	36	37	2%
Depreciation	30	29	-4%
Total costs (reported)	231	227	-2%
Total costs (like-for-like)*	231	215	-7%

- Q1.20 performance in line with Bank's budget
- Staff costs declined by 11% yoy as the Bank reaped the benefits of the carve-out of the NPE servicing platform and the 2019 VES
- Efficiencies to be further increased along with ongoing digitalisation, as well as the implementation of the new transformation plan
- Cost to income in Q1.20 stood at 50% vs 52% the same period last year

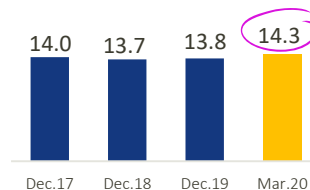
* The "Products" category includes the fixed fee paid to NPE servicer for Q1.2020. The like-for-like annual growth excludes this fee that applies as of mid-Sep.2019

Performing exposures | €bn

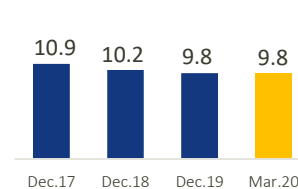


* year-end loan figures exclude seasonal agri-loan

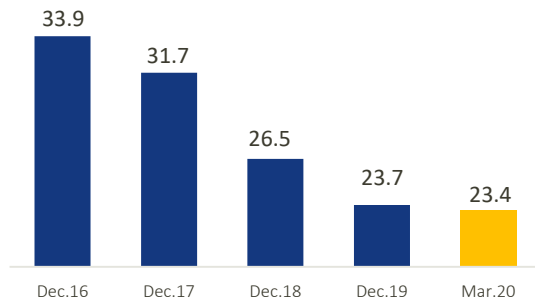
PE business loans | €bn



PE individuals loans | €bn

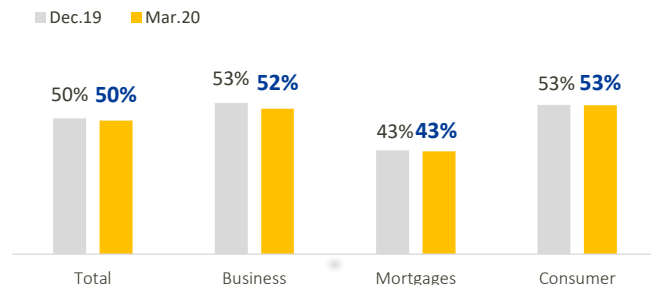


Non-performing exposures | €bn

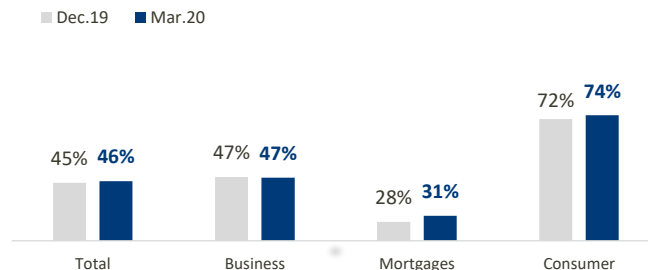


- Following the positive developments of FY.19, Q1.20 marked a **clear increase in the performing book** coming from business lending, while households' loans stabilized
- For the following quarters the **trend is expected to remain upward**, with business loans contributing the majority of new loan generation

Group NPE ratio per product category



NPE coverage ratio per product



Group NPE mix

NPEs (€mn)	Mar.20	Mix
Business	16,039	66%
Mortgages	5,887	25%
Consumer	2,196	9%
TOTAL	24,122	100%

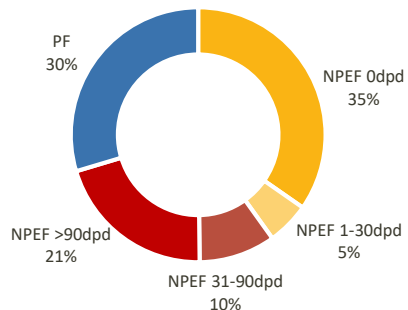
Group LLRs at 23% over loans

LLRs (€mn)	Mar.20	LLR/Loans	LLRs (€mn)	Mar.20	LLR/Loans
Business	7,558	25%	Greece	10,470	22%
Mortgages	1,811	13%	International	520	40%
Consumer	1,621	33%			
TOTAL	10,990	23%	TOTAL	10,990	23%

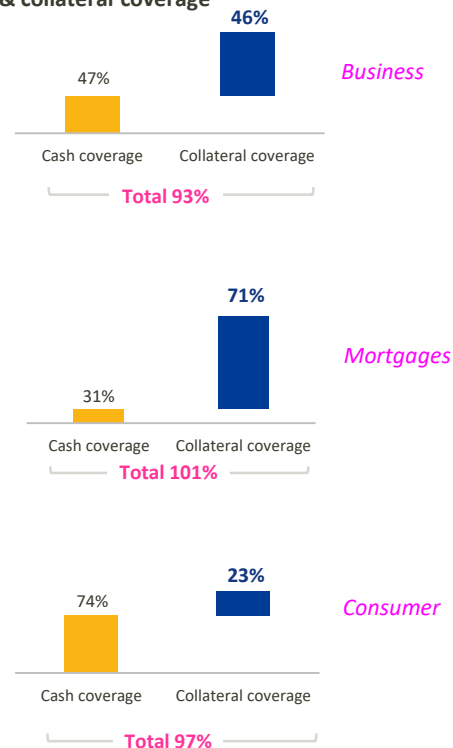
NPEs per bucket (Mar.20)

(€bn)	[1] 0 dpd	[2] 1-89dpd	[3] >90dpd	[4] Denounced	[1+2+3+4] NPEs
Business	4.0	1.2	2.5	8.3	16.0
Mortgages	0.6	0.6	0.7	4.1	5.9
Consumer	0.1	0.1	0.5	1.5	2.2
TOTAL	4.7	1.9	3.7	13.8	24.1
NPE mix	20%	8%	15%	57%	100%

Forborne loans (Mar.20, €10.5bn)

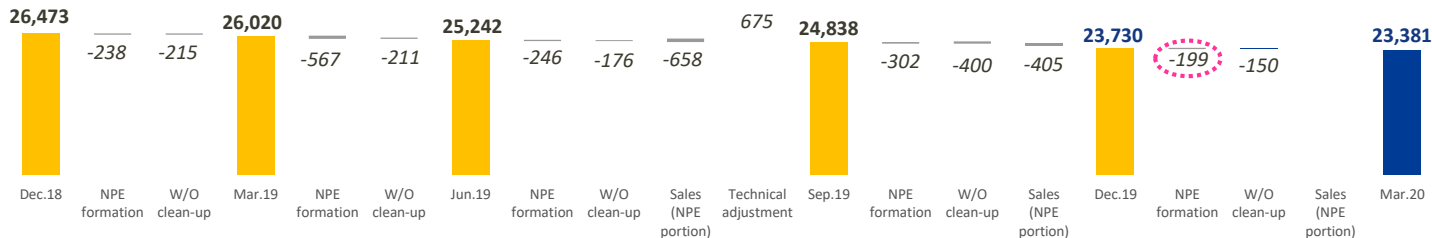


Cash & collateral coverage

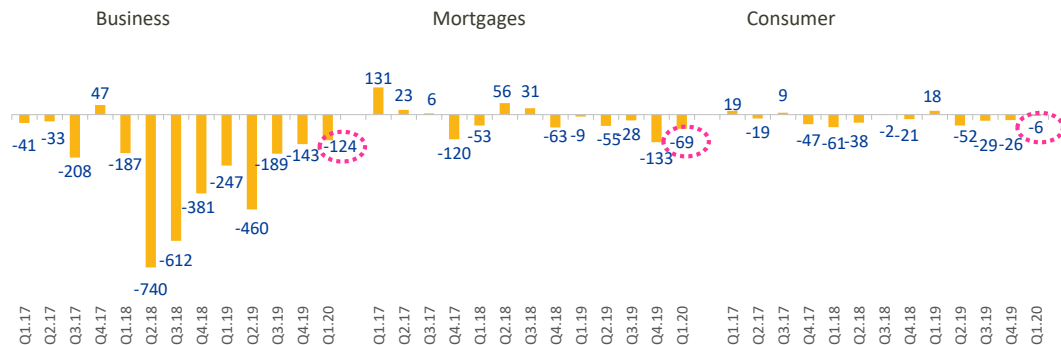


* pre-haircut tangible collateral (guarantees not included) capped at loan amount

NPE Greece | €mn



Greek NPE Formation by Segment | €mn



- ✓ NPE formation continued its negative pace in Q1.20 in all segments

**Q1.2020
FINANCIAL
RESULTS**



03 **Appendix**

(€mn)	Q1.17	Q2.17	Q3.17	Q4.17	Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19	Q4.19	Q1.20
Net Interest Income	420	414	415	390	353	352	349	355	360	359	353	363	360
Net Fee Income	70	72	112	76	69	70	124	76	69	77	81	91	71
Net Fee Income (recurring)	70	72	77	76	69	70	76	76	69	77	81	91	71
Trading & Other Income	27	69	24	-1	26	36	26	45	15	13	33	359	(19)
Total Net Revenues	517	556	551	464	448	458	499	477	445	449	467	813	412
Total Net Revenues (recurring)	497	510	516	454	448	458	451	477	445	449	467	462	412
Staff Costs	(132)	(133)	(128)	(153)	(259)	(125)	(117)	(114)	(120)	(139)	(135)	(110)	(107)
Staff Costs (recurring)	(132)	(133)	(128)	(137)	(130)	(125)	(120)	(121)	(120)	(123)	(115)	(115)	(107)
Administrative Expenses	(107)	(102)	(108)	(145)	(97)	(113)	(103)	(129)	(80)	(92)	(92)	(121)	(91)
Depreciation & Other	(24)	(23)	(24)	(28)	(27)	(25)	(26)	(26)	(30)	(30)	(30)	(32)	(29)
Total Operating Costs	(263)	(258)	(260)	(325)	(383)	(262)	(246)	(269)	(231)	(261)	(257)	(264)	(227)
Total Operating Costs (recurring)	(263)	(258)	(260)	(309)	(254)	(262)	(249)	(275)	(231)	(245)	(237)	(269)	(227)
Pre Provision Income	255	298	291	139	64	196	253	208	214	188	210	549	185
Pre Provision Income (recurring)	234	252	256	144	193	196	203	202	214	203	230	193	185
Result from Associates	(7)	(19)	4	(8)	(8)	(16)	11	28	(10)	(0)	11	5	(16)
Impairment on Loans*	(258)	(264)	(310)	(1,189)	(163)	(149)	(149)	(137)	(186)	(146)	(157)	(221)	(438)
Impairment on Other Assets	(9)	(16)	(7)	(118)	(8)	20	(4)	(64)	5	(7)	(11)	(55)	(72)
Pre Tax Result	(20)	(2)	(21)	(1,176)	(115)	51	110	34	23	34	53	279	(340)
Tax	13	10	2	1,181	35	(29)	(17)	103	(9)	(16)	(9)	(88)	110
Net Result Attributable to SHs	(7)	10	(18)	6	(79)	24	94	145	14	20	44	192	(230)
Minorities	0	(1)	(1)	(2)	(1)	(2)	(1)	(7)	0	(2)	0	(2)	0
Discontinued Operations Result	(1)	(77)	5	(119)	(3)	(310)	(27)	(4)	5	1	5	(2)	(2)

* for 2019 and onwards loan impairment includes net modification loss

A. P&L (€mn)

1	NII
2	NFI
3	Net revenues**
4	Operating costs
5	PPI
6	Total impairment***
7	Pre-tax income

**PIRAEUS
CORE BANK**

268

69

363

(196)

167

(79)

88**LEGACY***

92

3

95

(31)

64

(122)

(58)**PIRAEUS GROUP**

360

71

458

(227)

231

(201)

30**B. Ratios**

8	NIM over assets
9	NFI over assets
10	Cost-to-income
11	Cost of risk***
12	Pre-tax RoA
13	RWA density

2.5%

0.6%

54%

1.0%

0.8%

62%

2.1%

0.1%

33%

3.4%

<0%

104%

2.4%

0.5%

50%

1.9%

0.2%

74%

* Legacy includes NPE, international operations, REO, holdings, discontinued operations and non-core Greek assets

** Net revenues exclude €46mn negative trading results associated with COVID-19 market volatility

*** Including net modification loss & associates' income. The illustration refers to underlying impairment, excluding COVID-19 impact

Q1.20 €mn	CORE BANK					Legacy*	GROUP
	Retail	CIB	Markets	Corp.Center	CORE TOTAL		
NII	112	106	30	19	268	92	360
NFI	42	24	1	2	69	3	71
Other Income	1	(1)	19	7	26	0	27
Net Revenues**	155	129	51	28	363	95	458
OpEx	(107)	(33)	(7)	(49)	(196)	(31)	(227)
PPI	48	96	44	(21)	167	64	231
Impairment***	(46)	(42)	(7)	15	(79)	(122)	(201)
PBT	2	55	37	(6)	88	(58)	30
<i>NIM over Assets</i>	4.5%	3.1%	1.5%	0.7%	2.5%	2.1%	2.4%
<i>NFI over Assets</i>	1.7%	0.7%	0.1%	0.1%	0.6%	0.1%	0.5%
<i>Cost to Income</i>	69%	26%	13%	n.m.	54%	33%	50%
<i>Cost of Risk***</i>	2.0%	1.2%	n.m.	n.m.	1.0%	3.4%	1.9%
<i>PPI over RWA</i>	3.5%	3.2%	7.7%	<0%	2.5%	1.4%	2.1%
<i>Pre-tax RoA</i>	0.1%	1.6%	1.8%	<0%	0.8%	<0%	0.2%
<i>RWA Density</i>	56%	87%	28%	61%	62%	104%	74%

* Legacy includes NPE, international operations, REO, holdings, discontinued operations and non-core Greek assets

** Net revenues exclude €46mn negative trading results associated with COVID-19 market volatility

*** Including net modification loss & associates' income. The illustration refers to underlying impairment, excluding COVID-19 impact n.m.: non-meaningful

Gross Loans Evolution (€mn)

	Dec.16	Dec.17	Dec.18	Mar.19	Dec.19	Mar.20	qoq	yoy
Group	64,947	58,627	51,475	51,581	48,600	48,676	0%	-6%
Business	42,511	37,962	32,144	32,477	30,498	30,744	1%	-5%
Mortgages	16,162	15,183	14,523	14,322	13,914	13,781	-1%	-4%
Consumer	6,274	5,482	4,808	4,782	4,188	4,151	-1%	-13%
Greece	61,296	56,597	50,382	50,499	47,399	47,481	0%	-6%
Business	39,792	36,317	31,215	31,555	29,413	29,666	1%	-6%
Mortgages	15,707	14,973	14,474	14,275	13,879	13,747	-1%	-4%
Consumer	5,797	5,307	4,693	4,668	4,106	4,068	-1%	-13%
Int'l	3,650	2,030	1,093	1,082	1,201	1,196	0%	10%
Business	2,719	1,645	928	922	1,084	1,078	-1%	17%
Mortgages	455	210	49	46	35	34	-2%	-26%
Consumer	476	175	116	114	82	83	1%	-27%

Deposits Evolution (€mn)

	Dec.16	Dec.17	Dec.18	Mar.19	Dec.19	Mar.20	qoq	yoy
Group	42,365	42,715	44,739	43,838	47,351	46,697	-1%	7%
Savings	14,995	15,134	15,323	15,137	16,660	17,198	3%	14%
Sight	11,190	11,682	12,013	11,504	12,656	12,645	0%	10%
Time	16,179	15,900	17,402	17,197	18,035	16,851	-7%	-2%
Greece	39,322	40,889	44,536	43,634	47,099	46,452	-1%	6%
Savings	14,613	14,825	15,309	15,123	16,647	17,185	3%	14%
Sight	10,536	11,125	11,927	11,421	12,567	12,564	0%	10%
Time	14,172	14,938	17,300	17,091	17,885	16,703	-7%	-2%
Int'l	3,043	1,826	203	204	251	245	-3%	20%
Savings	382	309	14	14	13	13	-3%	-11%
Sight	654	556	86	83	89	83	-6%	1%
Time	2,007	961	102	107	150	149	-1%	39%

Notes: loan balances exclude seasonal agri-loan of €1.7bn for Dec.16, €1.6bn for Dec.17 and Dec.18 & €1.5bn for Dec.19

Gross Loans (€bn)	Dec.17 ¹	Mar.18	Jun.18	Sep.18	Dec.18 ¹	Mar.19	Jun.19	Sep.19	Dec.19 ¹	Mar.20	Δ yoy
Stage 1	19.1	18.9	18.6	18.4	17.6	18.2	18.2	18.2	18.4	18.5	2%
Stage 2	6.9	7.0	5.9	5.9	5.9	5.9	5.8	5.2	5.0	5.4	-9%
Stage 3	32.3	31.8	29.3	28.5	28.0	27.5	26.7	26.3	25.2	24.8	-10%
Total	58.3	57.7	53.7	52.8	51.5	51.6	50.8	49.8	48.6	48.7	-6%

Coverage (%) Mar.20	Mortgages	Consumer	Business	Total
Stage 1	0%	2%	1%	1%
Stage 2	2%	12%	7%	6%
Stage 3	28%	66%	45%	43%
Total	13%	39%	25%	23%

(1) excluding seasonal agri-loan of €1.6bn for Dec.17 & Dec.18 and of €1.5bn for Dec.19
Loans for all periods exclude balances accounted for at FVT P&L

1	Adjusted total assets	Total assets excluding assets amounting to: 1) €1.2bn as at 31 March 2019 of discontinued operations in Bulgaria and other discontinued operations 2) €1.7bn as at 31 December 2019 of discontinued operations and seasonal OPEKEPE agri-loan 3) €0.1bn of discontinued operation as at 31 March 2020.
2	CET1 Capital Ratio pro-forma	CET1 capital as defined by Regulation (EU) No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact adding (+) results for the period in the numerator (capital) and subtracting (-) €0.3bn from the denominator attributed to NPE portfolios held for sale
3	Core Banking Income or NII+NFI	Net interest income plus (+) net fee and commission income
4	Cost of Risk (CoR)	ECL impairment losses on loans and advances to customers at amortised cost of the period annualized over (/) Net Loans
5	Cost to Income Ratio (C:I)	Total operating expenses before provisions over (/) total net income excluding one-off items related to the corresponding period as per item #28
6	COVID-19 impact	COVID-19 impact for Q1.2020 includes €46mn of losses in trading income due to heightened market volatility as a result of COVID-19, €324mn of incremental ECL impairment losses on loans and advances to customers and on other assets, to reflect worsening economic outlook as a result of COVID-19
7	Cumulative provisions (LLRs) over gross loans	Cumulative provisions over (/) Gross Loans
8	Cumulative provisions (Loan loss reserves – LLR)	Accumulated ECL allowance on loans and advances to customers at amortised cost
9	Deposits or Customer Deposits	Due to customers
10	DTAs	Deferred Tax Assets
11	DTC	Deferred Tax Credit
12	Gross Book Value (GBV)	Gross loans
13	Gross Loans	Loans and advances to customers at amortised cost before ECL allowance
14	Liquidity Coverage Ratio (LCR)	Liquidity coverage ratio is the amount of sufficient liquidity buffer for a bank to survive a significant stress scenario lasting one month
15	Loan impairment charges (Provision Expenses)/impairments	ECL impairment losses on loans and advances to customers at amortised cost
16	Loans to Deposits Ratio (LDR)	Net loans over (/) Deposits
17	Net Fee Income (NFI or NF+CI)	Net Fee and Commission Income
18	Net Interest Margin (NIM)	Net interest income annualized over (/) Adjusted total assets
19	Net Loans	Loans and advances to customers at amortised cost
20	Net Results or Net Profit	Profit / (loss) for the period attributable to shareholders of the Bank
21	Net Stable Funding Ratio	The portion of liabilities and capital expected to remain with the Bank for more than one year over The amount of stable funding that the Bank is required to hold given the liquidity characteristics and residual maturities of its assets and the contingent liquidity risk arising from its off-balance sheet exposures
22	Net Revenue	Total Net Income
23	New Loan Generation	New loan disbursements that were realized after previous end period
24	NFI over Assets	Net fee and commission income annualized over (/) Adjusted total assets

42 GLOSSARY | DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES *(cont'd)*

25	NII	Net Interest Income
26	Non Performing Exposures (NPEs)	On balance sheet credit exposures before ECL allowance for impairment on loans and advances to customers at amortised cost that are: (a) past due over 90 days; (b) impaired or those which the debtor is deemed as unlikely to pay ("UTP") its obligations in full without liquidating collateral, regardless of the existence of any past due amount or the number of past due days; (c) forborne and still within the probation period under EBA rules; (d) subject to contagion under EBA rules or other unlikely to pay (UTP) criteria
27	Bank Non Performing Exposures (NPEs)	Non Performing Exposures of the parent entity excluding intragroup lending NPEs Non Recurring Items for FY.18 include €48mn extraordinary quality commission (reported in Net Fee Income), €154mn VES costs and €34mn other offsetting cost adjustments (both reported in OpEx)
28	Non Recurring (One-off) Items	Non Recurring Items for FY.19 include €351mn gain from the NPE servicing platform carve-out (included in trading Income), €36mn related with VES costs and €5mn other offsetting cost adjustments (both reported in OpEx)
29	NPE (Cash) Coverage Ratio	Accumulated ECL allowance over (/) NPEs
30	NPE Formation	Change of the stock of NPEs after adding back write-downs or other adjustments i.e. loan sales or debt to equity transactions
31	NPE Ratio	Non Performing Exposures over (/) Gross Loans
32	Operating Costs - Expenses (OpEx)	Total operating expenses before provisions
33	OpEx/Assets	Total operating expenses over (/) Adjusted total assets
34	OpEx (like for like)	Operating costs excluding the cost of the management fee paid to the NPE servicer
35	Performing Exposures (PE)	Gross Loans minus (-) Non Performing Exposures
36	Pre Provision Income (PPI)	Profit before provisions, impairments and income tax
37	Pre Tax Results/Pre Tax profits (PBT)	Profit / (loss) before income tax
38	Recurring Core Pre Provision Income	Recurring PPI excluding : a) net gain/(losses) from financial instruments measured at fair value through profit or loss; b) results from the disposal of participation of subsidiaries and associates; c) net gain/(losses) from financial instruments measured at fair value through other comprehensive income; and d) net other income/(expenses)
39	Recurring Operating expenses (Recurring OpEx)	Operating Expenses excluding "Non Recurring (One-off) Items" as per item #28
40	Recurring Pre Provision Income (Recurring PPI)	PPI excluding one-off items related to the corresponding period as per item #28
41	Recurring Total Net Revenues	Total net income minus (-) one-off income related to the corresponding period as per item #28
42	Return on Assets (RoA)	Profit before income tax for the period annualized over (/) Adjusted total assets
43	RWA density	Risk Weighted Assets over (/) Adjusted total Assets
44	Tangible book value	Total equity minus the value of cocos minus intangible assets.
43	Total Capital Ratio (Pro-forma)	Total capital, as defined by Regulation (EU) No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact adding (+) results for the period in the numerator (capital) and subtracting (-) €0.3bn from the denominator attributed to NPE portfolios held for sale

Disclaimer

Q1.2020 FINANCIAL RESULTS

The accompanying presentation has been prepared by Piraeus Bank S.A. and its subsidiaries and affiliates (the "Bank" or "We") solely for informational purposes. For the purposes of this disclaimer, the presentation that follows shall mean and include materials, including and together with any oral commentary or presentation and any question-and-answer session. By attending a meeting at which the presentation is made, or otherwise viewing or accessing the presentation, whether live or recorded, you will be deemed to have agreed to the following restrictions and acknowledged that you understand the legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of the presentation or any information contained herein.

This presentation does not constitute an offer to sell or a solicitation of an offer to buy or a recommendation to buy or invest in any form of security issued by the Bank or its subsidiaries or affiliates nor does it constitute an offer or commitment to lend, syndicate or arrange a financing, underwrite or purchase or act as an agent or advisor or in any other capacity with respect to any transaction, or to commit capital. This presentation is not intended to provide a basis for evaluations and does not constitute investment, legal, accounting, regulatory, taxation or other advice and does not take into account your objectives or legal, accounting, regulatory, taxation or financial situation or particular needs. No representation, warranty or undertaking is being made and no reliance may be placed for any purpose whatsoever on the information contained in this presentation in making any investment decision in relation to any form of security issued by the Bank or its subsidiaries or affiliates or for any other transaction. You are solely responsible for forming your own opinions and conclusions on such matters and for making your own independent assessment of the Bank. You are solely responsible for seeking independent professional advice in relation to the Bank and you should consult with your own advisers as to the legal, tax, business, financial and related aspects and/or consequences of any investment decision. No responsibility or liability is accepted by any person for any of the information or for any action taken by you or any of your officers, employees, agents or associates on the basis of such information.

This presentation does not purport to be comprehensive and no representation, warranty or undertaking is made hereby or is to be implied by any person as to the completeness, accuracy or fairness of the information contained in this presentation. The Bank, its financial and other advisors, and their respective directors, officers, employees, agents, and representatives expressly disclaim any and all liability which may arise from this presentation and any errors contained herein and/or omissions therefrom or from any use of this presentation or its contents or otherwise in connection therewith. The Bank, its financial and other advisors, and their respective directors, officers, employees, agents, and representatives accept no liability for any loss howsoever arising, directly or indirectly, from any use of the information in this presentation or in connection therewith. Certain information contained in this presentation is based on estimates or expectations of the Bank, and there can be no assurance that these estimates or expectations are or will prove to be accurate. This presentation speaks only as of the date hereof and neither the Bank nor any other person gives any undertaking, or is under any obligation, to update any of the information contained in this presentation, including forward-looking statements, for events or circumstances that occur subsequent to the date of this presentation.

Each recipient acknowledges that neither it nor the Bank intends that the Bank act or be responsible as a fiduciary to such attendee or recipient, its management, stockholders, creditors or any other person. By accepting and providing this document, each attendee or recipient and the Bank, respectively, expressly disclaims any fiduciary relationship and agrees that each recipient is responsible for making its own independent judgment with respect to the Bank and any other matters regarding this document.

The Bank has included certain non-IFRS financial measures in this presentation. These measurements may not be comparable to those of other companies. Reference to these non-IFRS financial measures should be considered in addition to IFRS financial measures, but should not be considered a substitute for results that are presented in accordance with IFRS.

Certain statements contained in this presentation that are not statements of historical fact, including, without limitation, any statements preceded by, followed by or including the words "targets," "believes," "expects," "aims," "intends," "may," "anticipates," "would," "could" or similar expressions or the negative thereof, constitute forward-looking statements, notwithstanding that such statements are not specifically identified. Examples of forward-looking statements include, but are not limited to, statements which are not statements of historical fact and may include, among other things, statements relating to the Bank's strategies, plans, objectives, initiatives and targets, its businesses, outlook, political, economic or other conditions in Greece or elsewhere, the Bank's financial condition, results of operations, liquidity, capital resources and capital expenditures and development of markets and anticipated cost savings and synergies, as well as the intention and beliefs of the Bank and/or its management or directors concerning the foregoing. Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict and outside of the control of the Bank. Therefore, actual outcomes and results may differ materially from what is expressed in such forward-looking statements. We have based these assumptions on information currently available to us, and if any one or more of these assumptions turn out to be incorrect, actual market results may differ significantly. While we do not know what impact any such differences may have on our business, if there are such differences, our future results of operations and financial condition, could be materially adversely affected. You should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date on which such statements are made. The Bank expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events.

Investor Relations Contacts

Chryssanthi Berbati
Antonis Sagris
Xenofon Damalas, CFA
George Doukas
Amalia Missailidi

4 Amerikis St., 105 64 Athens
Tel. : (+30) 210 3335026
investor_relations@piraeusbank.gr

Bloomberg: TPEIR GA | Reuters: BOPr.AT ISIN: GRS014003024
www.piraeusbankgroup.com

PIRAEUS BANK



PIRAEUS BANK GROUP HEADQUARTERS
4, Amerikis Str., 105 64 Athens, Greece
T. +30 210 333 5026
www.piraeusbankgroup.com

