

ANNOUNCEMENT

Piraeus Bank (Cyprus) Ltd, with a view to keeping its customers and associates duly informed, wishes to note the following:

1. Piraeus Bank (Cyprus) Ltd was registered in Cyprus in 2007 and performs banking operations on the basis of a banking licence granted by the Central Bank of Cyprus, and, as an independent Cypriot Credit Institution operating under Cyprus Law, has taken all necessary measures that ensure the uninterrupted continuation of its operations.
2. Piraeus Bank (Cyprus) Ltd is a member of the Deposit Protection and Resolution of Credit and Other Institutions Scheme, founded and run by the Central Bank of Cyprus. The Fund covers all types of deposits (kept in sight, savings, notice or fixed term accounts) owned by physical or legal persons, in all currencies. The amount of the compensation for each depositor in each covered banking institution is €100.000. Moreover, Piraeus Bank (Cyprus) Ltd is obliged to, and maintains a deposit in a Minimum Reserve Account with the Central Bank of Cyprus.
3. Since the 4th of November 2014, following the take-over by the European Central Bank of the supervisory role over Banks within the Eurozone, Piraeus Bank (Cyprus) Ltd is supervised by the European Central Bank. Piraeus Bank (Cyprus) Ltd complies with the capital adequacy rules required by the European Central Bank.
4. In response to developments with the Greek economy, since early 2015 Piraeus Bank (Cyprus) Ltd has shielded its Balance Sheet, having moved all its liquidity to robust European banking institutions, European highly-rated government bonds and short-term Cyprus Treasury Bills.

Attached (page 3) is the recent Balance Sheet of Piraeus Bank (Cyprus) Ltd, as of 31/05/2015.

5. The liquidity ratios of Piraeus Bank (Cyprus) Ltd are compared particularly favourably with those of the Cyprus Banking system as a whole. Indicatively:
 - a. The Loans-to-Deposit ratio, as of 31/05/2015, stood at 79%, whilst the corresponding ratio for the Cypriot Banking System as a whole, according to the most recent data published by the Central Bank of Cyprus as of 30th of April, 2015, stood at 137%.

- b. The Liquid Assets (Cash & Bonds) to Total Deposits ratio, as of 31/05/2015, stood at 41%, whilst the corresponding ratio for the Cypriot Banking System as a whole, according to the most recent data published by the Central Bank of Cyprus as of 31st of December, 2014, stood at 29%.
6. As regards the provision of Custody services offered by the Private Banking Unit of Piraeus Bank (Cyprus) Ltd, the safe-keeping of the international investment portfolios is under-taken through Clearstream, acting as 'global sub-custodian'. Investments are held in the name of the client, off the Bank's balance-sheet and free of any encumbrances. Clearstream, a Deutsche Börse subsidiary, is a leader in the area of Custody Services in Europe, and is AA-rated.

Piraeus Bank (Cyprus) Ltd

30th of June, 2015

PIRAEUS BANK (CYPRUS) LIMITED
as of 31/05/2015

Balance Sheet as at	31/05/2015
	€'000
Liquid Assets (See analysis)	432.488
Loans and advances to customers	681.889
Other Financial Assets	12.766
Property, plant and equipment and other tangible assets	25.956
Intangible assets	220
Other Assets	10.512
TOTAL ASSETS	1.163.831
Amounts due to other banks and deposits from banks	1.650
Deposits and other customer accounts	1.043.187
Other Liabilities	49.069
Share Capital and Reserves	69.925
TOTAL LIABILITIES	1.163.831
Analysis of Cash, Placements with Banks and other liquid assets	31/05/2015
	€'000
CASH AND CENTRAL BANK OF CYPRUS BALANCES	16.721
BANK OF NEW YORK	8.064
CLEARSTREAM LUXEMB	1.403
DEUTSCHE BANK FFT	28.714
DEUTSCHE BANK LONDON	1.241
DEUTSCHE BANK MOSCOW	1
DEUTSCHE BANK TRUST	36.464
PIRAEUS BANK GROUP	1.412
UNICREDIT ZAO BANK	2.558
SOCIETE GENERALE	5.050
Cash and placements	101.628
<u>Eurozone Bonds</u>	
REPUBLIC OF AUSTRIA BOND	62.595
EUROPEAN FINANCIAL STABILITY FUND BOND	15.835
EUROPEAN INVESTMENT BANK BOND	68.667
FRENCH GOVERNMENT BOND	67.869
KINGDOM OF BELGIUM BOND	37.350
NETHERLANDS GOVERNMENT BOND	63.185
CYPRUS GOVERNMENT BONDS	15.359
Total Government Bonds	330.860
TOTAL LIQUID ASSETS	432.488