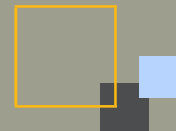




PIRAEUS BANK PRESENTATION

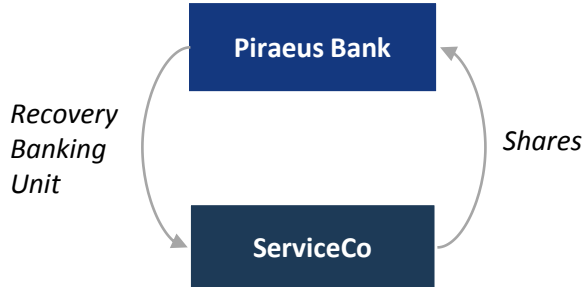
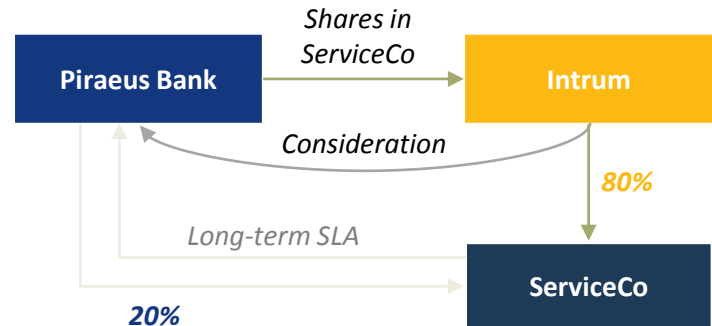
# STRATEGIC PARTNERSHIP FOR NPE MANAGEMENT



3 June 2019

- ✿ Piraeus Bank and Intrum enter into a strategic partnership for the management of non-performing assets
- ✿ Establishment of the market-leading independent NPE servicer in Greece
- ✿ The servicer will manage Piraeus' existing NPEs and REOs, as well as new inflows
- ✿ Two servicer companies, one for NPEs and one for REOs, comprising one operating platform
- ✿ The platform will also manage non-performing assets of third parties
- ✿ Piraeus' and Intrum's top management will join the new companies' Board of Directors
- ✿ The NPE servicer company will be licensed and regulated by the Bank of Greece
- ✿ The transaction is subject to customary conditions, regulatory approvals and the consent of the HFSF

|                              |  |
|------------------------------|--|
| <b>Serviced Perimeter</b>    | <ul style="list-style-type: none"><li>☑ Existing non-performing loans plus forbore / early arrears loans and REOs, as well as any new inflows</li><li>☑ €27bn loan exposures and €1bn REOs in the perimeter (est. Q4.2019 figures)</li></ul> |
| <b>Contract Duration</b>     | <ul style="list-style-type: none"><li>☑ Initial term of 10 years</li></ul>   |
| <b>Shareholder Structure</b> | <ul style="list-style-type: none"><li>☑ 80% of the new servicer company will be held by Intrum and 20% by Piraeus Bank</li></ul>   |
| <b>Valuation</b>             | <ul style="list-style-type: none"><li>☑ The agreement values the platform at €410mn. Total purchase price for Intrum's acquisition of 80% of the platform has been agreed at €328mn</li></ul>  |
| <b>Timeline</b>              | <ul style="list-style-type: none"><li>☑ The two parties aim for transaction closing on 1 October 2019</li></ul>  |
| <b>Board of Directors</b>    | <ul style="list-style-type: none"><li>☑ Comprised of both parties' executives</li></ul>  |
| <b>Management</b>            | <ul style="list-style-type: none"><li>☑ George Georgakopoulos will assume the role of CEO in the 2 servicer companies</li></ul>  |
| <b>Employees</b>             | <ul style="list-style-type: none"><li>☑ c.1,300 people will be employed in the new servicer companies</li></ul>  |
| <b>Structure</b>             | <ul style="list-style-type: none"><li>☑ The majority of the serviced NPE portfolio to be transferred to and held by a securitization SPV</li></ul>   |

**Step 1: Transfer of RBU Business to ServiceCo****Step 2: Sale of ServiceCo, including a long-term SLA**

Note: diagrams do not explicitly show the creation and sale of the REO servicing company, which follows the same structure

1

**Leverage with Intrum expertise**

Enhancement of Piraeus' NPE recovery prospects, facilitating the outperformance of NPE reduction targets

2

**Enhanced operating efficiency**

Operating costs savings of c.€50mn per annum in 2020-2021, overall boost of effectiveness in the management of NPEs

3

**Bank retains upside potential**

Participation in the enterprise value growth of the servicer companies; Piraeus retains assets & proceeds on its balance sheet

4

**Facilitation of sizeable inorganic actions**

Independent servicer with the scale and capabilities to service large portfolios, facilitating future securitizations and systemic solutions

5

**Re-focus on core banking**

Management team will re-focus on core banking activities, yielding improved results for the Group

## Piraeus' Recovery Banking Unit

The most advanced NPE management unit in Greece



Formal establishment of the Recovery Banking Unit in **Q4.2013**, based on internal workout and restructuring teams, as well as top talent from the core Bank

Servicing **retail and commercial** exposures across a variety of specialised sub-segments

Significant investments in the **operating platform, processes, product suite** and **governance** over time

Active involvement and facilitation of previous and ongoing **NPE transactions** by the RBU

The **best NPE reduction performance** in Greece in 2018



**~1,300**  
FTEs



**~€27bn**  
servicing perimeter

### RBU Core Activities



Collections



Restructuring



Legal actions

## Intrum - top quality strategic partner

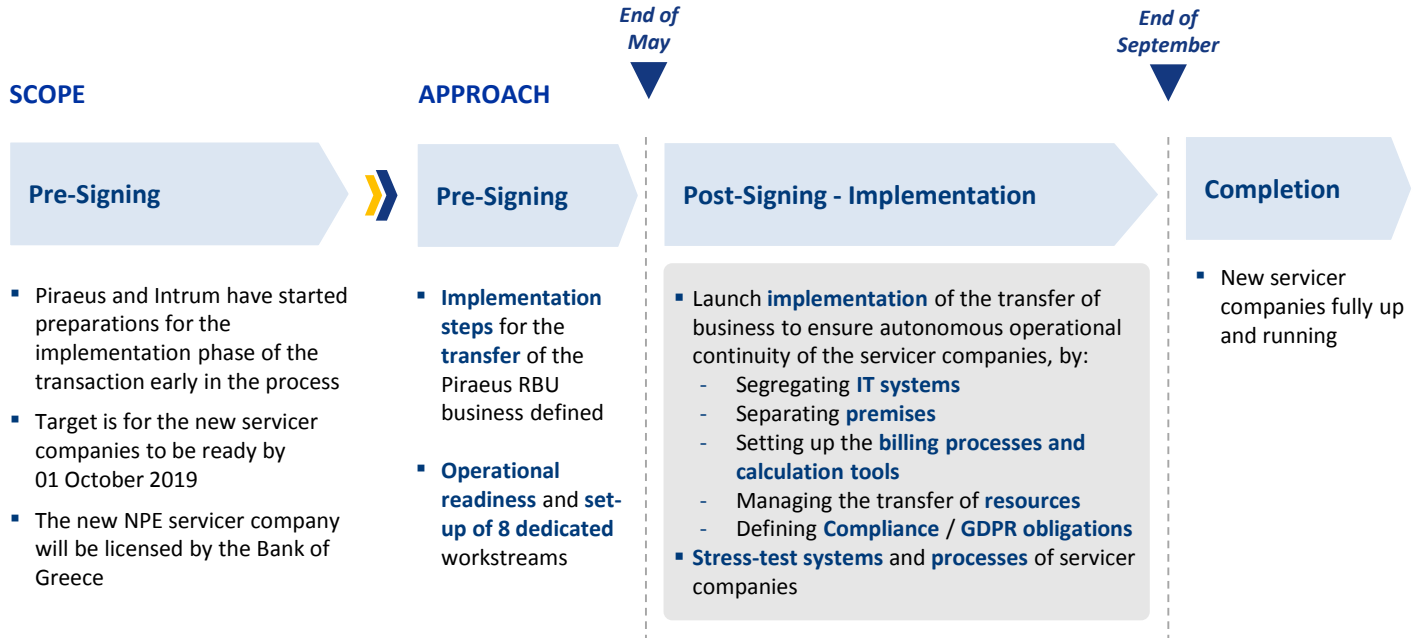
Europe's leading credit management company

- ✓ Holistic service offering, covering the entire credit management chain
- ✓ Local presence in 24 European markets - market leader in the majority of them
- ✓ Strong operational performance and collection results
- ✓ Significant transaction and partnership experience



| Intrum Key Metrics - Q1 2019 LTM | (SEKmnn) | (EURmnn) <sup>1</sup> |
|----------------------------------|----------|-----------------------|
| Revenues                         | 14,079   | 1,357                 |
| EBIT Adjusted                    | 4,877    | 470                   |
| Cash EBITDA                      | 10,283   | 991                   |
| Employees                        | >9,000   | >9,000                |

Note: (1) Based on average EUR/SEK exchange rate for the period 1 April 2018 - 31 March 2019 of 10.37





## 2019

- P&L and capital accretive transaction
- Financial impact as of Q4.2019 (marginal)

## Up to 2021

- Positive impact on PPI of c.€115mn up to 2021 (OpEx savings exceeding servicer AuM fees)
- Including success fee, positive impact of c.55-60bps of capital
- This impact does not take into account any acceleration in the execution of Piraeus' existing NPE reduction strategy; in a scenario of 10% over-performance, net capital result at the end of 2021 would reach c.100bps cumulatively

## 10-year period

- NPV of the 10-year cumulative net income impact c.€100mn, including upfront consideration proceeds
- This impact does not include any acceleration in the execution of Piraeus' NPE reduction strategy

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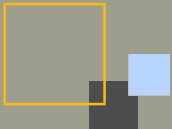
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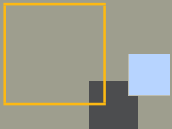


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