

FULL YEAR 2009 RESULTS

Net Profit €235* mn, decreased by 25%



Athens - 24 February 2010

Statement of Michalis Sallas, Chairman of the Board of Directors

Piraeus Group pre-provision profit amounted to €780 mn in 2009 compared to €774 mn in 2008. Net revenues and operating expenses also remained at 2008 levels, while provision expense increased to €491mn versus €388 mn due to unfavorable economic conditions. Net profit in 2009 reached €235 mn, -25% y-o-y. Adjusting for the one-off tax, net profit amounted to €202.

The Group's key policy principles for 2009, liquidity, capital adequacy, asset quality and cost containment, remain priorities for 2010 as well. At the same time, our next steps for business growth are being prepared, both in Southeastern European countries, which are gradually entering a recovery phase, as well as in Greece.

The Greek economy is up against important fiscal and structural challenges, which require bold measures in order to put the economy back on its growth course. The Stability and Growth Pact 2010-2013, as it is being formulated in collaboration with the European Union, is in the right direction. Upon its implementation, Greece will have the opportunity to restore its public finances and promote structural reforms which will lead the country to a safer economic environment. During this critical period, the private sector's contribution is of equal importance with initiatives and actions that will improve competitiveness and lead to economic recovery.

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(* excluding one-off tax)



Piraeus Bank Group (www.piraeusbank.gr) was founded in 1916 and was listed in the Athens Stock Exchange in 1918. The Bank operated through a period of private-ownership and management and in 1975 it passed to state-ownership until 1991 when it was privatized again. Since then, it has continuously grown in size and activities. At the end of December 2009, the Group possessed a network of 872 branches (359 in Greece and 513 internationally) and employed 13,417 people (6,660 and 6,757 respectively). Piraeus Bank Group's total equity amounted to €3.6 bn, customer deposits to €30.8 bn, net loans €37.7 bn and total assets to €54.3 bn.

Piraeus Bank Group, combining business development and social responsibility, endorses systematically its relations with its social partners through specific actions, as well as the broader social environment, while emphasis is placed on the protection of the natural and cultural environment.

Group Performance Highlights 1 January - 31 December 2009

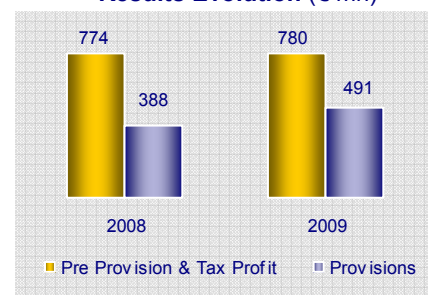
Results

- Pre provision profit reached €780 mn in 2009, +1% y-o-y (€774 mn in 2008).
- Net interest income of €1,105 mn, -5% y-o-y, increased however by 3% in Q4'09 vs. Q3'09 (€292 mn vs. €285 mn respectively).
- Net Interest Margin (NIM on average interest earning assets) in Q4'09 marginally increased to 2.8% compared to 2.7% in Q3'09. On an annual basis NIM was 2.6% compared to 3.0% in 2008 due to the compression attributed to the increased cost of deposits.
- Net revenues at €1,663 mn, +1% y-o-y.
- Cost containment (€893 mn) at the level of 2008 (€897 mn).
- Cost to income ratio remained unchanged in 2009 at 54% similarly to 2008.
- Provisions at €491 mn, corresponding to 126 bps on average loans vs. 111 bps in 2008.
- Net profit attributable to shareholders was €235 mn, -25% y-o-y, due to the significant increase in provisions. Adjusting for the one-off tax (€34 mn), net profit attributable to shareholders amounted to €202 mn.

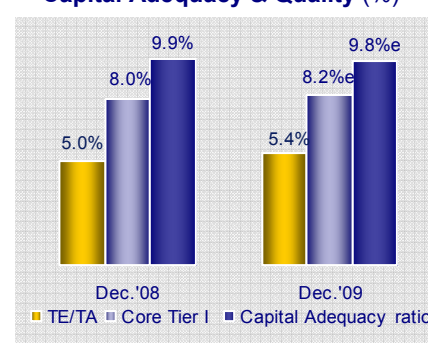
Volumes

- Total assets reached €54.3 bn, -1% y-o-y.
- Net Loans €37.7 bn (-2% y-o-y, +1% q-o-q).
- Deposits €30.8 bn (-2% both on a yearly and quarterly basis).
- Loans to deposits ratio, adjusted for securitisations, at 107% compared to 112% in 2008.
- Loans in arrears above 90 days at 5.1%, with the respective provision coverage ratio at 51%, increased compared to Sept.'09 (48%). The coverage ratio reached 110% when the tangible collaterals are taken into account.
- Total equity at €3.6 bn.
- Regulatory capital amounted to €3.7 bn with capital adequacy ratio of 9.8% (est.), Tier I at 9.1% (est.), Core Tier I at 8.2% (est).
- Tangible equity (excluding intangible assets, goodwill and preference shares) to tangible assets ratio at 5.4% compared to 5.0% at the end of 2008.

Results Evolution (€ mn)

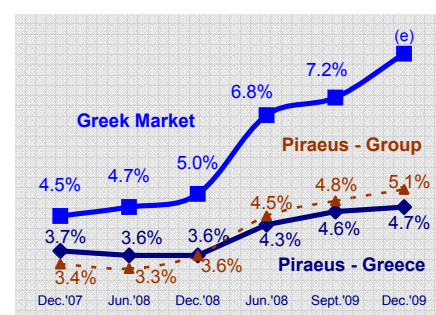


Capital Adequacy & Quality (%)



TE/TA: Tangible Equity / Tangible Assets (excluding intangible assets & pref. shares)

NPLs > 90 days (%)



Operating Cost Evolution (%)



Key Figures of Piraeus Bank Group in 2009

(balance sheet data at the end of the period, income statement data for the annual period)

Consolidated data	31 Dec. 2009	31 Dec 2008	Δ y-o-y
Summary Volume Figures (mn €)			
Assets	54,280	54,890	-1%
Net Loans	37,688	38,313	-2%
Deposits & Retail Bonds	30,755	31,294	-2%
Debt Securities to Institutional Investors	4,282	4,543	-6%
Eligible Funding through Securitisations	4,933	3,166	56%
Total Equity	3,616	3,025	20%
▫ Common Shareholders' Capital	3,100	2,876	8%
▫ Minorities	150	149	0%
▫ Preference Shares	366	-	-
Summary Results (mn €)			
Net Interest Income	1,105	1,160	-5%
Net Fee & Commission Income	206	242	-15%
Other Operating Income	352	250	41%
Total Net Revenues	1,663	1,652	1%
Total Operating Cost	893	897	0%
Pre Provision Profit	780	774	1%
Provisions	491	388	27%
Pre Tax Profit	288	386	-25%
Net Profit Attrib. to Shareholders	235	315	-25%
One-off tax	34	-	-
Net Profit Attr. to SHs after one-off tax	202	315	-36%
Key Indicators (%)			
Loans / Deposits (adjusted for securitisations)	106.5%	112.3%	-581 bps
NPLs > 90 days (IFRS 7)	5.1%	3.6%	152 bps
Coverage of NPLs > 90 days	50.6%	50.6%	-1 bps
Cost / Income	53.7%	54.3%	-54 bps
Cost/Average Assets	1.64%	1.77%	-13 bps
Capital Adequacy (Basel II)	9.8% (est)	9.9%	-6 bps
▫ Tier I ratio	9.1% (est)	8.0%	114 bps
▫ Core Tier I	8.2% (est)	8.0%	22 bps
Tangible Equity / Tangible Assets	5.4%	5.0%	45 bps

Volumes Evolution

Deposits and retail bonds amounted to €30.8 bn at the end of December '09, -2% y-o-y. The loans to deposits ratio adjusted for securitisations was improved to 107% compared to 112% a year ago. Almost €5 bn of total loans are securitised, thus eligible for self funding. During 2009 the Bank conducted 5 securitisations of €5 bn nominal value.

In Greece, customer deposits amounted to €25.9 bn, -3% y-o-y, while customer deposits from international operations recorded an increase of 6% y-o-y and reached €4.9 bn.

Loans / Deposits (%)
(adjusted for securitisations)



Loans and Deposits Evolution

The Group's **credit** has been adjusted to market conditions and with a policy to match the delta of loans and deposits. However, the Bank continues the undeviating service of its customer base, as it is illustrated in 2009 disbursements, which amounted to €10 bn. The Group's **deposits** on an annual basis were decreased by ~€500 mn, a decline attributed to term deposits and retail bonds (-€2.3 bn), while sight and savings, comprising 32% of the Group's total deposit base versus 26% in 2008, recorded an increase of €1.8 bn in 2009. The Bank's **savings** growth rate was 31% in Greece in 2009 compared to the respective 13% growth of the Greek market.

Net **loans** decreased by 2% y-o-y, with the outstanding balance at €37.7 bn at the end of December '09, while compared to Q3'09 it increased by 1%. At the end of 2009, gross loans reached €38.7 bn. Piraeus Bank and Greek subsidiaries loan portfolio remained flat on a yearly basis with the balance reaching €30.0 bn. Piraeus Bank loans to foreign companies, mainly to firms of Greek and EU interests, amounted to €2.6 bn. Loans from international subsidiaries decreased by 1% y-o-y, standing at €6.2 bn. Per customer segment, at the end of December '09:

- total business portfolio remained almost flat,
- loans to individuals decreased by 3% y-o-y (mortgages -1%, consumer loans -6%),
- loans to medium and small businesses comprised 47% of total loans, loans to individuals 30% and loans to large enterprises 23%.

Volume Analysis (mn €)

Loans per Type

	Dec.'09	Δ% y-o-y
Loans to Businesses	27,076	0%
SMEs	18,175	-2%
Large Corporates	8,901	5%
Loans to individuals	11,608	-3%
Mortgages	6,659	-1%
Consumer	4,949	-6%
Total Loans	38,683	-1%
Cumulative Provisions	995	42%
Net Loans	37,688	-2%

- «self funded» loans through securitisations €5.0 bn

Deposits per Type

	Dec.'09	Δ% y-o-y
Sight-Savings	9,907	22%
Term	20,848	-10%
Total	30,755	-2%

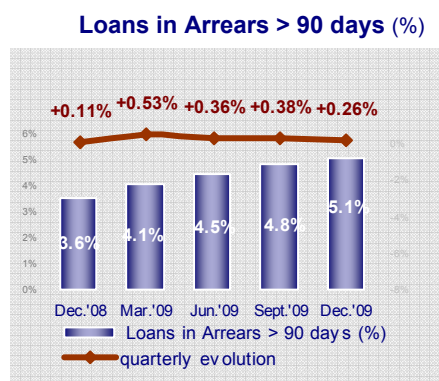
Areas of Business Development

National Strategic Reference Framework (NSRF): the completion of the 1st phase of the 2 NSRF programmes for professionals and small-medium size businesses during the 4th quarter of 2009 ranked Piraeus Bank in the 1st place in terms of number of submissions. This distinction proves Piraeus Bank's well established role as the Bank of SMEs, its recognition from the market with regards to its "know how" in supporting entrepreneurship; it also illustrates the growth potential for new operations and the potential for higher profitability from the increase in cross-selling.

E-business: the use of electronic transactions is expected to expand significantly in Greece, considering the recent government measures on the mandatory use of professional accounts and the electronic distribution of invoices between businesses and between businesses and the public sector beginning from 2011 and onwards, while all transactions between businesses and consumers exceeding €1,500 will be conducted only via credit/debit cards and crossed cheques. The latter, along with the increasing internet penetration in Greece and in the countries of the broader region, place Piraeus Bank at an advantageous position.

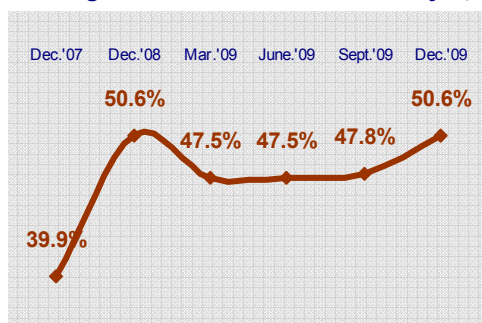
Asset Quality

The Group's asset quality ratio remained at a satisfactory level. Loans in arrears more than 90 days over total loans ratio stood at 5.1% in December '09, with further deceleration of NPLs formation on a quarterly basis



At the end of 2009, the coverage ratio of loans in arrears above 90 days by cumulative provisions remained at the 2008 level of 51% after €157 mn of write-offs in 2009. The average respective ratio of loans in arrears above 90 days for the Greek market reached 7.2% in September '09, while the average coverage ratio by provisions was 42% (Bank of Greece).

Coverage of Loans in Arrears > 90 days (%)

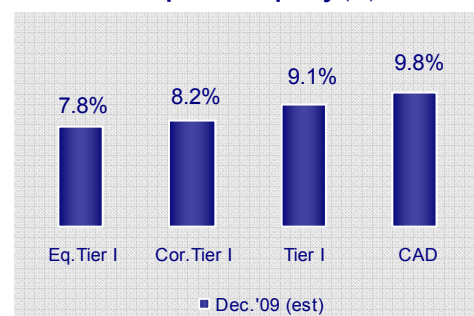


Equity - Capital Adequacy

The Group's total equity amounted to €3.25 bn at the end of December '09 excluding the Greek State's preference shares. When the latter is included, total equity amounted to €3.6 bn. Shareholders funds increased by €225 mn vs. December '08, out of which €202 mn are related to 2009 profit. Including the preference shares, the annual increase reached €591 mn. During Q4'09 total equity was burdened by the one-off tax of €34 mn and the AFS reserve movement (-€77 mn), which was affected by the valuation of the Greek Government Bonds portfolio due to the widening of spreads.

The capital adequacy ratio stood at 9.8% (est.) with Tier I at 9.1% (est.). It is reminded that at the end of Sept. '09 the Group called its €400 million Lower Tier II bond. Core Tier I ratio amounted to 8.2% (est.) excluding the preference shares and adjusting hybrid for intangible assets. According to the international definition of Equity Tier I (excluding hybrid and preference shares), the ratio reached 7.8% (est.). The Group's total regulatory capital was €3.7 bn at the end of Dec.'09, including the Greek State's preference shares.

Capital Adequacy (%)



Profit & Loss

Pre provision profit amounted to €780 mn in 2009 compared to €774 in 2008, increased by 1%. Net revenues and operating expenses remained at the level of 2008. Profit in 2009 was burdened by the increased provisions of €491 mn, as a result of the deterioration of the economic conditions. Hence, 2009 net profit attributable to shareholders amounted to €235 mn vs. €315 mn a year ago, decreased by 25%. Additionally, Q4'09 was negatively affected by €34 mn, the one-off tax which was imposed on 2008 profit posted by the largest Greek enterprises. This affected net profit which amounted to €202 mn, decreased by 36%.

The increase of NII led to the enhancement of NIM to 2.8% in Q4' 09, as the assets side margin continued to improve. At the same time, the negative impact of the cost of deposits continued, which was particularly strong throughout 2009.

Profit & Loss in Greece - International

The Group's assets in markets outside Greece constitute 17% of the Group's total assets, with a broad dissemination (presence in 9 countries). International operations represent 59% of the Group's branch network and 50% of the people employed by the Group.

International operations pre tax profit in 2009 amounted to €85 mn (-12% y-o-y), adversely affected from the 66% increase in provisioning. Net revenues recorded an increase of 20%, while operating expenses increased by 8%.

International operations' pre provision profit amounted to €311 mn in 2009, increased by 33% y-o-y. As a percentage on average loans, pre provision profit reached 3.5% from 3.1% in 2008 while provision expense was at 2.6% from 1.8% respectively.

The expected gradual recovery of the economies of Southeastern Europe consists a significant factor for the banking development outlook in the region.

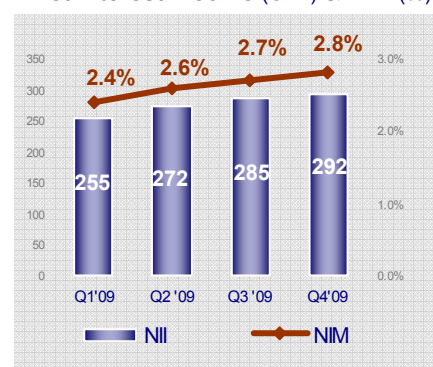
Results & Ratios

	12m '09	Δ% y-o-y
Pre provision profit	780	1%
Provision expenses	491	27%
Pre tax profit	288	-25%
Net profit excl. one-off tax	235	-25%
Net profit	202	-36%
EPS (€) - basic	0.54	-43%
RoE*	7.9%	-271 bps
RoA	0.4%	-21 bps

* excluding preference shares

-RoE and RoA excluding the one-off tax €34 mn referring to 2008 profit

Net Interest Income (€mn) & NIM (%)



Results Analysis

Greece-International (mn €)	12m '09	Δ% y-o-y
Net operating revenues		
Greece	1,081	-7%
International Operations	582	20%
Total	1,663	1%
Operating Cost		
Greece	622	-4%
International Operations	272	8%
Total	893	0%
Pre Provision Profit		
Greece	468	-13%
International Operations	311	33%
Total	780	1%
Provision cost		
Greece	265	5%
International Operations	227	66%
Total	491	27%
Pre Tax Profit		
Greece	204	-30%
International Operations	85	-12%
Total	288	-25%

Profit & Loss Analysis

Total net revenues for 2009 were €1,663 mn, out of which:

- net interest income amounted to €1,105 mn down 5% on a yearly basis mainly attributed to the increased cost of deposits. On a quarterly basis, NII in Q4 '09 was €292 mn up 3% versus Q3'09.
- net fee & commission income was €206 mn down 15% y-o-y, affected by the decrease in economic activity (contraction of GDP). On a quarterly basis, net fees were €51 mn down by 5% versus Q3 '09.

Net fees (mn €)	12m '09	Δ% y-o-y
Commercial Banking	166	-17%
Investment Banking	31	2%
Asset Management	10	-18%
Total	206	-15%

- net trading income & gains less losses from investment securities amounted to €177 mn versus €8 mn last year, mainly attributed to the profitability from the bond portfolio.
- other operating income was €161 mn, decreased by 26% y-o-y. A 55% is stemmed from subsidiaries in the financial sector, of which the major part is from operating leasing activities

Other operating income (mn €)	12m '09	Δ% y-o-y
Financial sector subsidiaries	89	-11%
Real estate subsidiaries	64	-40%
Other subsidiaries	8	-25%
Total	161	-26%

- cost to income ratio was 54% at the level of 2008. The cost to average assets ratio moved to 1.6% vs. 1.8% in 2008, improved both in Greece and in international operations.

Operating Cost Analysis

The cost containment policy continued and resulted in maintaining costs during 2009 at the level of 2008.

Operating cost in Greece decreased by 4% y-o-y. The cost of international operations increased by 8%.

Cost containment was a result of a number of targeted initiatives, that will also continue during 2010.

Cost Analysis (mn €)	12m '09	Δ% y-o-y
Operating Cost		
Greece	622	-4%
International operations	272	8%
Total	893	0%

Staff expenses amounted to €426 mn, recording a decrease of 4% y-o-y. General administrative expenses reached €377 mn decreased by 1% y-o-y.

Analysis of Selective Cost Data (mn €)	12m '09	Δ% y-o-y
Staff Expenses		
Greece	316	-3%
International	110	-5%
Total	426	-4%
General Admin. Expenses		
Greece	262	-5%
International	115	8%
Total	377	-1%

Provision Expenses

Impairment losses on loans and receivables were €491 mn in 2009 compared to €388 mn in 2008. As a percentage on average loans, provision charges reached 126 bps (88 bps in Greece and 257 bps for the international operations) versus 111 bps in 2008 at Group level. As a result of the increase in provisions, the coverage ratio was maintained at 51% in December '09, same as a year ago.

Share Price Data

During the last twelve months, Piraeus Bank's closing share price varied between €13.30 (maximum, on 20.10.09) and €3.23 (minimum, on 05.03.09). Piraeus Bank's capitalization on February 23, 2010 amounted to €2.0 bn, ranked in the 10th position on the ATHEX. The number of common shares at the end of December was 336,272,519, while the adjusted average number of shares traded was 330,982,919 (basic EPS calculation). Piraeus Bank's share liquidity remained high at 92% (Jan '09 - Dec '09) versus 80% of the FTSE/ASE banking sector and 55% of the ATHEX total listed shares.

Athens, 24 February 2010

Note

The publication of the audited annual Financial Statements, as stipulated by the provisions of Law 2190/1920 (article 135) will take place in March 2010. The exact date will be announced by the Bank.