

**SUPPLEMENT DATED 23 OCTOBER 2014 TO THE PROSPECTUS DATED 12  
AUGUST 2014.**

PIRAEUS BANK



**PIRAEUS BANK S.A.**

*(incorporated with limited liability in the Hellenic Republic)*

as Issuer

**€10 billion Global Covered Bond Programme**

This Supplement (the "**Supplement**") to the Prospectus (the "**Prospectus**") dated 12 August 2014 constitutes a supplement to the base prospectus for the purposes of Article 13 of Chapter 1 of Part II of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities, as amended (the "**Prospectus Act**") and is prepared in connection with the €10 billion Global Covered Bond Programme (the "**Programme**") established by Piraeus Bank S.A. ("**Piraeus Bank**"). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus.

Piraeus Bank accepts responsibility for the information contained in this Supplement. To the best of the knowledge of Piraeus Bank (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

**1. FINANCIAL STATEMENTS**

**1.1 Piraeus Bank mid year financial report for the first half of 2014.**

On 29 August 2014, Piraeus Bank and its subsidiaries (together, the "**Group**") published its unaudited semi-annual financial report as at and for the six month period ended 30 June 2014 (the "**Group 2014 Unaudited Semi-Annual Report**"). The financial statements contained in such Group 2014 Unaudited Semi-Annual Report were prepared in accordance with the International Financial Reporting Standards.

A copy of the Group 2014 Unaudited Semi-Annual Report has been filed with the *Commission de Surveillance du Secteur Financier* and, by virtue of this Supplement, the Group 2014 Unaudited Semi-Annual Report is incorporated by reference in its entirety in this Supplement, and forms part of, the Prospectus. Copies of the Supplement and all documents incorporated by reference in the Prospectus will be available to view on the website of the Luxembourg Stock Exchange (*www.bourse.lu*) as mentioned on page 48 of the Prospectus.

Cross reference list of the information contained in the Group 2014 Unaudited Semi-Annual Report:

<b>Group 2014 Unaudited Semi-Annual Report</b>	<b>Pages</b>
• Report on Review of Interim Financial Information	Page 12 of the pdf financial report
<b>Consolidated unaudited interim condensed financial information as at and for the six month period ended 30th June, 2014</b>	
• Consolidated Interim Income Statement	Page no. 2 (page 16 of the pdf financial report)
• Consolidated Interim Statement of Total Comprehensive Income	Page no. 3 (page 17 of the pdf financial report)
• Consolidated Interim Statement of Financial Position	Page no. 4 (page 18 of the pdf financial report)
• Consolidated Interim Statement of Changes in Equity	Page no. 5 (page 19 of the pdf financial report)
• Consolidated Interim Cash Flow Statement	Page no. 6 (page 20 of the pdf financial report)
• Notes to the Consolidated Interim Condensed Financial Information	Page no. 7 to 44 (pages 21 to 58 of the pdf financial report)
<b>Non-consolidated unaudited interim condensed financial information as at and for the six month period ended 30th June, 2014</b>	
• Interim Income Statement	Page no. 2 (page 62 of the pdf financial report)
• Interim Statement of Total Comprehensive Income	Page no. 3 (page 63 of the pdf financial report)
• Interim Statement of Financial Position	Page no. 4 (page 64 of the pdf financial report)
• Interim Statement of Changes in Equity	Page no. 5 (page 65 of the pdf financial report)

	report)
• Interim Cash Flow Statement	Page no. 6 (page 66 of the pdf financial report)
• Notes to the Non-Consolidated Interim Condensed Financial Information	Page no. 7 to 35 (pages 67 to 95 of the pdf financial report)
Financial Statements Information for the period from 1st January 2014 to 30th June 2014	Page 96 of the pdf financial report
Report on use of funds raised	Page 97 of the pdf financial report
Report of factual findings in connection with the "Table of use of funds raised"	Page 98 of the pdf financial report

The information incorporated by reference that is not included in the above cross reference list, is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) No 809/2004 (the "**Prospectus Regulation**").

- 1.2 On 29 August 2014, Piraeus Bank issued a Press Release on the results of the Group for the six month period ended 30 June 2014 (the "**Press Release**"). The Press Release can be found at:

[http://www.piraeusbankgroup.com/en/~/\\_/media/2DDDDFF277F8B49FA897DEE530498C4B4.ashx](http://www.piraeusbankgroup.com/en/~/_/media/2DDDDFF277F8B49FA897DEE530498C4B4.ashx)

Cross reference lists of the information contained in the Press Release:

**Press Release dated 29th August 2014**

Management Statements	1
Group Performance Highlights	2
Key Figures of Piraeus Bank Group in H1 2014	3
General business update	4-6

The Press Release has been filed with the CSSF and by virtue of this Supplement, the Press Release is incorporated by reference in its entirety in this Supplement, and forms part of, the Prospectus.

## 2. **RECENT DEVELOPMENTS RELATED TO PIRAEUS BANK S.A.**

On page 174 the section "Piraeus Bank S.A." of the Prospectus is supplemented to include the following additional sub-section:

### **18. Recent Developments (after the release of the unaudited mid year financial report for the first half of 2014)**

On 29 August 2014 Piraeus Bank announced that its Board of Directors approved the Draft Merger Agreement with Geniki Bank S.A., pursuant to the provisions of article 79 and articles 69-77 of Law 2190/1920 in conjunction with article 16 of Law 2515/1997 and articles 1-5 of Law 2166/1993. The consideration for the shareholders of Geniki Bank will amount to 6.86 € per share. The merger is subject to approval by the General Meetings of the Shareholders of the two banking corporations as well as the required regulatory approvals.

On 29 September 2014 Piraeus Bank's Chairman announced the implementation of six initiatives to enhance the Greek market liquidity and support the restoration of the economy. In that respect Piraeus Bank will proceed to (i) reward over 100,000 small business customers with loan balances up to €200 thousand that were timely servicing their loans during the crisis by reducing their loan margins by 100bps from 1 November 2014 onwards, (ii) explore the establishment of an independent medium to long term private investment fund aiming to finance SMEs up to the total amount of €500 million from the first quarter of 2015, (iii) establish a dynamic funding programme for export oriented and innovation related SMEs up to the amount of €700 million (iv) budget €500 million of loan disbursements through various Greek or European support grants and programmes such as the European Investment Fund, European Investment Bank, Hellenic Fund for Entrepreneurship & Development and National Strategic Reference Framework, (v) support the construction industry by disbursing retail mortgage loans up to the total amount of €500 million with a maximum loan balance of €300,000, a margin of 3% and grace period of 1 year (2 years especially for young couples) and (vi) establish an Entrepreneurship and Innovation Hub according to international best practices aiming to support innovative business plans, the implementation of new ideas and the extensive utilisation of advanced technologies in collaboration with major Chambers of Commerce and prominent market leaders.

On 7 October 2014 Piraeus Bank announced an invitation to the extraordinary general meeting of shareholders to be held on Thursday 30 October 2014 in Athens to discuss the approval of the merger by acquisition between Piraeus Bank and its subsidiary Geniki Bank S.A. and the cancelation of the Greek State preference shares of Law 3723/2008 following their full repayment.

## 3. **RECENT LEGISLATIVE DEVELOPMENT**

On pages 38 and 39 the section "*Risk Factors*", subsection "*General risk factors*", paragraph "*Administration of non-performing loans*" is supplemented to include the following additional sub-paragraph:

A recent legislative development relating to the administration of non-performing loans in Greece is the introduction on 26 August 2014 by the Credit and Insurance

Committee of the Bank of Greece of the code of conduct for institutions extending credit in Greece as per Greek Law 4261/2014, in implementation of article 1 of Greek law 4224/2013 (the “**Code of Conduct**”). The Code of Conduct lays down general principles of conduct and introduces provisions in relation to the procedures for risk assessment, valuation of the repayment ability, binding rules of conduct for the institutions with precise timelines, including the establishment of detailed and documented arrears resolution procedure and appeals review procedure, and terms of communication between institutions and borrowers. The concepts of “*cooperative borrower*” and “*reasonable cost of living*” introduced by Greek law 4224/2013 will be used in the decision-making process in respect of rescheduling of non-performing loans. The Code of Conduct is published in the Government Gazette 2289/B/27.8.2014 and will come into force in 31 December 2014.

#### 4. **GENERAL**

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no material adverse change in the prospects of Piraeus Bank or Piraeus Bank and its subsidiaries as a whole (the “**Group**”) since 31 December 2013 and no significant change in the financial or trading position of Piraeus Bank or the Group since 30 June 2014.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since the publication of the Prospectus.

Copies of this Supplement and the documents incorporated by reference in this Supplement can be obtained from the registered office of Piraeus Bank and from the specified offices of the Paying Agents for the time being in London and Luxembourg as described on pages 232 and 233 of the Prospectus.

In addition, copies of this Supplement and each document incorporated by reference are available for viewing at the Luxembourg Stock Exchange’s website ([www.bourse.lu](http://www.bourse.lu)).

Any investor who may wish to exercise any withdrawal right arising pursuant to article 13 paragraph 2 of Chapter 1 of Part II of the Prospectus Act as a result of the publication of this Supplement must exercise that right on or before 5.30 p.m. Luxembourg time on 30 October 2014.

Dated 23 October 2014