

HB: Deliberations for sale of subsidiary Limited Liability Co. Commercial Bank completed

Further to the previous announcement of Hellenic Bank Public Company Ltd dated May 27, 2014, on the negotiations for the sale of 100% of the share capital of its subsidiary bank in Russia, Limited Liability Company Commercial Bank "Hellenic Bank" ("Subsidiary"), Hellenic Bank Public Company Ltd announces the completion of the deliberations and the signing of the relevant sale agreements.

The sale was at arm's length with Russian Investors, following the safeguard of the required approvals by the Central Bank of Cyprus.

Hellenic Bank proceeded with the sale of the subsidiary within the framework of the constant efforts of the Group for a more effective management of the resources available, the capital planning, the active risk management and the weighted assets and focusing on the main markets.

The subsidiary was established by the Hellenic Bank and in February 2009 it secured an authorization to exercise banking operations in Russia. On June 11, 2011 the preparations were completed and it started offering banking operations in Moscow. In view of the events in March 2013 and the uncertainty in the Russian market, the subsidiary had developed restricted activities in Russia with total assets of €29 million. The financial results of the subsidiary are consolidated and included in the Financial Statements of the Hellenic Bank Group, which are available in printed form, free of charge, at the Shares & Bonds Department and in electronic form at the website of Hellenic Bank, **www.hellenicbank.com**.

The initial sale price of the subsidiary, which had been paid cash via bank accounts, stands at 1.150 million rubles (€24 million) and is subject to readjustment after the approval of the results for the period from April 1, 2014 to June 5, 2014 (date of signing of agreement) by independent expert of common acceptance.

A preliminary estimate is, based on the first quarter results of 2014 that with this deal the Group will generate total profit of €3 million (Bank, loss of €3m).

This transaction is not expected to affect the prospects or the results of the Group and is not related to or does not affect the interests of the Secretary or the "designated persons" in accordance with the notion given to the aforementioned term in article 137(3) of the CSE Laws.

In order to proceed with the deal, the Group used the consulting services of SCORDIS, PAPAPETROU & Co LLC in Cyprus and PEPELIAEV GROUP in Russia.

The Hellenic Bank Group with strong balance sheet and prudent management is monitoring the developments in all markets that it is actively involved in and is constantly taking measures to secure its interests.