



HELLENIC BANK

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014

7 February 2019

ANNOUNCEMENT

Subject: ECB approves inclusion of 3Q2018 profit, including negative goodwill, in the Group's regulatory capital

- European Central Bank (“**ECB**”) approves the inclusion of 3Q2018 profits, including negative goodwill, in the Common Equity Tier 1 (“**CET1**”) capital
- ECB permits amendment for calculating the operational risk indicator for risk weighted assets (“**RWAs**”), with total RWAs at 30 September 2018 increasing to €4.930,6 m
- CET1 ratio and Capital Adequacy Ratio (transitional basis) of 14,73% and 17,36%, respectively, as at 30 September 2018
- Approval reaffirms the Group's strong capital position. Taking into account the underwritten €150 m share capital increase, the Group's capital position will further strengthen to a pro forma CET1 ratio and Capital Adequacy Ratio (transitional basis) of 17,77% and 20,40%, respectively

Hellenic Bank Public Company Ltd (the “**Company**” or the “**Group**”) announces that the ECB has informed the Company of the:

- (a) Approval for the inclusion of the third quarter 2018 profit of €259,6 m in the CET1 capital as per the application of the Company to the ECB, in line with the Company's announcement for the financial results for the nine month period ended 30 September 2018. A major part of the above mentioned profit relates to the negative goodwill which has resulted from the acquisition of certain assets and liabilities of the ex-Cyprus Cooperative Bank. As such, the CET1 capital (transitional basis) increased to €726,1 m at 30 September 2018, compared to €484,7 m at 30 June 2018.
- (b) Permission to amend the calculation of the operational risk indicator for determining the own fund requirements to better reflect the increased operational risk of the combined entity. As a result, the total RWAs as at 30 September 2018 are increased by €110,4 m to €4.930,6 m, compared to the pro forma number of €4.820,2 m.

Following the ECB decisions, the Group's Capital Adequacy Ratios as at 30 September 2018 are as follows:

	Group (transitional basis)	Minimum regulatory capital requirements (Phase-in)¹	Minimum regulatory capital requirements (Phase-in)²
Capital Adequacy Ratios	30.09.2018	2018	Effective 1 January 2019
CET 1 ratio (%)	14,73%	9,575%	10,575%
Tier 1 ratio (%)	17,36%	11,075%	12,075%
Capital Adequacy Ratio (%)	17,36%	13,075%	14,075%

Taking into account the underwritten share capital increase of €150 m (expected to be completed by end-March 2019), the Group's pro forma CET1 ratio and Capital Adequacy Ratio (transitional basis) are estimated at 17,77% and 20,40%, respectively, with reference date 30 September 2018 and subject to relevant regulatory approvals.

HELLENIC BANK PUBLIC COMPANY LTD

HELLENIC BANK PUBLIC COMPANY LIMITED
 Public Company, Registration Number: 6771, Registered Office: Corner Limassol Ave. & 200 Athalassas Ave., 2025 Strovolos, Nicosia, Cyprus
 SWIFT: HEBACY2N, Service Line: 8000 9999 - Calling from Abroad: +357 22 500500, E-mail: hellenic@hellenicbank.com,
 Website: www.hellenicbank.com



¹ Based on ECB's decision for Supervisory Review and Evaluation Process conducted during 2017 with reference date 31 December 2016.

² Effective 1 January 2019, the minimum phase-in regulatory capital requirements for the Group, based on Supervisory Review and Evaluation Process conducted during 2017 with reference date 31 December 2016, are increased by 1% (0,625% for the capital conservation buffer and 0,375% for the Other Systemically Important Institution buffer).