

Third Quarter 2017 Results

16 November 2017

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Highlights

- 1 Net profit² €61m in 3Q17 and €132m in 9M17**
 - Core pre-provision income (PPI) up 2.4% q-o-q; up 7.9% y-o-y
 - NII up 1.3% q-o-q; stable y-o-y
 - Commission income up 0.5% q-o-q; up 17.8% y-o-y
 - Operating expenses down 2.0% y-o-y, Greece down 2.7% y-o-y

- 2 Asset Quality**
 - Negative NPE formation at €111m
 - NPE stock down €0.4bn in 3Q17; €1.0bn³ in 9M17
 - NPE ratio down 40bps q-o-q at 44.7%
 - NPE coverage up 50bps q-o-q at 51.6%
 - €1.5bn NPE consumer unsecured loans disposal completed in 4Q17

- 3 Liquidity**
 - Deposits Greece up by €0.7bn q-o-q; up €1.0bn in 9M17
 - Current ELA funding at €7.5bn; €5.0bn down from 2017 peak
 - €500m market issue of 3-year covered bond with yield less than 3%
 - No outstanding Pillar II bonds as of late October

- 4 Capital**
 - Romania sale agreement to be completed in 4Q17; c.20bps gain on CET1
 - Fully loaded Basel III (FLB3) CET1 at 14.6%⁴, up 80bps y-o-y
 - Total CAD at 17.2%⁵

- 5 International operations net profit² €32m in 3Q17 and €97m in 9M17**

Key financials

€ m	3Q17	2Q17	Δ(%)	9M17	9M16	Δ(%)
Net interest income	369.3	364.4	1.3	1,090.5	1,088.6	0.2
Commission income	66.8	66.5	0.5	197.6	167.7	17.8
Other Income	27.5	34.4	(20.0)	99.8	156.6	(36.3)
Operating income	463.6	465.3	(0.4)	1,387.9	1,413.0	(1.8)
Operating expenses	(223.2)	(223.1)	0.1	(668.0)	(681.8)	(2.0)
Core Pre-provision income	212.9	207.8	2.4	620.1	574.5	7.9
Pre-provision income	240.4	242.2	(0.7)	719.9	731.2	(1.5)
Loan loss provisions	(177.9)	(182.3)	(2.4)	(544.3)	(559.4)	(2.7)
Net Income after tax ²	61.2	37.3	64.1	132.3	117.5	12.6
Net income after tax	(15.3)	39.7		61.0	191.7	(68.2)

Ratios (%)	3Q17	2Q17	9M17	9M16
Net interest margin	2.46	2.35	2.38	2.18
Cost / income	48.1	47.9	48.1	48.3
Cost of risk	1.90	1.95	1.94	1.95
NPE	44.7	45.1	44.7	46.4
NPE coverage	51.6	51.1	51.6	49.9
90dpd	35.2	35.3	35.2	35.4
90dpd coverage	65.5	65.2	65.5	65.4
CET1	15.1 ⁵	17.4	15.1 ⁵	17.4
FLB3 CET1	14.6 ⁴	14.4	14.6 ⁴	13.8
Loans / Deposits	112.0	116.4	112.0	120.1
TBV per share (€)	2.64	2.64	2.64	2.49
EPS (€)	(0.01)	0.02	0.03	0.09

Pre-provision income (PPI)

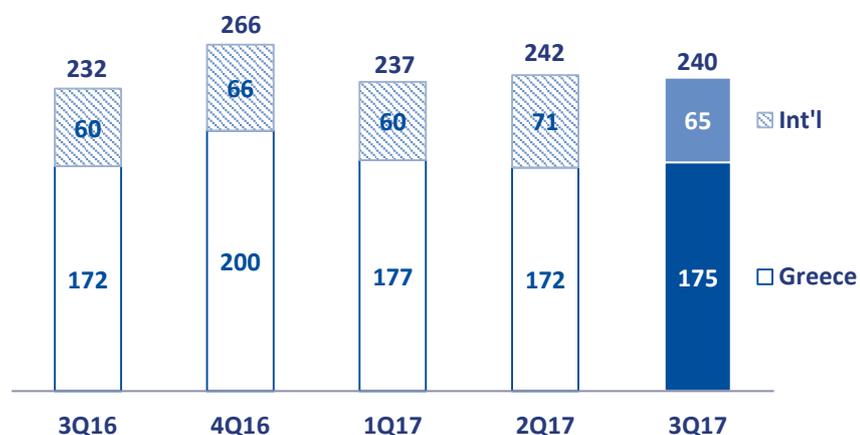
Core PPI and other income (€ m)



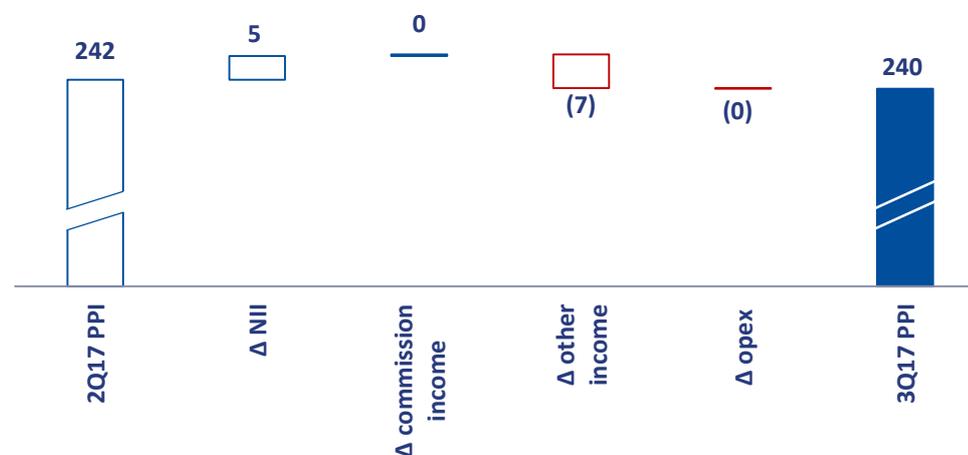
Highlights

- Core pre-provision income (PPI) up 2.4% q-o-q; up 7.9% y-o-y
 - NII up 1.3% q-o-q at €369m; stable y-o-y
 - Commission income up 0.5% q-o-q; up 17.8% y-o-y
 - Operating expenses down 2.0% y-o-y, Greece down 2.7% y-o-y
- PPI at €240m, marginally lower due to other income

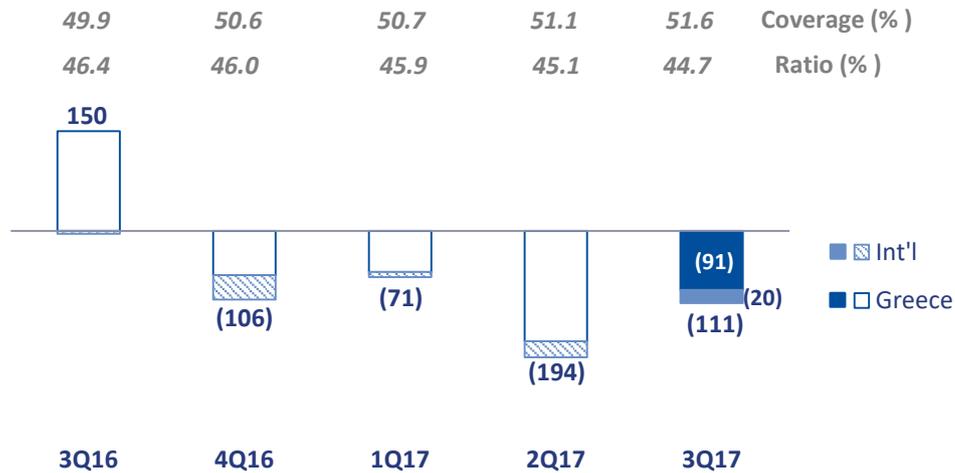
PPI per region (€ m)



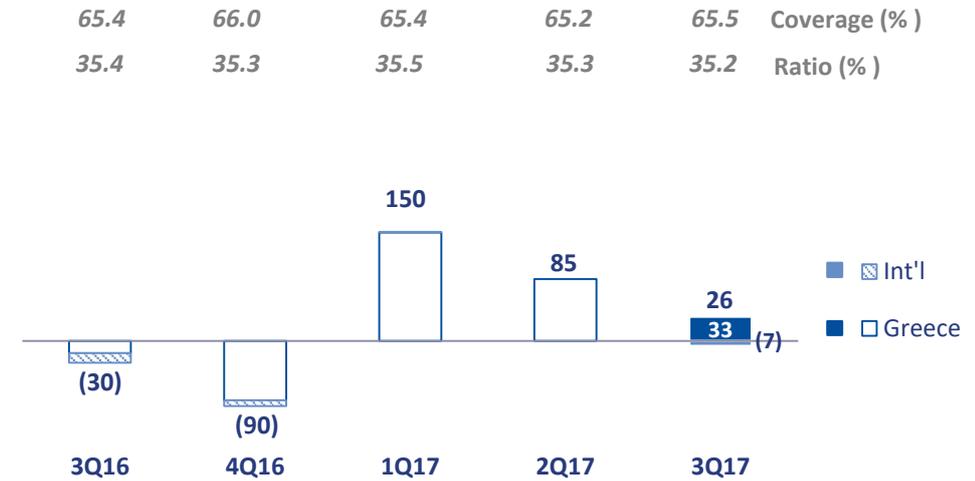
Δ PPI (€ m)



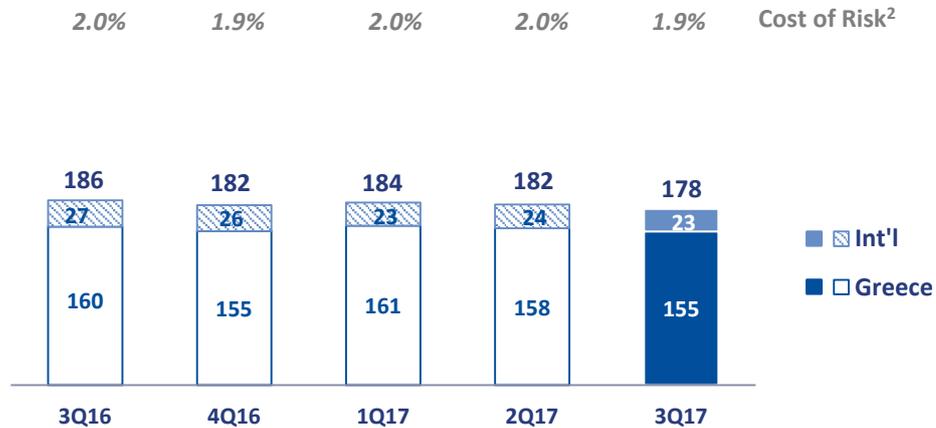
NPEs formation¹ (€ m)



90dpd formation¹ (€ m)



Loan loss provisions (€ m)

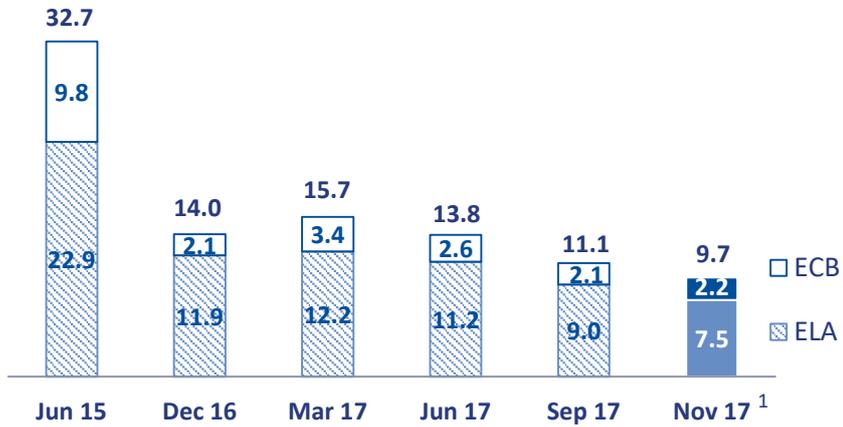


- Negative NPE formation at €111m
- NPE stock down €0.4bn in 3Q17; €1.0bn³ in 9M17
- NPE ratio down 40bps q-o-q at 44.7%
- NPE coverage up 50bps q-o-q at 51.6%
- 90dpd formation positive, albeit reduced by 83% since 1Q17 peak
- €1.5bn (o/w €0.6bn on balance sheet exposure) NPE consumer unsecured loans disposal completed in 4Q17

Romania classified as held for sale. All previous quarters restated accordingly.

1. q-o-q change before write-offs, sales, FX movements and other. 2. On net loans. 3. Excluding the NPE portfolio sale.

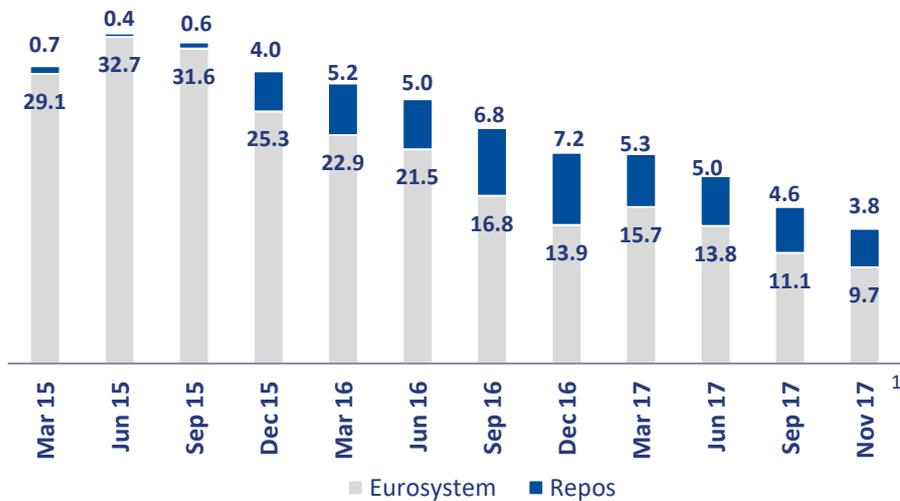
Eurosystem funding (€ bn)



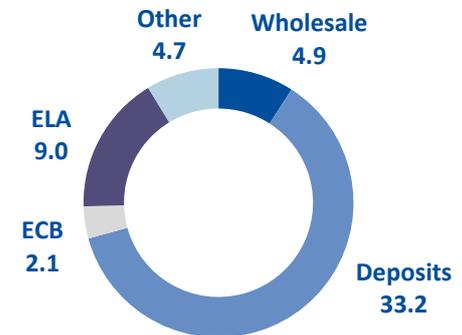
Comments

- Current ELA funding at €7.5bn; €5.0bn down from 2017 peak
- Elimination of Pillar II bonds as of late October 2017
- Group deposits up by €0.9bn q-o-q; €1.1bn in 9M17
- €500m market issue of 3 year covered bond with yield less than 3%
- c75% of Interbank repos with Greek risk related collaterals

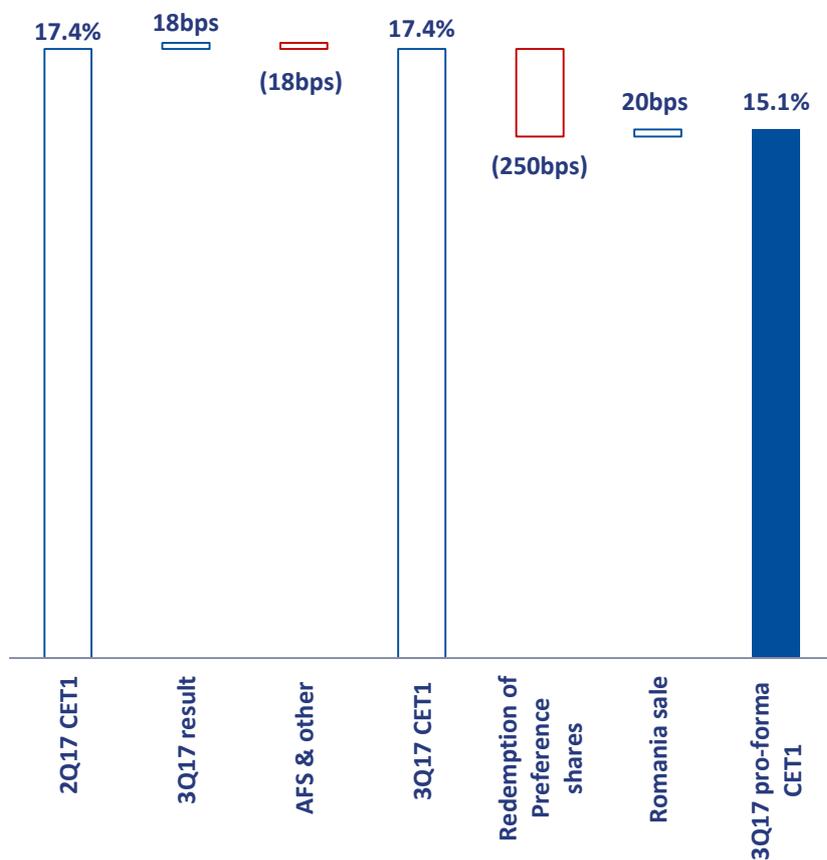
Interbank repos and eurosystem funding (€ bn)



Liabilities breakdown (€ bn)

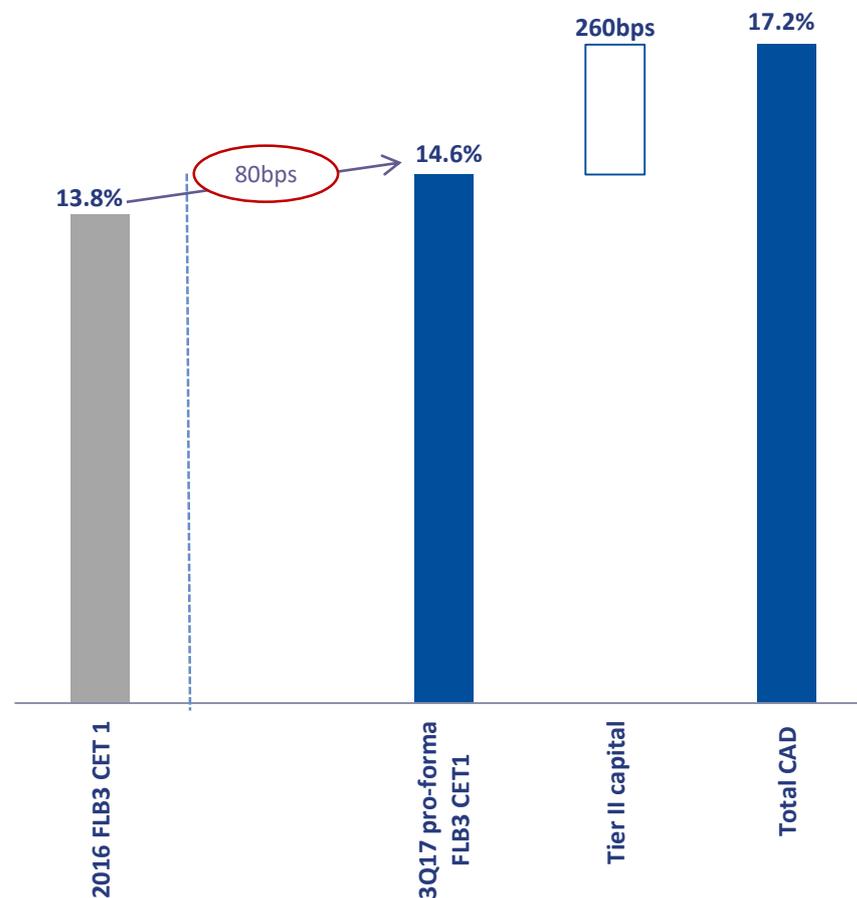


Phased-in CET1



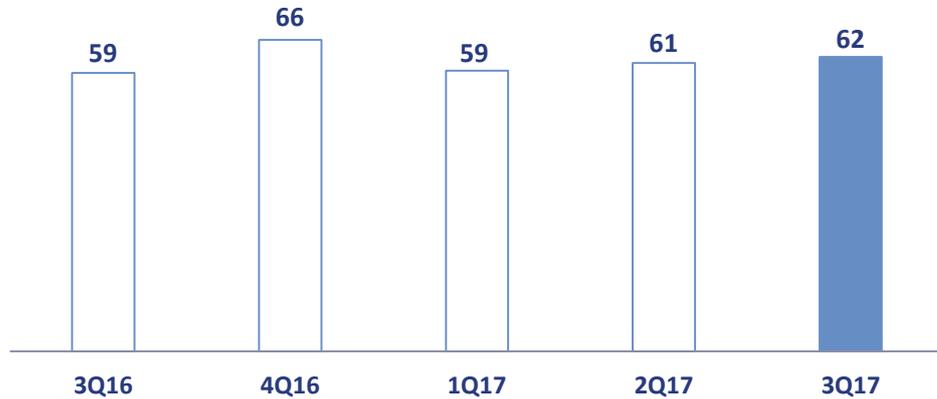
RWAs (€ m)	38,115	-	355	38,470	(237)	(1,025)	37,208
Capital (€ m)	6,640	71	(8)	6,703	(994)	(79)	5,630

CET1 / CAD (FLB3)

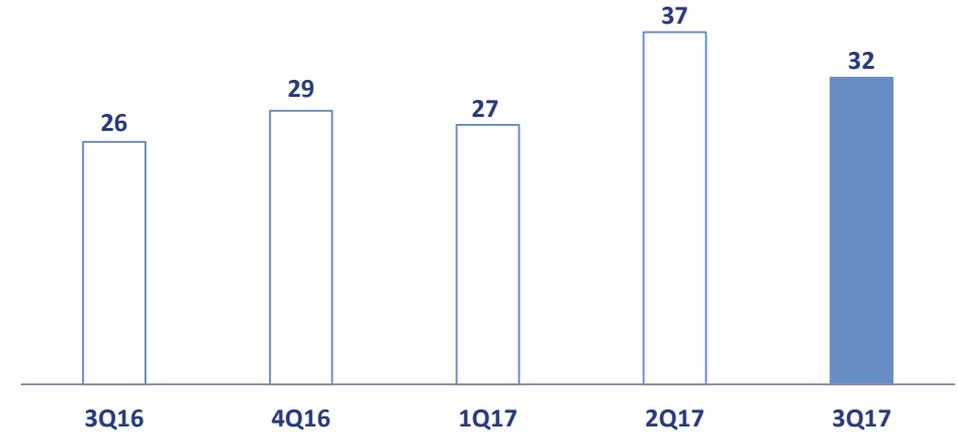


RWAs (€ m)	38,190	-	37,196
Capital (€ m)	5,268	970	6,397

Core PPI (€ m)



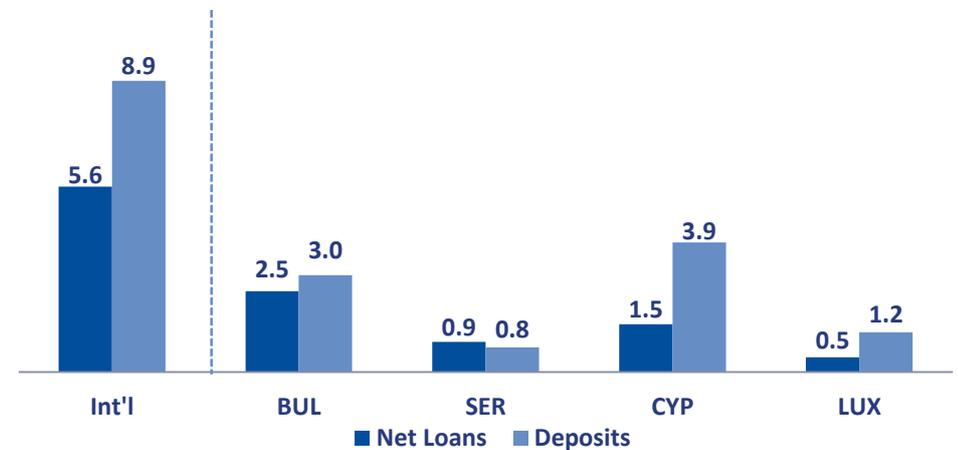
Net Profit¹ (€ m)



Loan loss provisions (€ m)



Net Loans and Deposits (€ bn)



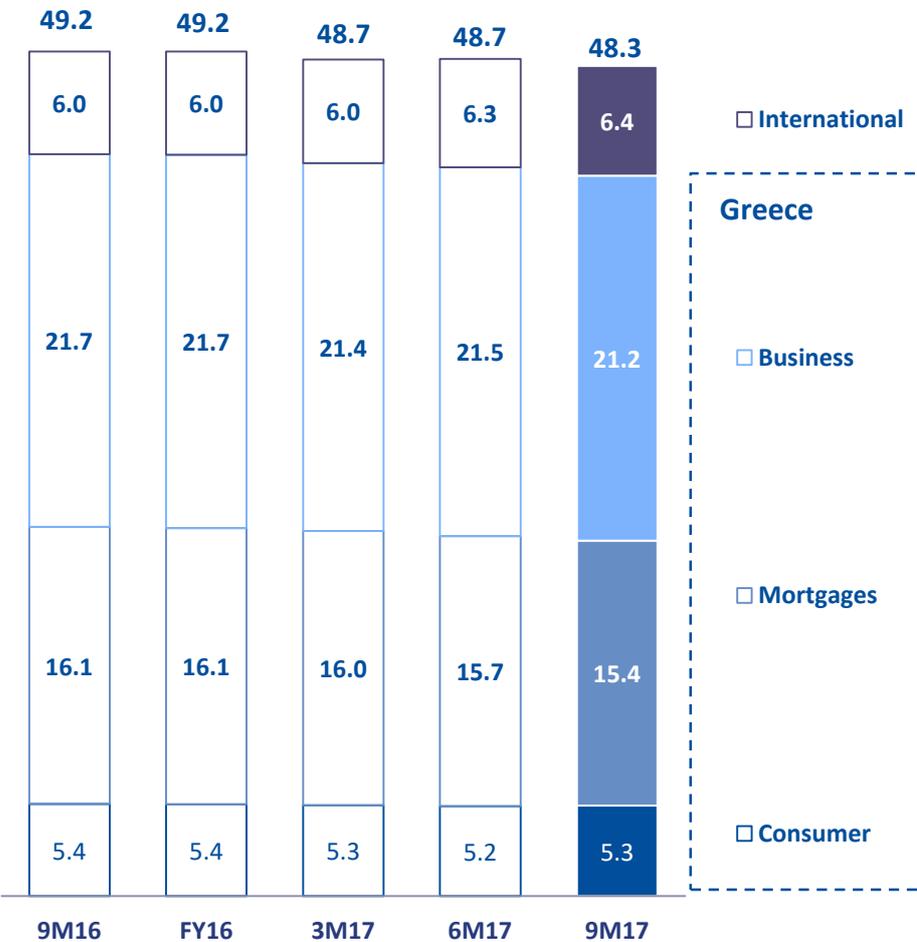
Romania classified as held for sale. All previous quarters restated accordingly.
 1. Net Profit from continued operations before restructuring costs (after tax).

3Q 2017 results review

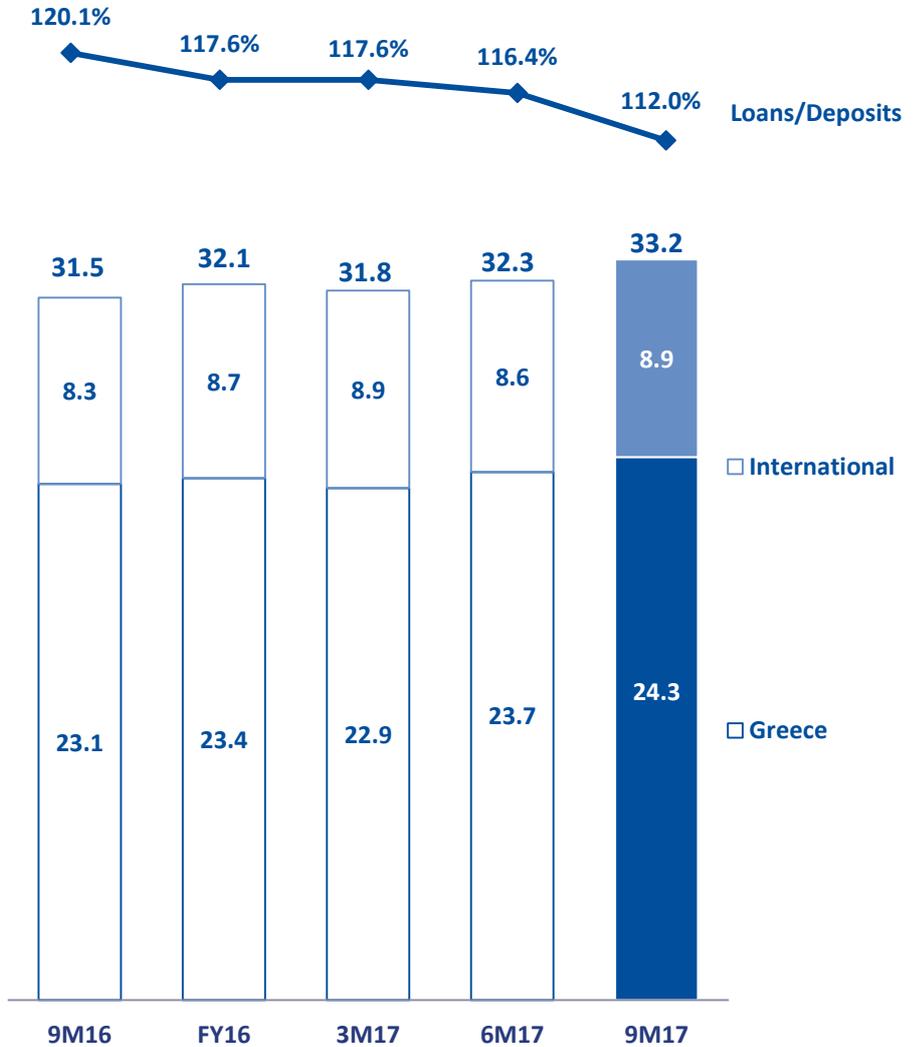
Loans and deposits

Gross loans (€ bn)

Δ loans l-f-l¹ (€m) (220) 466 4



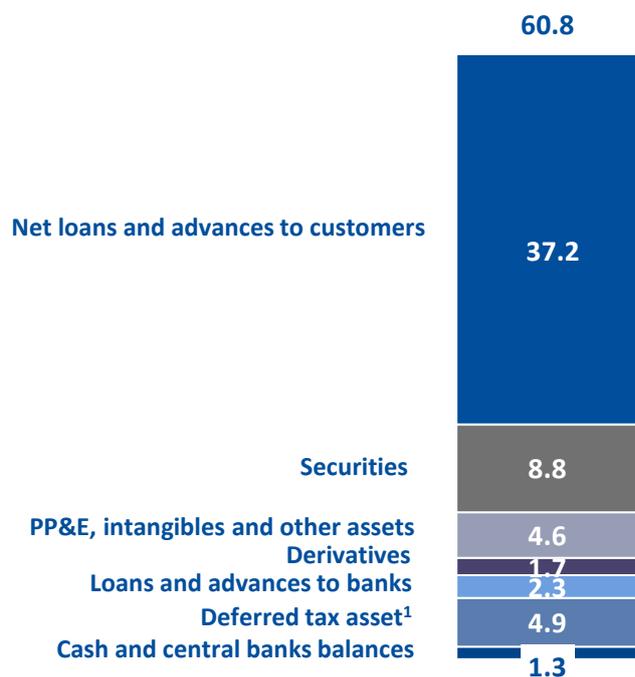
Deposits (€ bn)



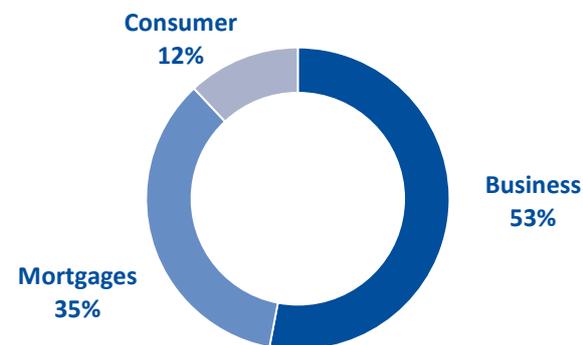
Romania classified as held for sale. All previous quarters restated accordingly.

1. Excluding FX effect, write-offs and sales.

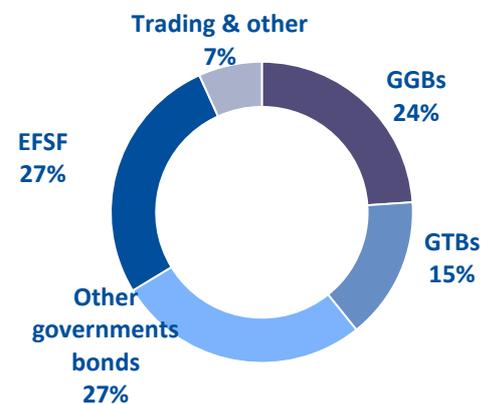
Total assets (€ bn)



Gross Loans

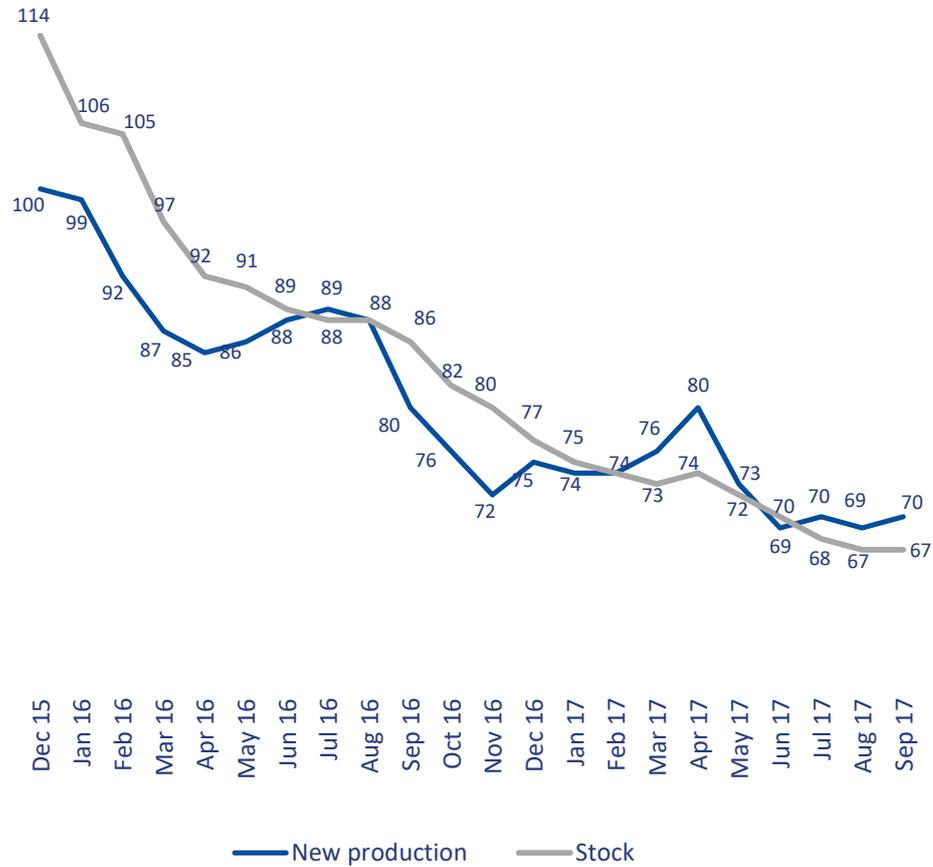


Securities

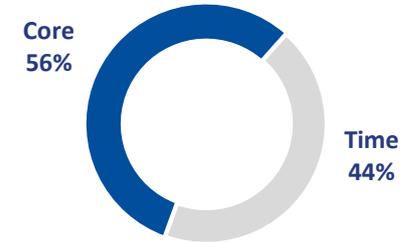


New time deposits spreads and client rates (Greece)

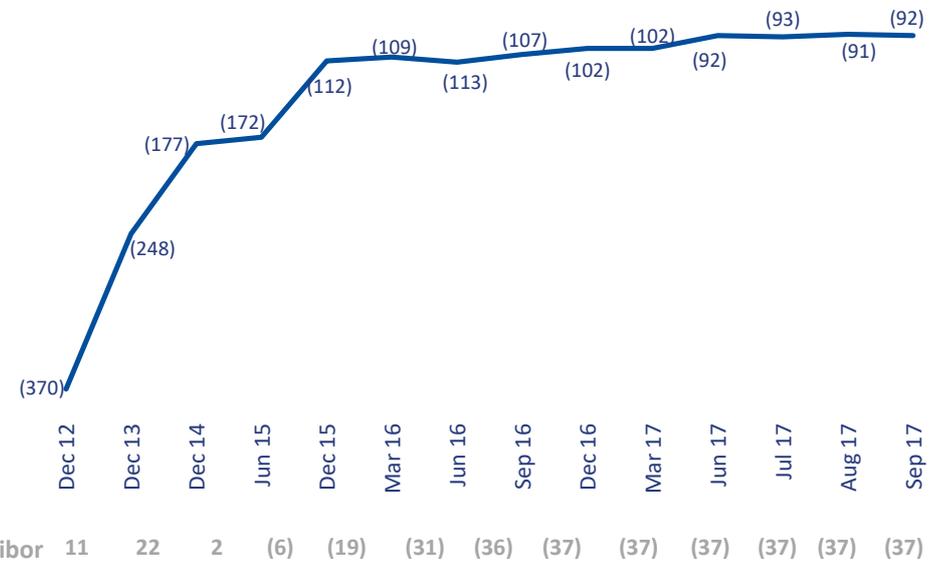
Time deposit client rates (bps)



Deposits mix



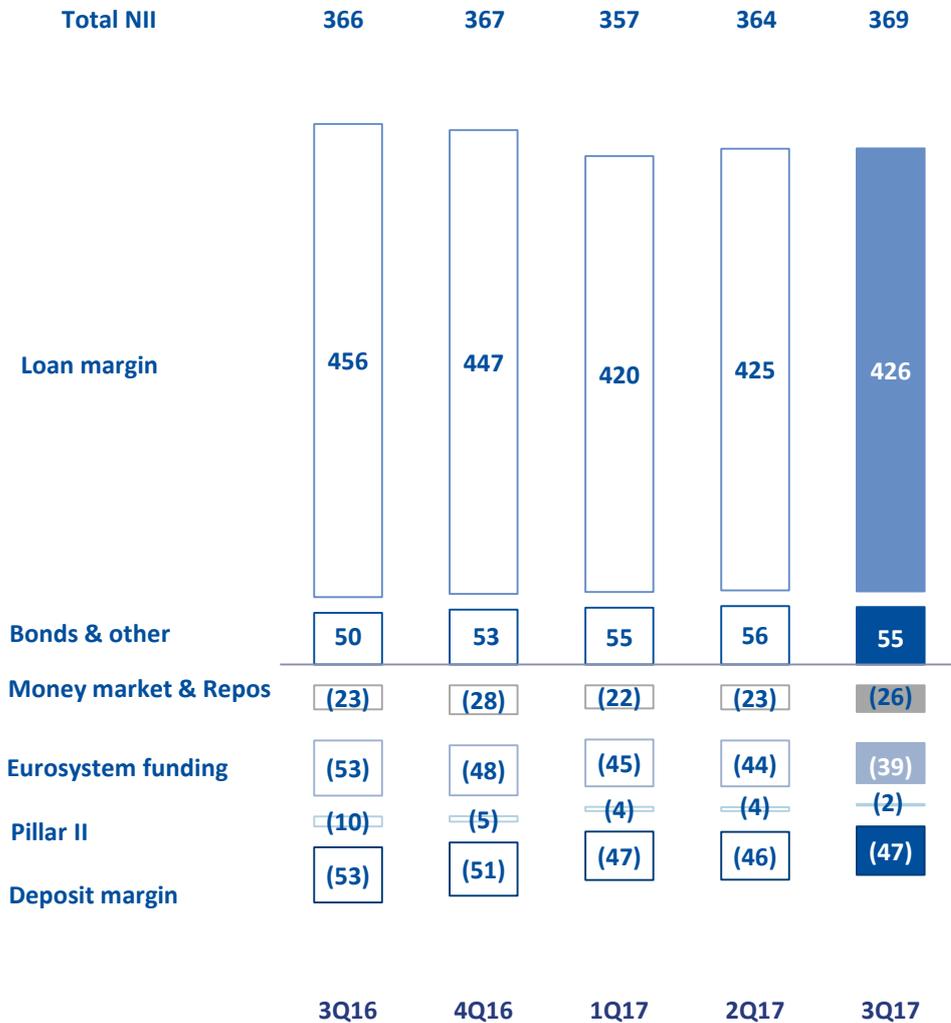
New time deposit spreads (bps)



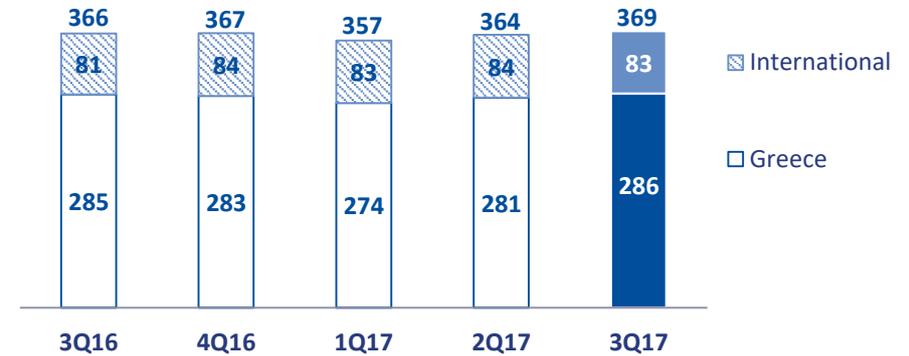
1M avg Euribor 11 22 2 (6) (19) (31) (36) (37) (37) (37) (37) (37) (37) (37)

Net interest income

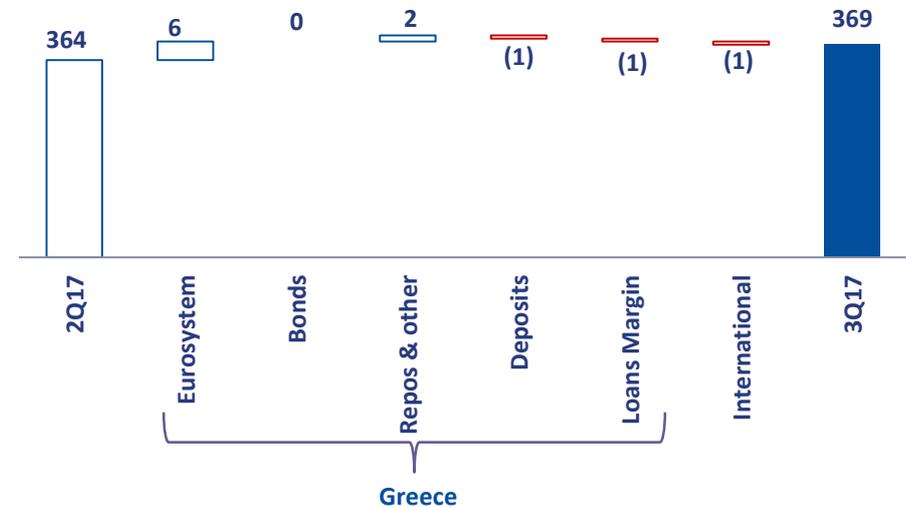
NII breakdown (€ m)



NII per region (€ m)



NII evolution (q-o-q, € m)



Spreads & net interest margin

Lending spreads (Greece, bps)¹

	3Q16	4Q16	1Q17	2Q17	3Q17
Corporate	511	524	516	493	502
Retail	447	435	416	432	425
Total	470	467	451	454	453

Retail lending spreads (Greece, bps)¹

	3Q16	4Q16	1Q17	2Q17	3Q17
Consumer	1,054	992	991	1,019	1,024
SBB	603	594	537	551	532
Mortgage	277	274	265	282	273

Deposit spreads (Greece, bps)

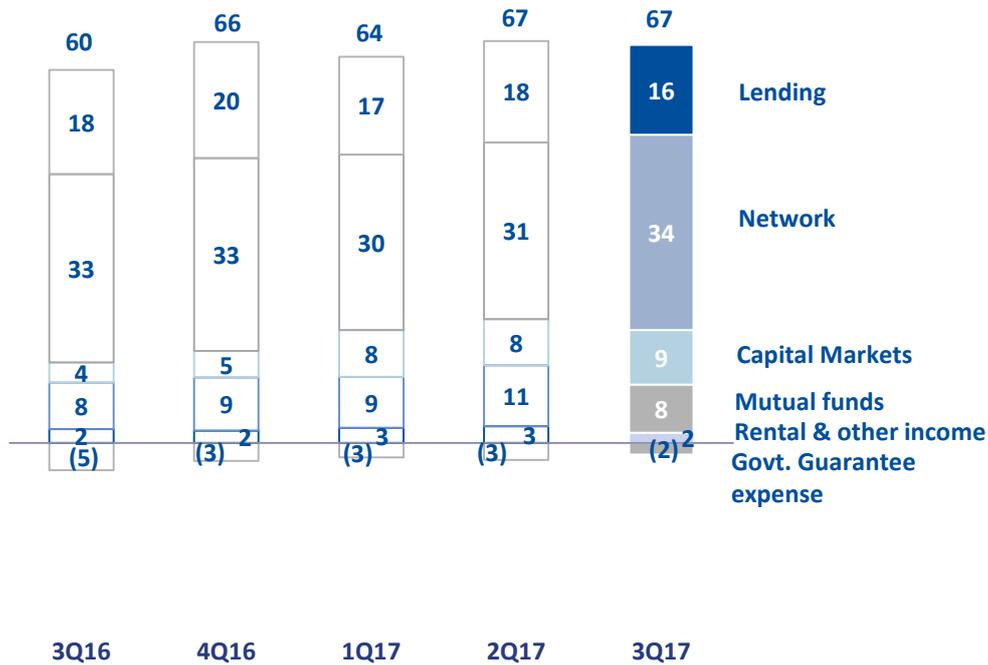
	3Q16	4Q16	1Q17	2Q17	3Q17
Savings & Sight	(53)	(53)	(51)	(49)	(50)
Time	(103)	(96)	(90)	(88)	(83)
Total	(74)	(72)	(67)	(66)	(64)
1M avg Euribor	(37)	(37)	(37)	(37)	(37)

Net interest margin (bps)

	3Q16	4Q16	1Q17	2Q17	3Q17
Greece	204	211	210	220	233
International	308	313	302	307	307
Group	221	228	226	235	246

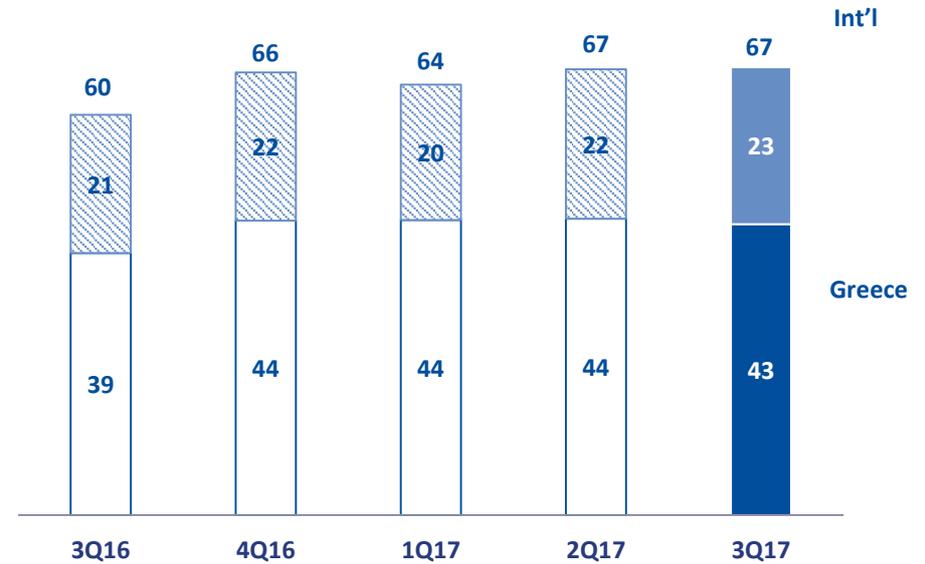
Commission income

Commission income breakdown (€ m)



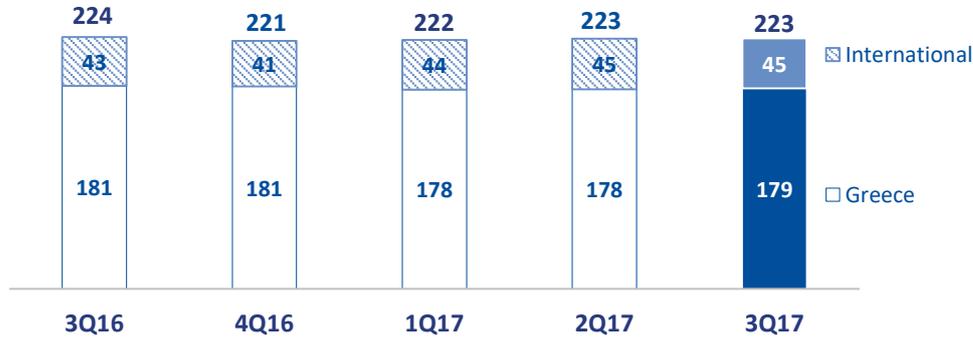
Commission income per region (€ m)

	3Q16	4Q16	1Q17	2Q17	3Q17	
€m	65	69	67	69	69	Fees excl. Govt. guarantees expense
bps	39	43	42	45	46	

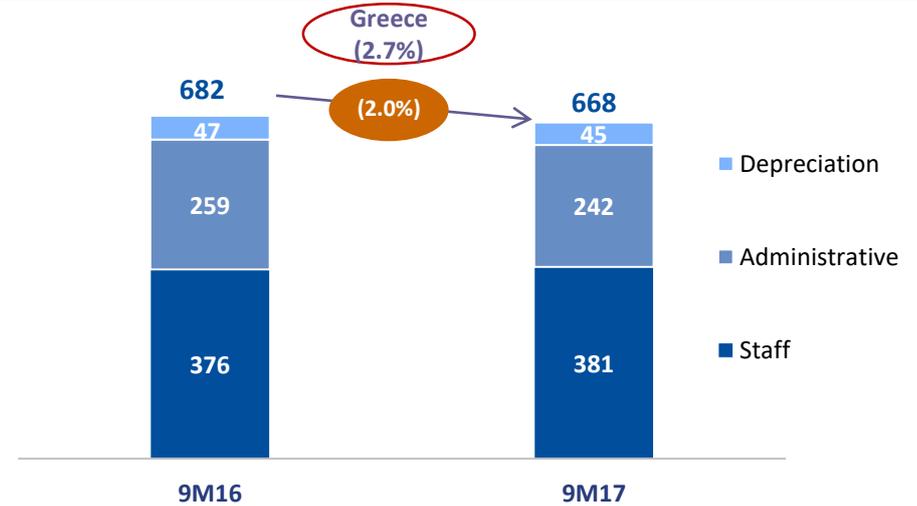


Operating expenses

OpEx per region (€ m)



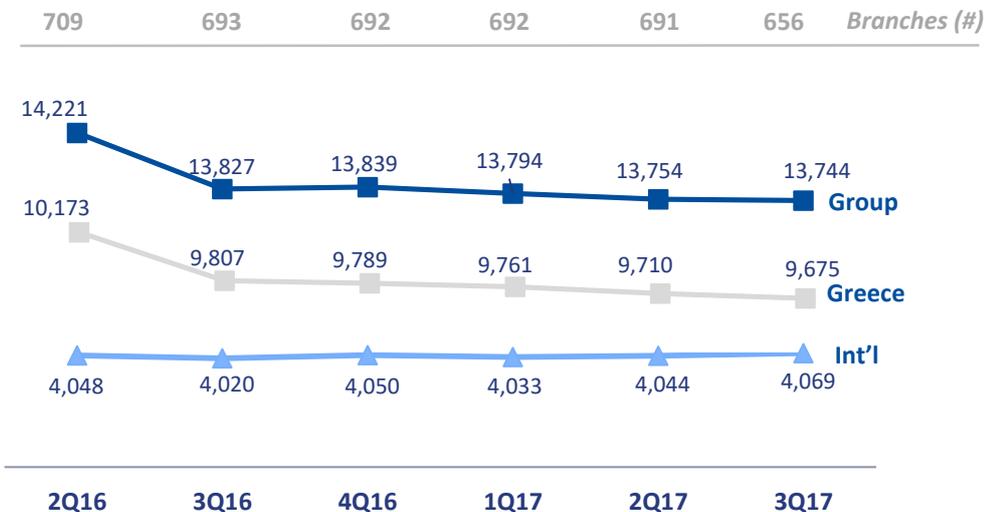
OpEx breakdown (€ m)



Cost-to-income ratio (%)

	3Q16	4Q16	1Q17	2Q17	3Q17
Greece	51.2	47.5	50.0	50.9	50.5
International	42.1	38.1	42.5	39.0	40.6
Group	49.2	45.4	48.3	47.9	48.1

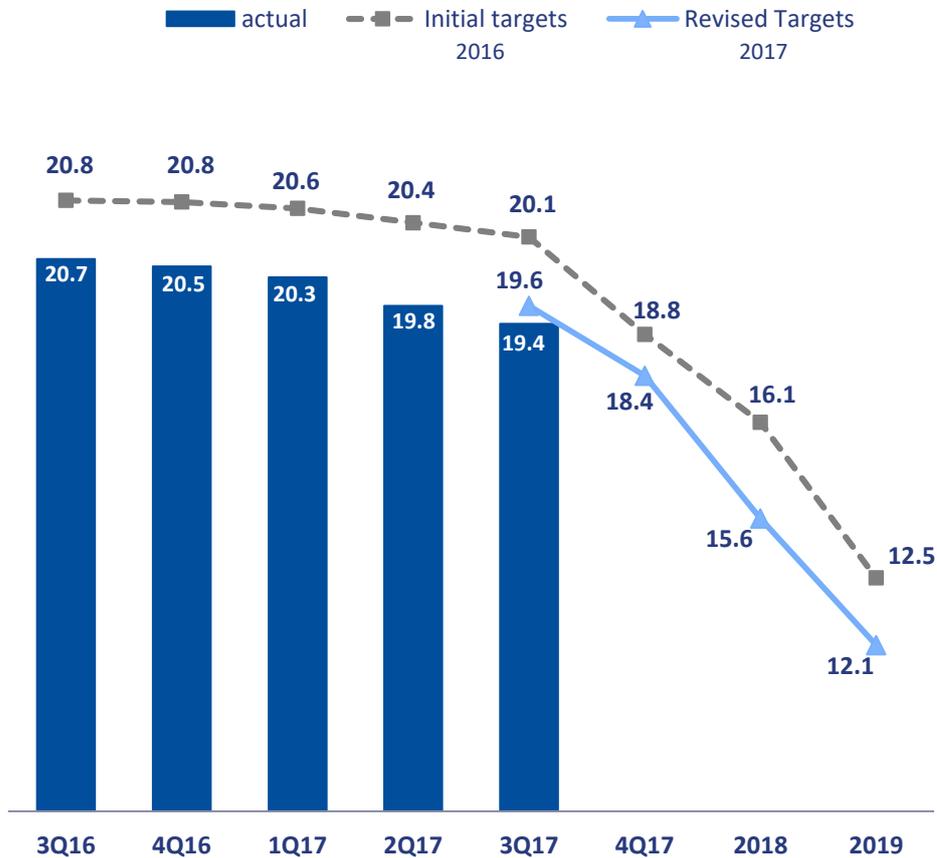
Headcount and network evolution (#)



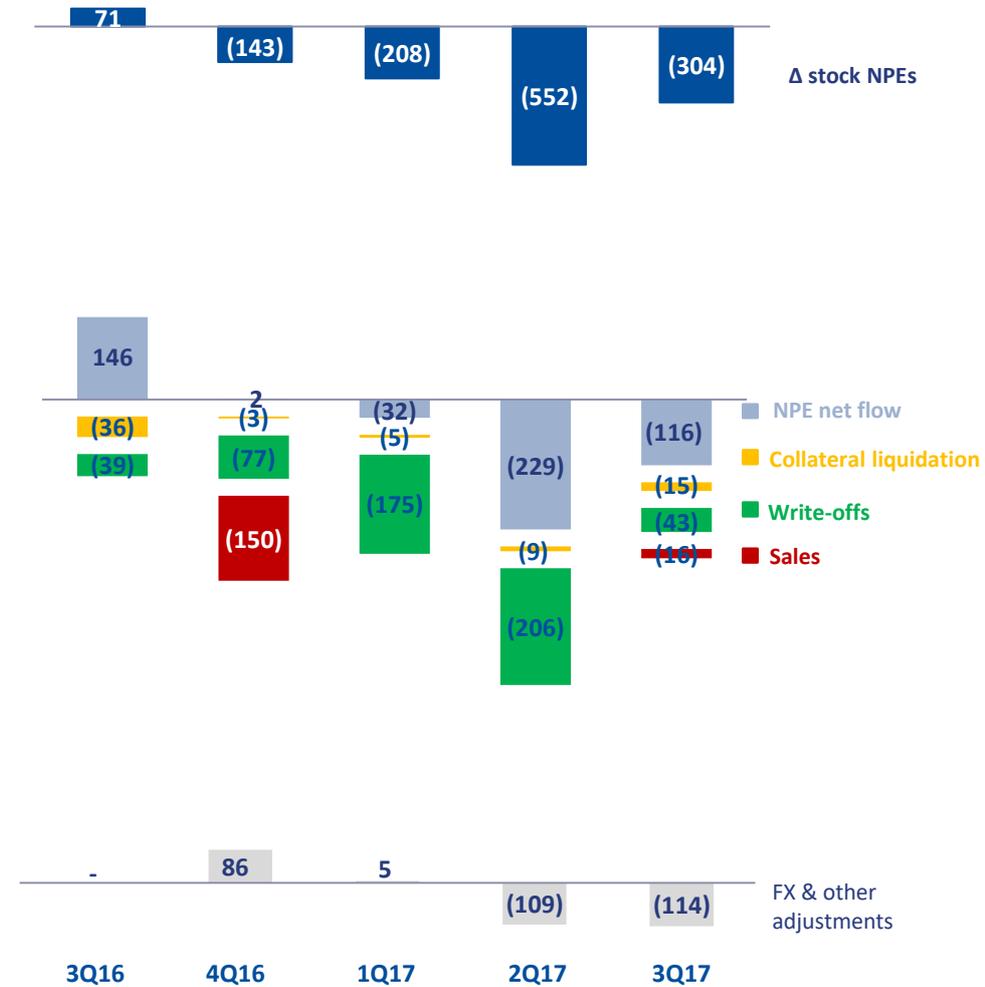
Asset Quality

NPE stock evolution vs. SSM targets¹

Stock evolution vs targets (€ bn)



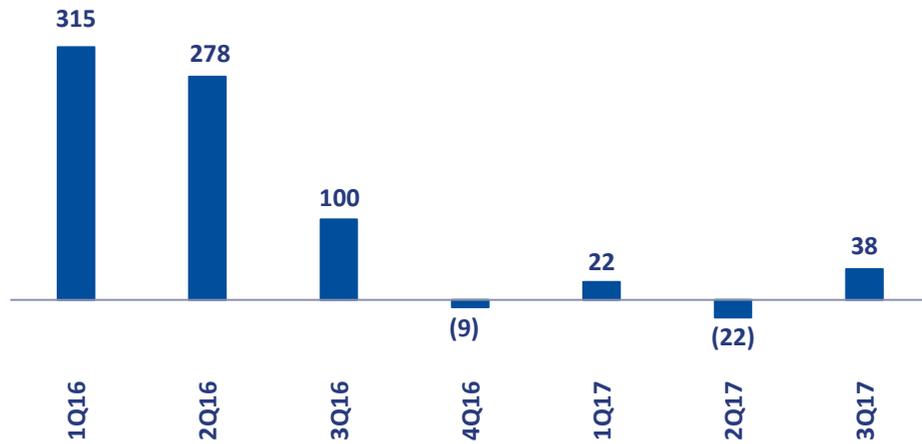
Δ stock NPEs (€ m)



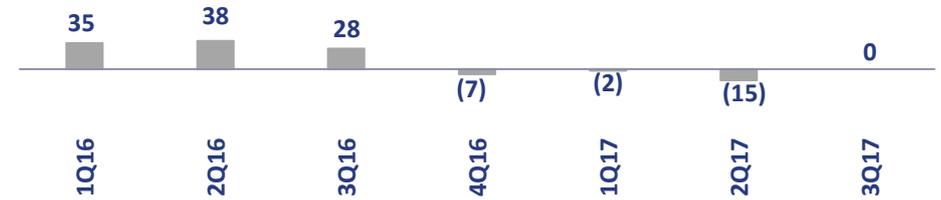
1. SSM targets based on Bank Solo accounts.

NPEs formation per segment (Greece)

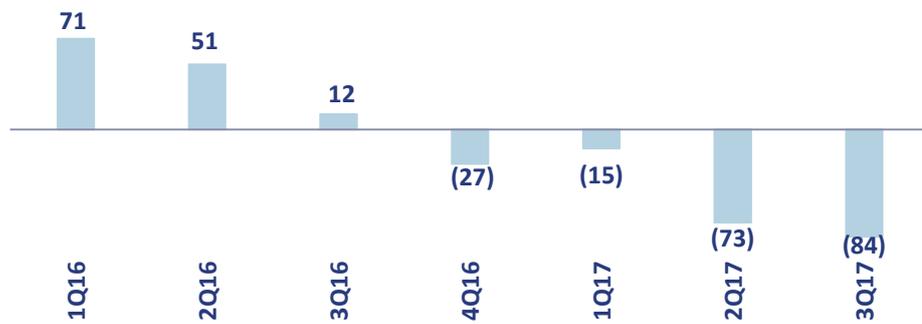
Mortgages (€ m)



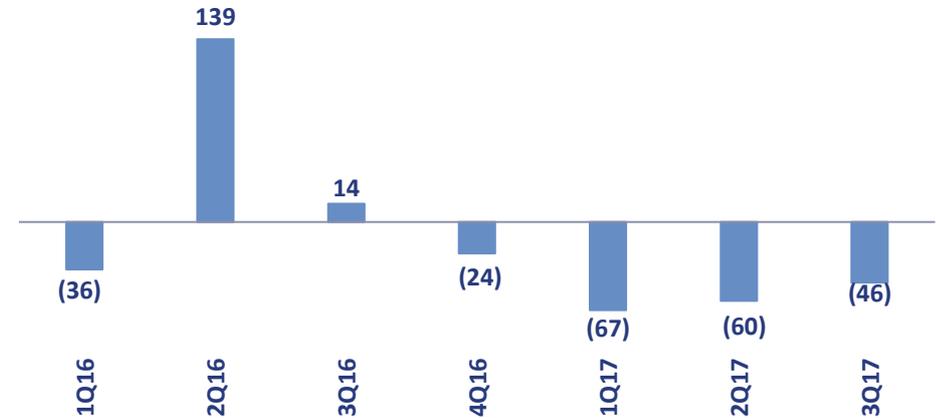
Consumer (€ m)



Small business (€ m)

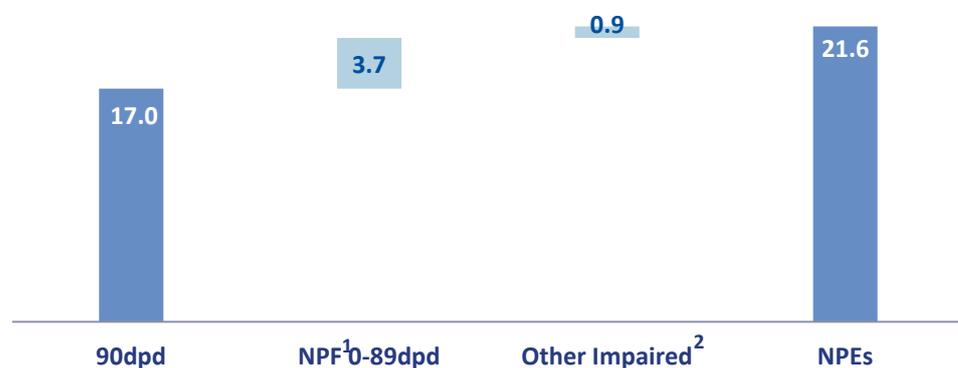


Corporate (€ m)



NPEs metrics (Group)

90dpd bridge to NPEs (€ bn)



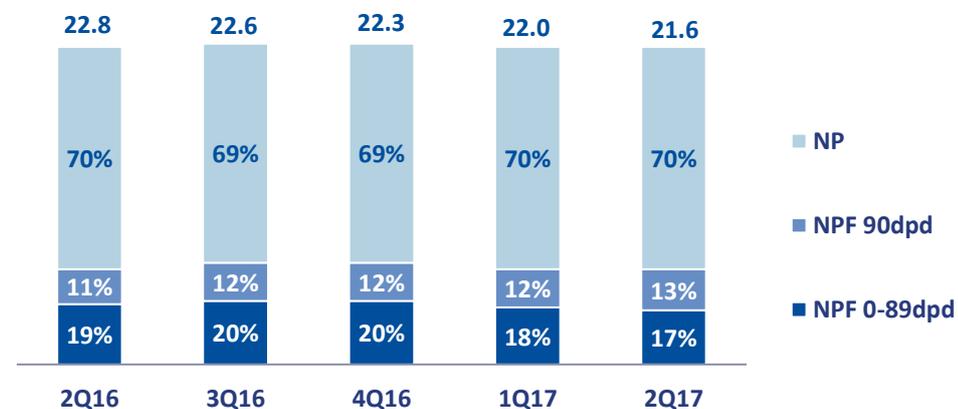
NPEs (€ bn)



NPEs per region

	Total NPEs (€ bn)	NPEs ratio ⁴ (%)	Provisions/ NPEs (%)	Provisions & collaterals / NPEs (%)
Consumer	3.4	64.1	81.2	86
Mortgages	6.2	40.4	34.8	106
Small Business	4.2	65.4	44.8	96
Total Retail	13.8	50.9	49.2	98
Corporate	6.5	43.4	56.2	101
Greece	20.2	48.2	51.4	99
Int'l	1.3	21.1	54.6	107
Total	21.6	44.7	51.6	99

NPEs breakdown (€ bn)

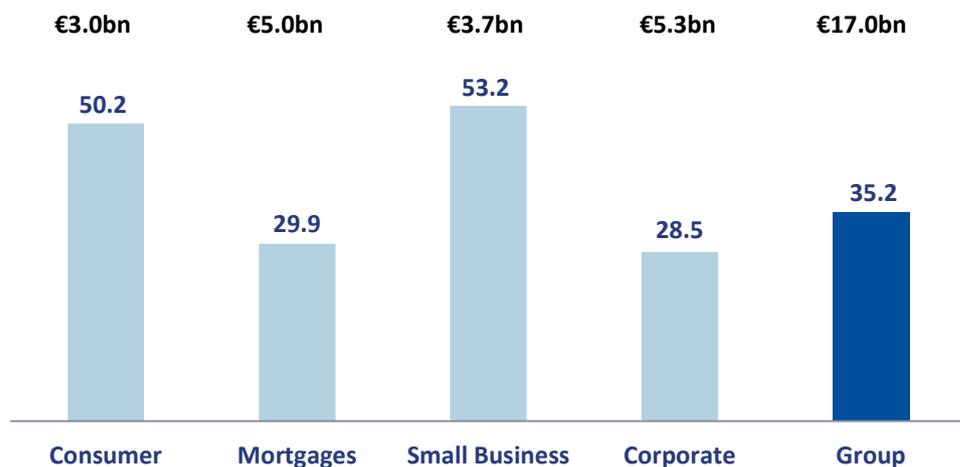


Romania classified as held for sale. All previous quarters restated accordingly.

1. Non-performing forbore loans. 2. Loans impaired due to triggers other than the existence of forbearance measures. 3. Non – Performing. 4. NPE ratio at 40.8% including €4.5bn off-balance sheet exposures.

Asset quality metrics - 90dpd loans

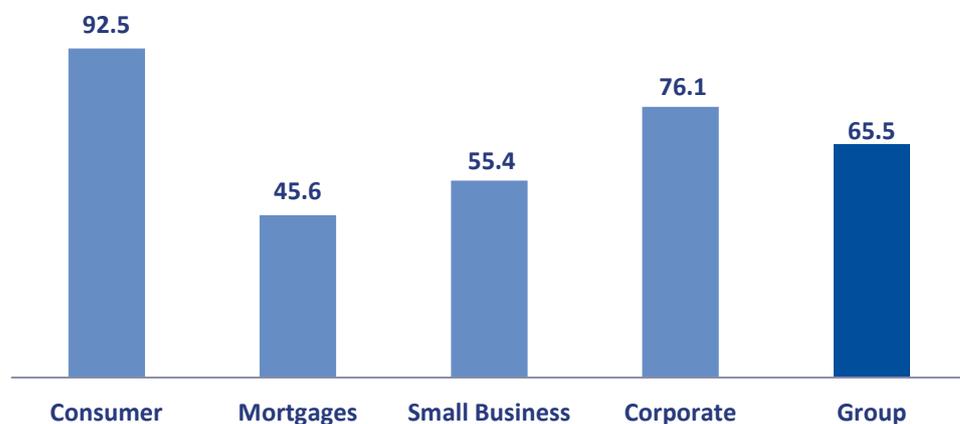
90dpd ratio per segment (%)



90dpd ratio per region (%)



90dpd coverage per segment (%)

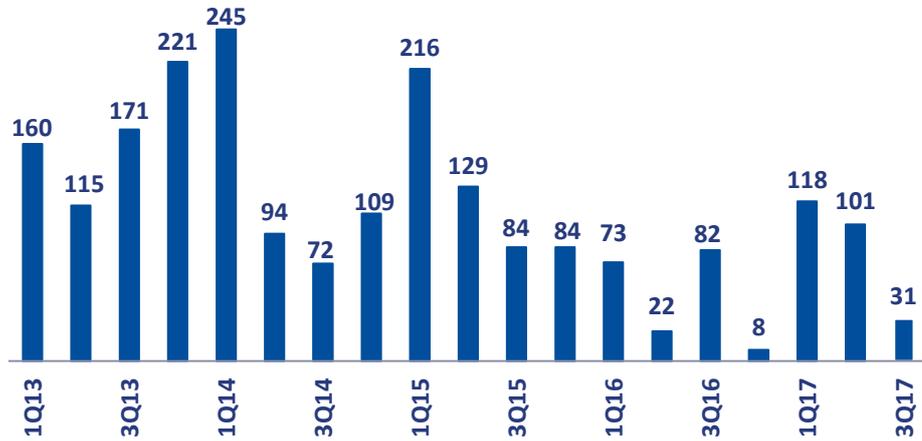


90dpd coverage per region (%)

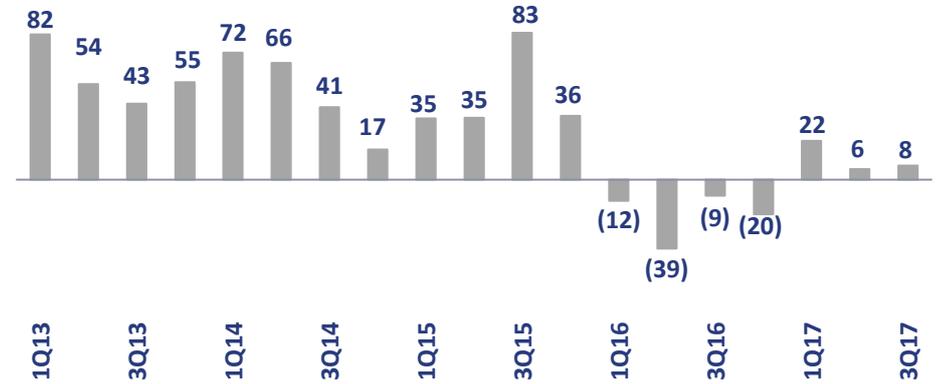
	3Q16	4Q16	1Q17	2Q17	3Q17
Greece	65.3	65.8	65.2	65.0	65.2
International	66.5	68.0	68.7	68.6	69.2
Group	65.4	66.0	65.4	65.2	65.5

90dpd formation per segment (Greece)

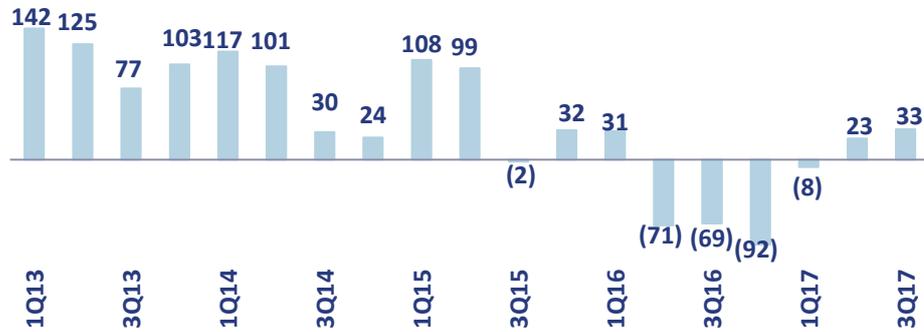
Mortgages (€ m)



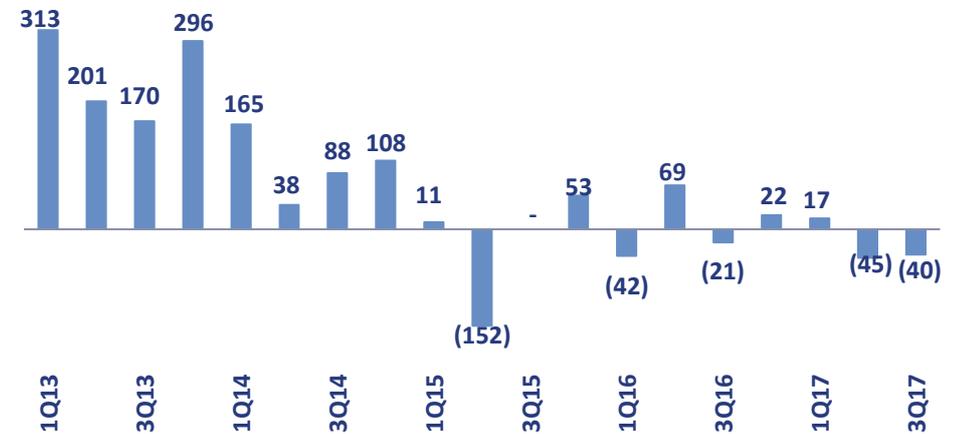
Consumer (€ m)



Small business (€ m)

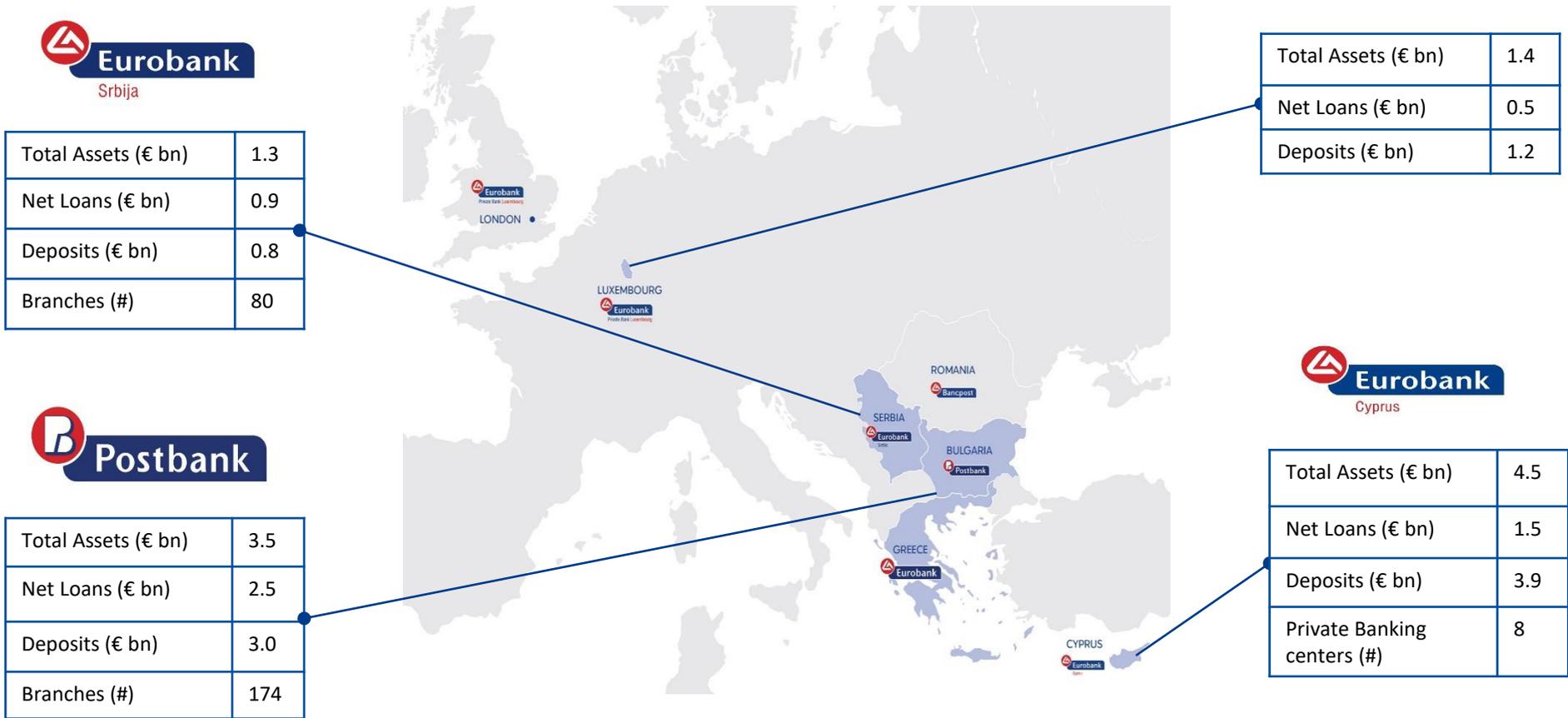


Corporate (€ m)

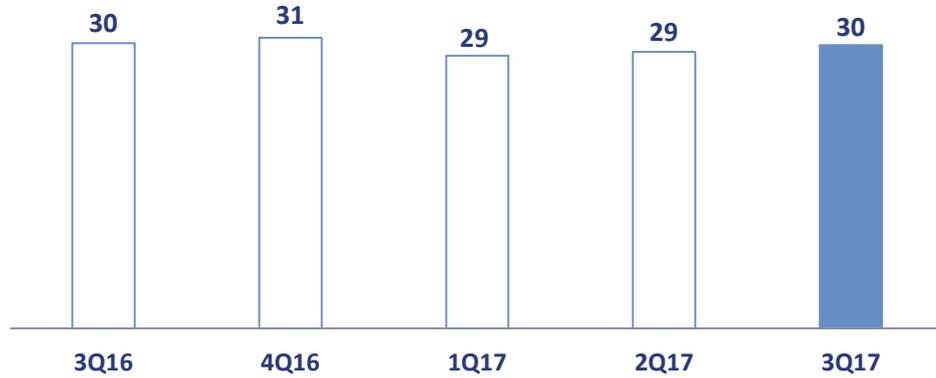


International operations

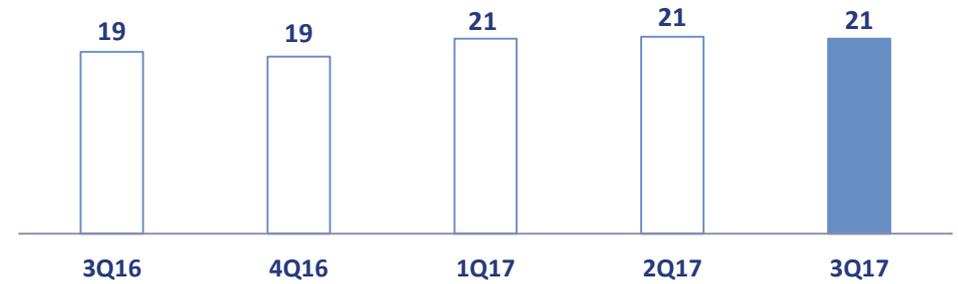
International presence



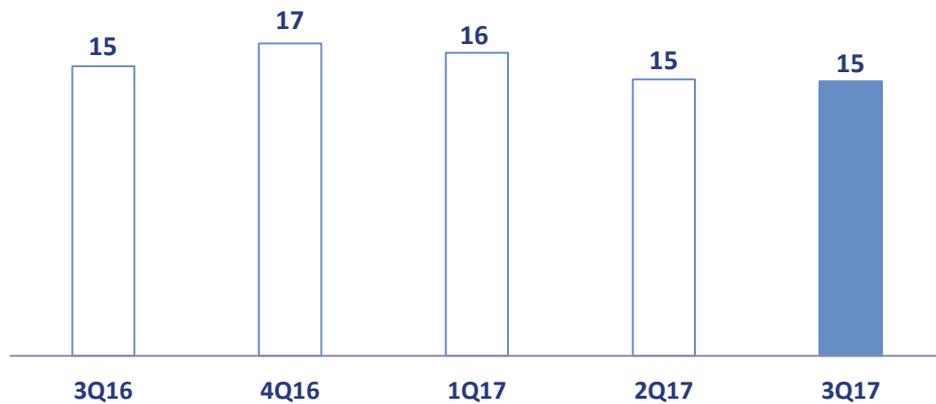
PPI (€ m)



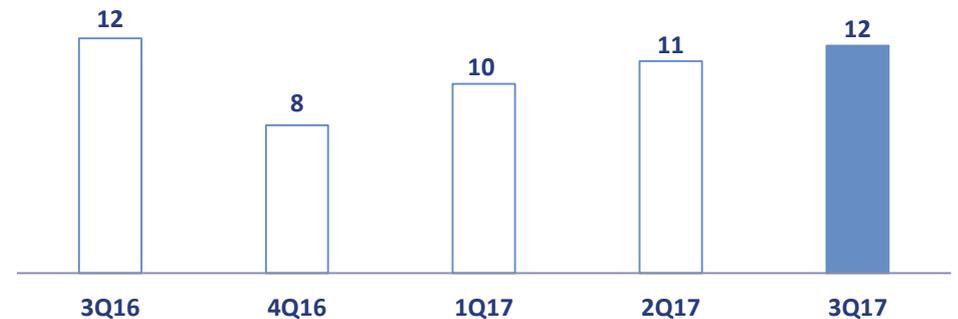
OpEx (€ m)



Loan loss provisions (€ m)

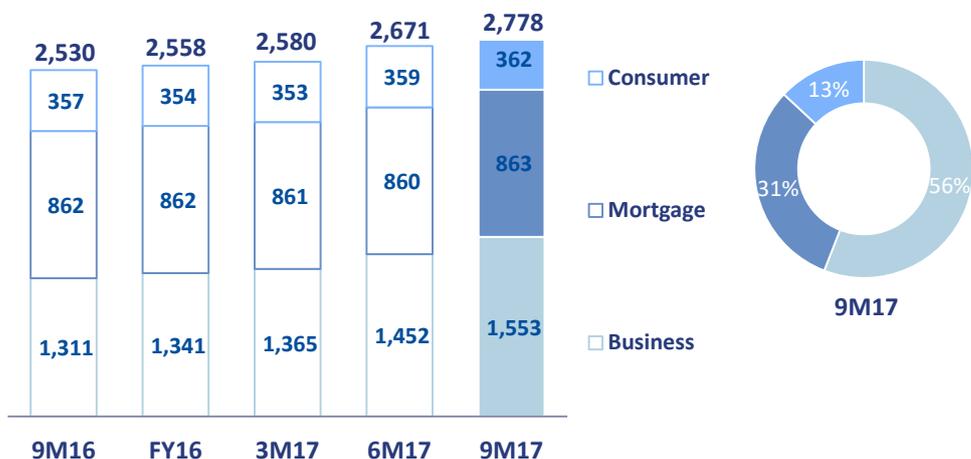


Net Profit (€ m)

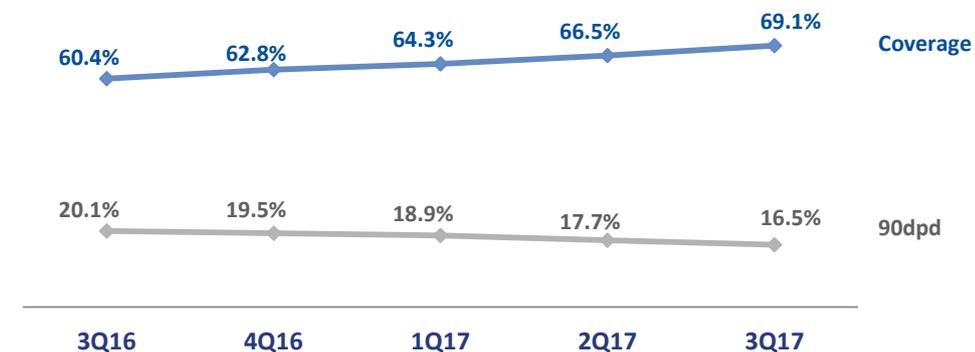


Bulgaria B/S and Asset quality

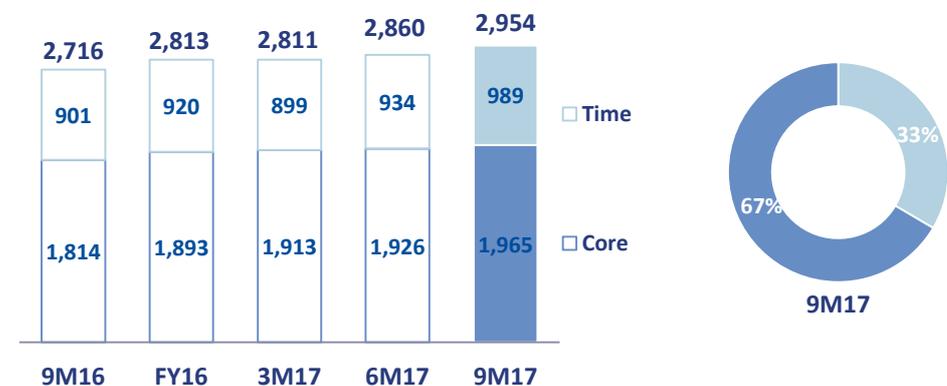
Gross Loans (€ m)



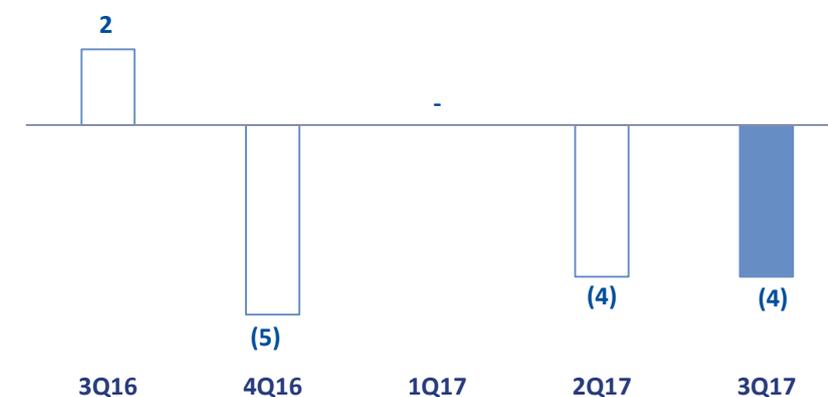
90dpd ratio and coverage



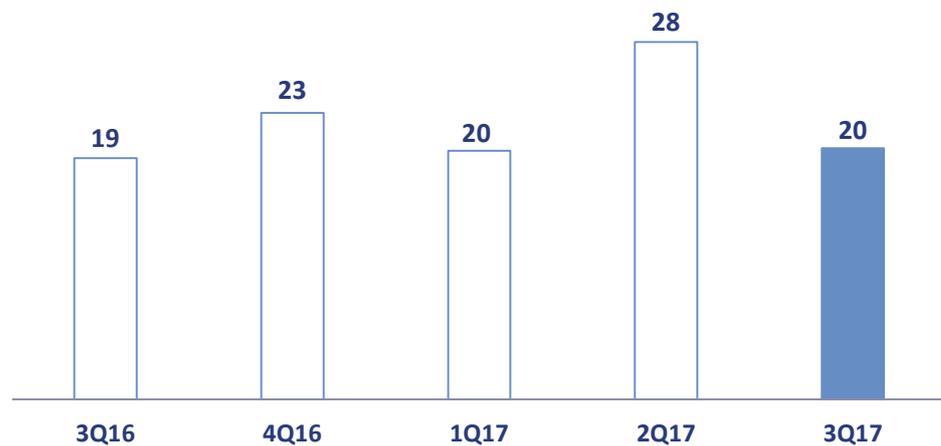
Deposits (€ m)



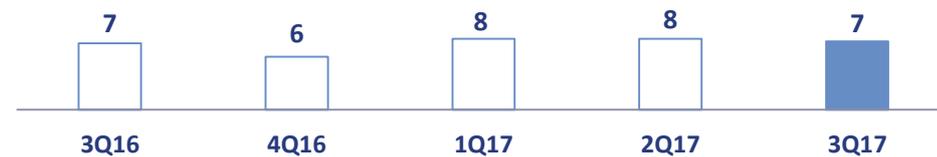
90dpd formation (€ m)



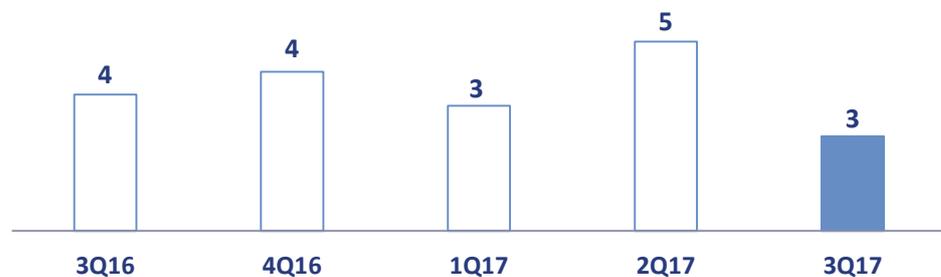
PPI (€ m)



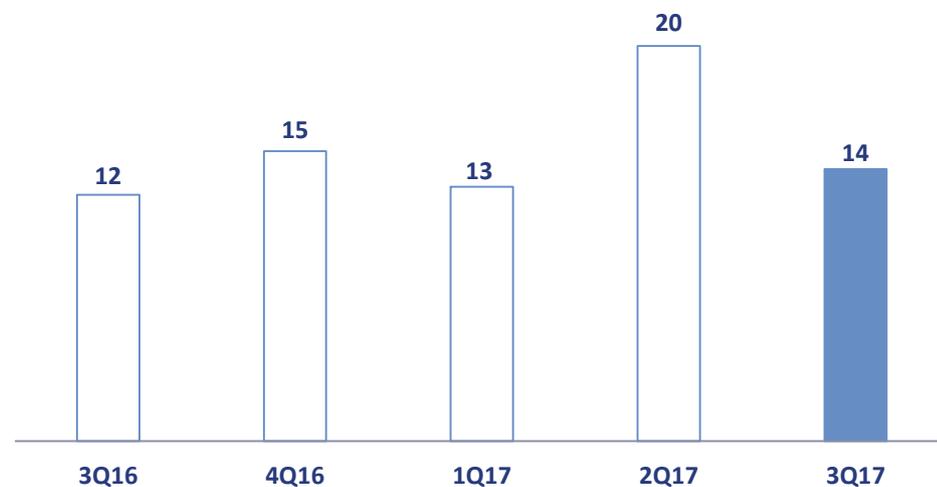
OpEx (€ m)



Loan loss provisions (€ m)

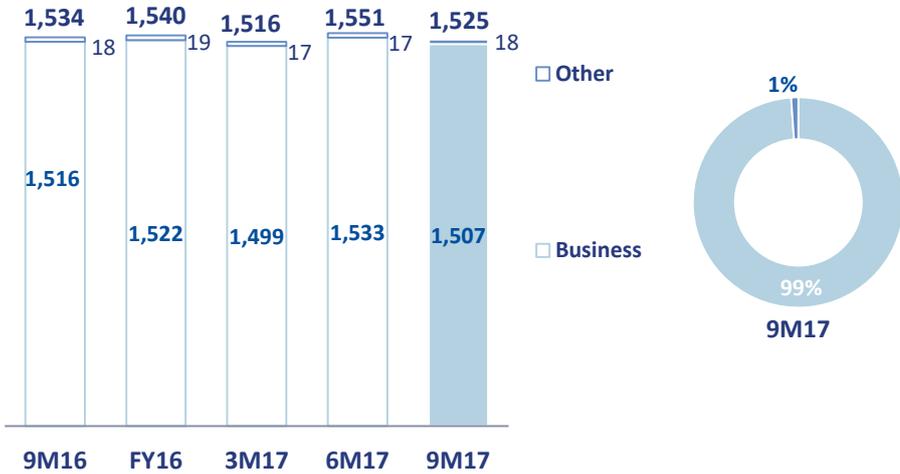


Net Profit (€ m)

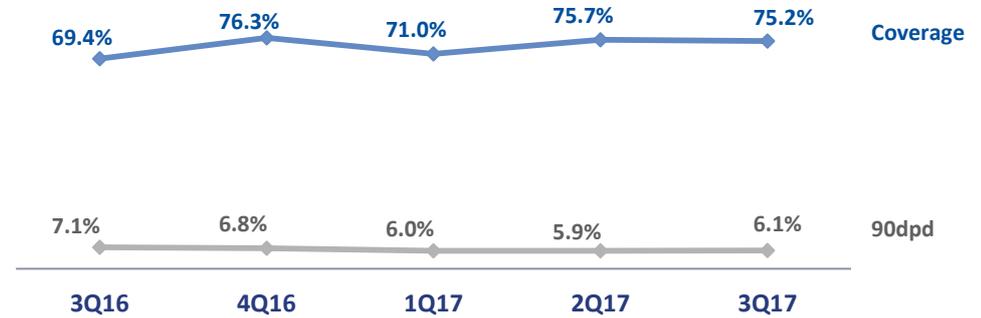


Cyprus B/S and Asset quality

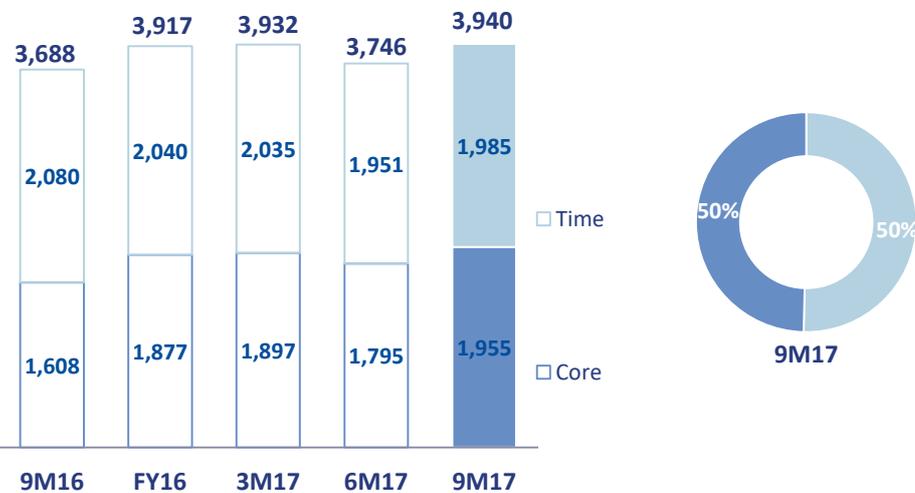
Gross Loans (€ m)



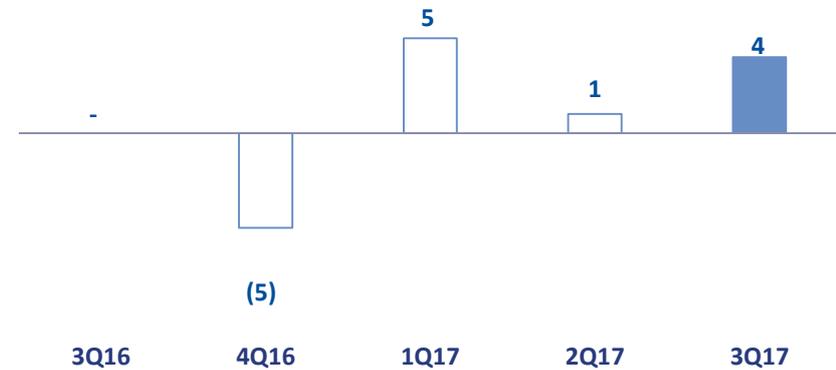
90dpd ratio and coverage



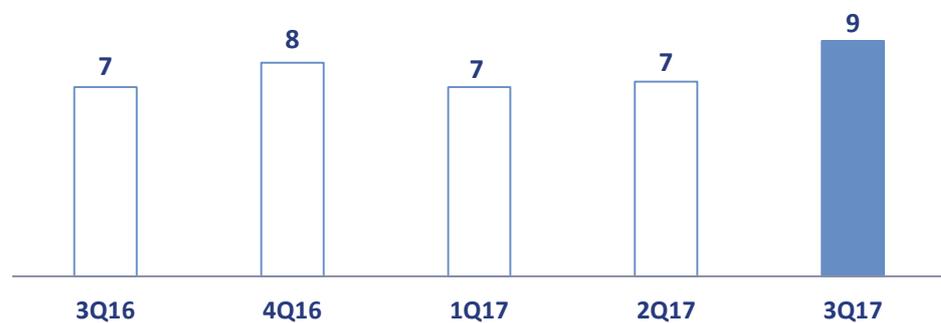
Deposits (€ m)



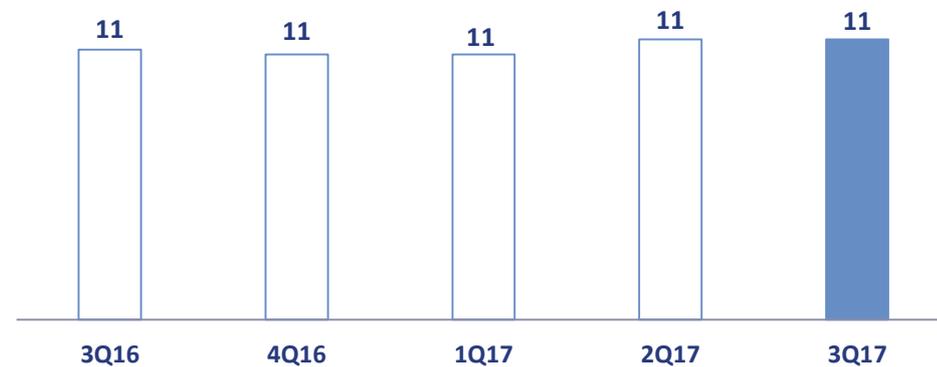
90dpd formation (€ m)



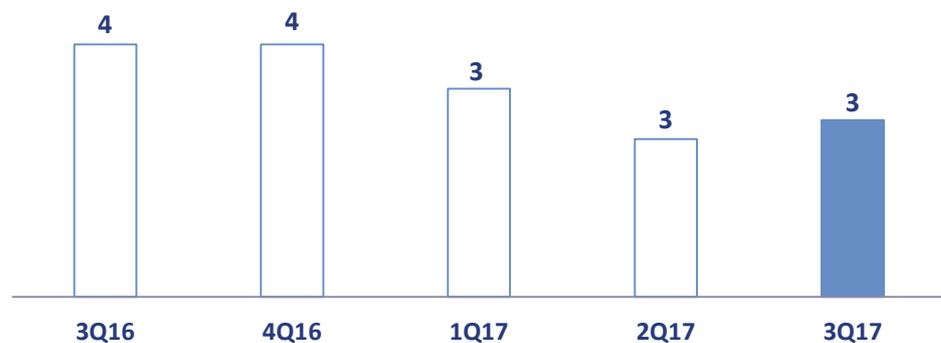
PPI (€ m)



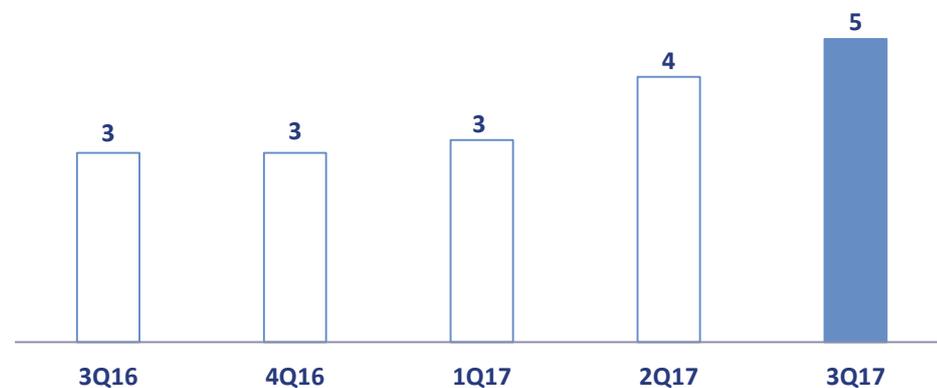
OpEx (€ m)



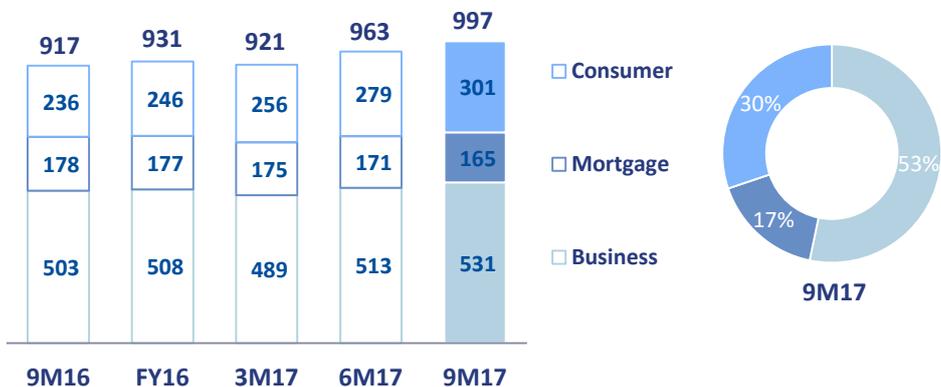
Loan loss provisions (€ m)



Net Profit (€ m)



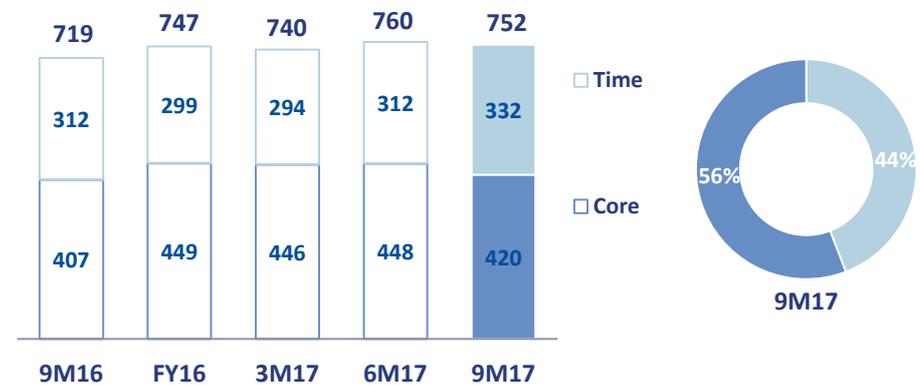
Gross Loans (€ m)



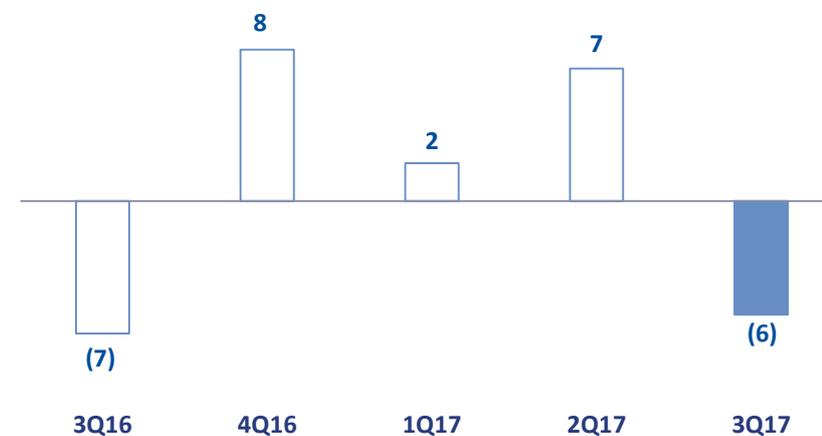
90dpd ratio and coverage



Deposits (€ m)



90dpd formation (€ m)



Key figures – 3Q17

		Bulgaria	Cyprus	Serbia	Lux	Sum
Balance Sheet (€m)	Assets	3,515	4,510	1,321	1,428	10,774
	Gross loans	2,778	1,525	997	453	5,753
	Net loans	2,460	1,455	918	453	5,286
	90dpd Loans	459	93	120	2	674
	NPE loans	625	147	109	2	883
	Deposits	2,954	3,940	752	1,211	8,857
Income statement (€m)	Operating Income	50.1	27.1	19.4	7.3	103.9
	Operating Expenses	(20.6)	(7.2)	(11.1)	(4.5)	(43.4)
	Loan loss provisions	(14.5)	(2.5)	(2.8)	(0.1)	(19.9)
	Profit before tax & minorities	13.7	17.4	5.5	3.0	39.6
	Net Profit before discontinued operations & restructuring costs ¹	12.0	13.7	4.8	2.4	32.9
Branches (#)	Retail	174	-	80	-	254
	Business / Private banking centers	10	8	6	2	26
Headcount (#)		2,361	328	1,261	93	4,043

1. Net Profit from continued operations before restructuring costs (after tax).

Appendix I – Supplementary information

Balance sheet – key figures

€ m	3Q17	2Q17
Gross customer loans	48,343	48,758
Provisions	(11,150)	(11,231)
Net customer loans	37,192	37,527
Customer deposits	33,201	32,253
Eurosystem funding	11,080	13,839
Shareholders' equity	6,893	7,558
Tangible book value	5,759	5,772
Tangible book value / share (€)	2.64	2.64
Earnings per share (€)	(0.01)	0.02
Risk Weighted Assets	37,208 ¹	38,990
Total Assets	60,800	64,015
Ratios (%)	3Q17	2Q17
CET1	15.1 ¹	17.4
Loans/Deposits	112.0	116.4
90dpd	35.2	35.3
90dpd coverage	65.5	65.2
Provisions / Gross loans	23.1	23.0
Headcount (#)	13,744	13,754
Branches and distribution network (#)	706	742

Income statement – key figures

€ m	3Q17	2Q17
Net interest income	369.3	364.4
Commission income	66.8	66.5
Operating income	463.6	465.3
Operating expenses	(223.2)	(223.1)
Pre-provision income	240.4	242.2
Loan loss provisions	(177.9)	(182.3)
Other impairments	(8.2)	(15.6)
Net income before tax	57.2	45.5
Discontinued operations	(75.3)	3.3
Restructuring costs (after tax) & Tax adj.	(1.2)	(0.8)
Net income after tax	(15.3)	39.7
Ratios (%)	3Q17	2Q17
Net interest margin	2.46	2.35
Fee income / assets	0.45	0.43
Cost / income	48.1	47.9
Cost of risk	1.90	1.95

Romania classified as held for sale. All previous quarters restated accordingly.

1. Pro-forma for the redemption of preference shares with Tier II bonds and Romania disposal.

Consolidated quarterly financials

Income Statement (€ m)	3Q17	2Q17	1Q17	4Q16	3Q16
Net Interest Income	369.3	364.4	356.8	366.8	366.2
Commission income	66,8	66.5	64.3	66.0	59.8
Other Income	27.5	34.4	37.9	53.7	30.1
Operating Income	463.6	465.3	459.0	486.5	456.1
Operating Expenses	(223.2)	(223.1)	(221.8)	(220.9)	(224.2)
Pre-Provision Income	240.4	242.2	237.2	265.6	231.9
Loan Loss Provisions	(177.9)	(182.3)	(184.1)	(181.5)	(186.4)
Other impairments	(8.2)	(15.6)	(2.4)	(36.9)	(10.3)
Profit before tax	57.2	45.5	51.9	43.4	33.8
Net Profit before discontinued operations, restructuring costs & tax adj. ¹	61.2	37.3	33.8	117.2	28.1
Discontinued operations	(75.3)	3.3	3.2	(65.6)	57.7
Restructuring costs & tax adjustments	(1.2)	(0.8)	(0.3)	(13.3)	(0.5)
Net Profit	(15.3)	39.7	36.5	38.3	85.3

Balance sheet (€ m)	3Q17	2Q17	1Q17	4Q16	3Q16
Consumer Loans	5,953	5,897	5,932	5,983	5,981
Mortgages	16,716	17,019	17,191	17,311	17,380
Household Loans	22,669	22,916	23,123	23,294	23,361
Small Business Loans	6,966	7,034	6,984	6,991	6,966
Corporate Loans	18,680	18,780	18,589	18,876	18,834
Business Loans	25,647	25,813	25,573	25,868	25,800
Total Gross Loans	48,343	48,758	48,725	49,195	49,201
Total Deposits	33,201	32,253	31,808	32,093	31,480
Total Assets	60,800	64,015	65,657	66,393	68,200

Romania classified as held for sale. All previous quarters restated accordingly.

1. Net Profit from continued operations before restructuring costs (after tax) and Tax Adjustments.

Consolidated financials

Income Statement (€ m)	9M17	9M16	Δ y-o-y (%)
Net Interest Income	1,090.5	1,088.6	0.2
Commission income	197.6	167.7	17.8
Other Income	99.8	156.6	(36.3)
Operating Income	1,387.9	1,413.0	(1.8)
Operating Expenses	(668.0)	(681.8)	(2.0)
Pre-Provision Income	719.9	731.2	(1.5)
Loan Loss Provisions	(544.3)	(559.4)	(2.7)
Other impairments	(26.3)	(17.6)	48.8
Profit before tax	154.7	152.5	1.4
Net Profit before discontinued operations, restructuring costs & tax adj. ¹	132.3	117.5	12.6
Discontinued operations	(69.0)	79.1	
Restructuring costs & tax adjustments	(2.3)	(4.8)	(52.1)
Net Profit	61.0	191.7	(68.2)
Balance sheet (€ m)	9M17	9M16	Δ y-o-y (%)
Consumer Loans	5,953	5,981	(0.5)
Mortgages	16,716	17,380	(3.8)
Household Loans	22,669	23,361	(3.0)
Small Business Loans	6,966	6,966	(0.0)
Corporate Loans	18,680	18,834	(0.8)
Business Loans	25,647	25,800	(0.6)
Total Gross Loans	48,343	49,201	(1.7)
Total Deposits	33,201	31,480	5.5
Total Assets	60,800	68,200	(10.9)

Romania classified as held for sale. All previous quarters restated accordingly.

1. Net Profit from continued operations before restructuring costs (after tax) and Tax Adjustments.

Appendix II – Macroeconomic update

Recent macro developments

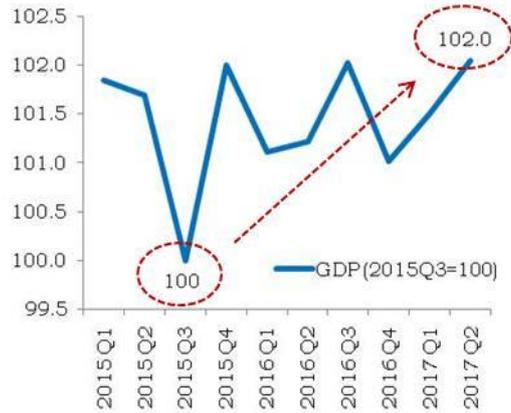
- ❑ Real output expanded by 0.6% YoY in H1 2017, after remaining broadly stagnant throughout last year
- ❑ Private consumption has been the main driver of growth thus far, while private investment has yet to record a meaningful recovery
- ❑ Jobless rate at a 68-month low in July 2017 (21.0%), with employment growing by 2.4% in Q2 2017
- ❑ FY-2016 primary surplus at 3.9% of GDP (ELSTAT EDP 2nd notification), significantly outperforming the 0.5% of GDP programme target

2017 Outlook

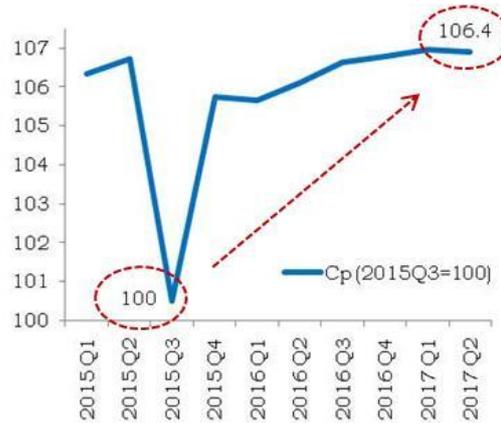
- ❑ Full-year GDP growth now seen coming around 1.5%, the fastest pace of expansion in the last decade
- ❑ Budget execution data support attainability of this year's primary surplus target of 2.2% of GDP (Draft 2018 Budget)
- ❑ Following the successful completion of the 2nd programme review:
 - ✓ The yield spread of the 10-year Greek government bond over the respective German benchmark narrowed in mid-July to its lowest level since September 2014 (GGB10YR spread 475.6 bps on 07/11/2017 from 469.8 bps on 19/07/2017)
 - ✓ The Hellenic Republic re-accessed financial markets for the first time since mid-2014, issuing a EUR3bn syndicated 5-year bond on July 25 (yield: 4.625%)

Economic activity is recovering following the mid-2015 crisis

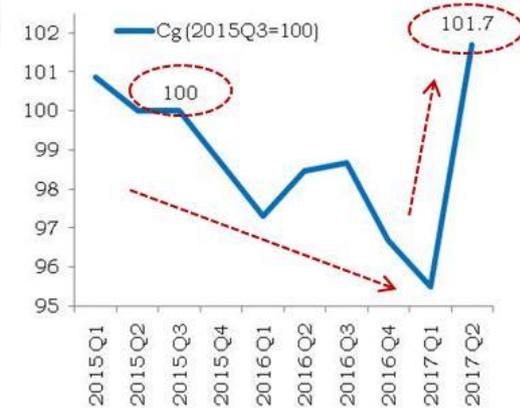
Gross Domestic Product



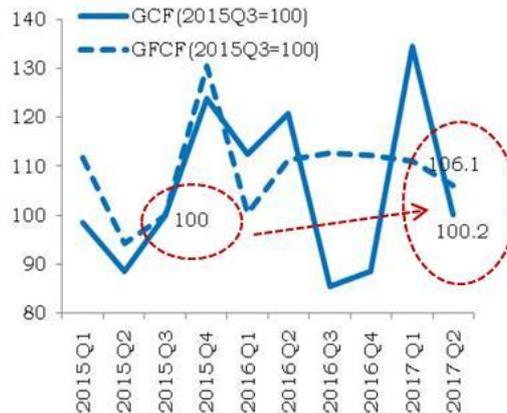
Private Consumption



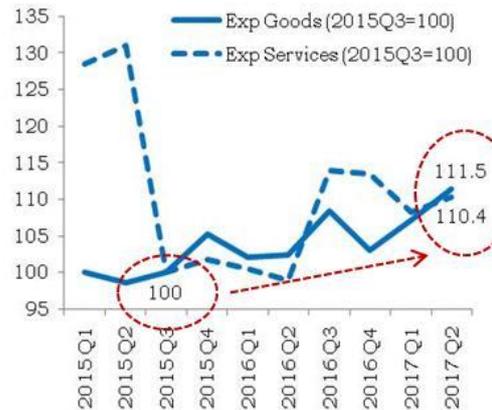
Government Consumption



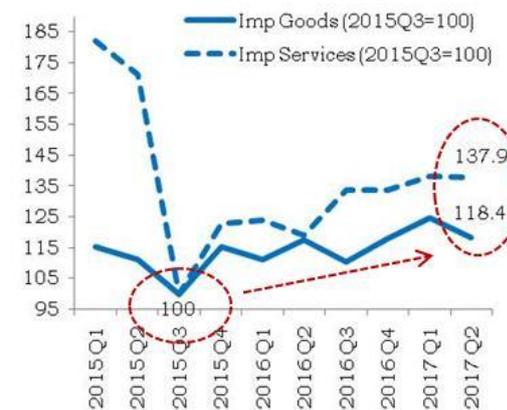
Investment



Exports of Goods & Services



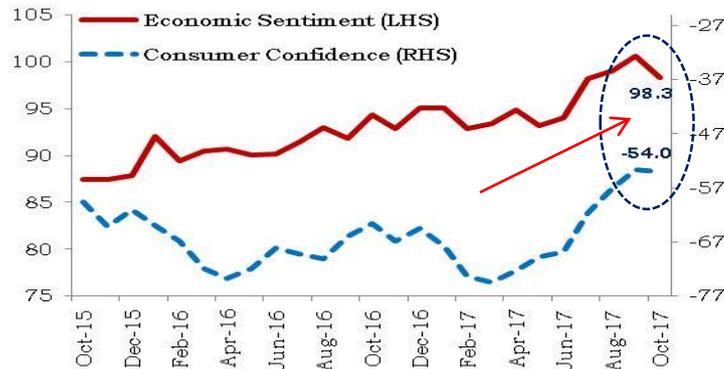
Imports of Goods & Services



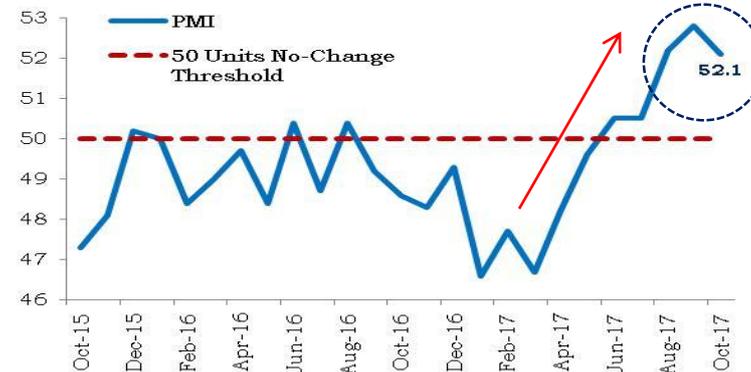
Selected indicators of domestic economic activity

Higher frequency data point to improving GDP dynamics in the period ahead

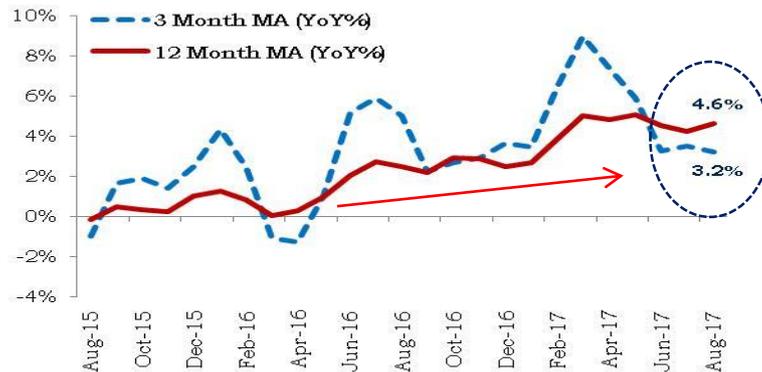
Economic Sentiment Indicator: strong improvement in 2017Q3



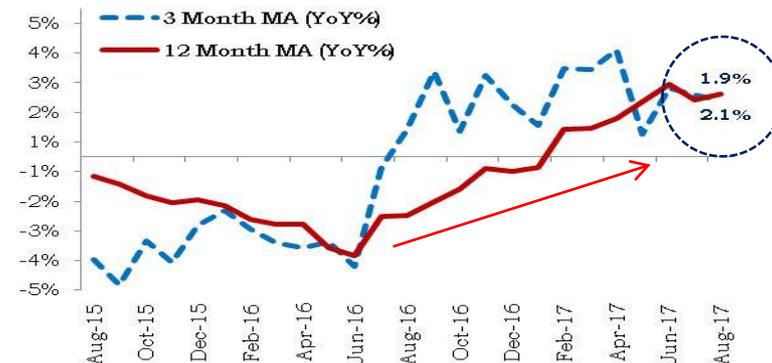
PMI manufacturing: above 50 units boom bust threshold for a 5th month in a row



Industrial production: positive YoY% for a 17-month in a row



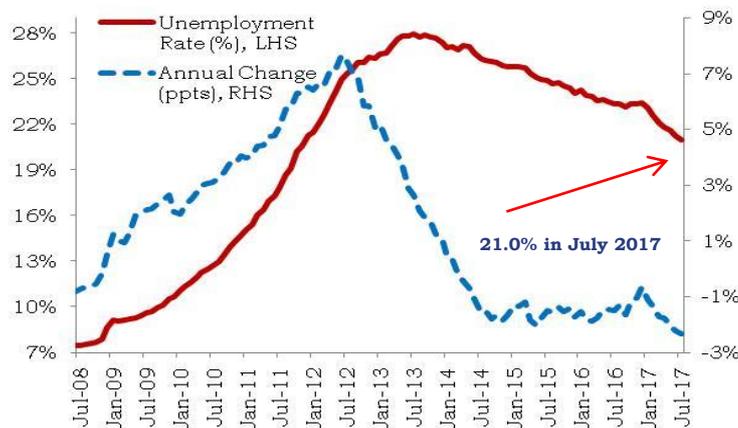
Retail trade volume: positive growth continues in 2017Q3



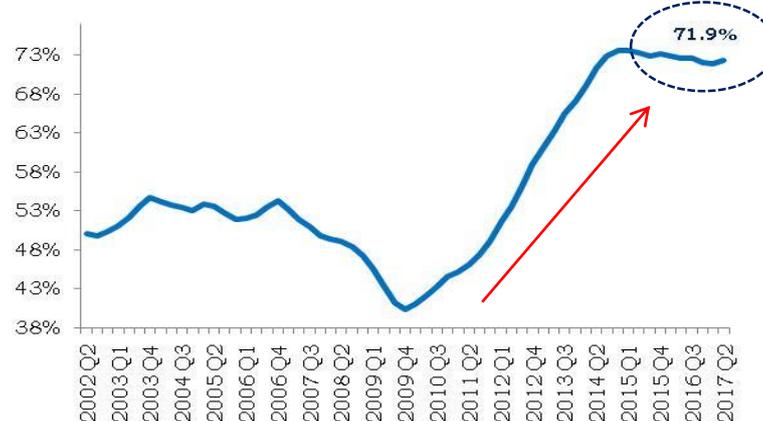
Domestic labour market

Conditions improving lately, but serious challenges remain

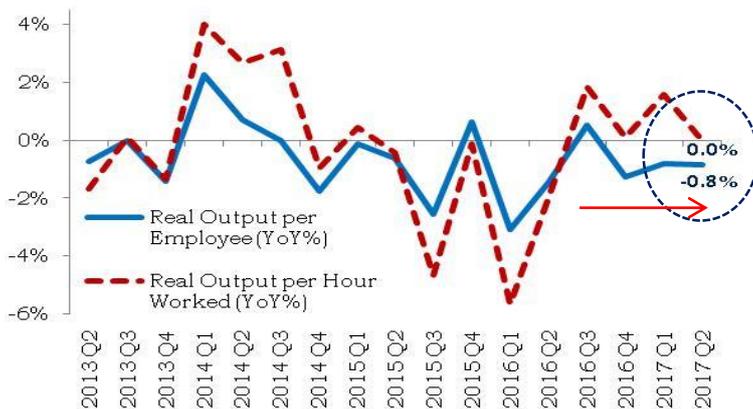
Unemployment rate: still elevated despite recent declines



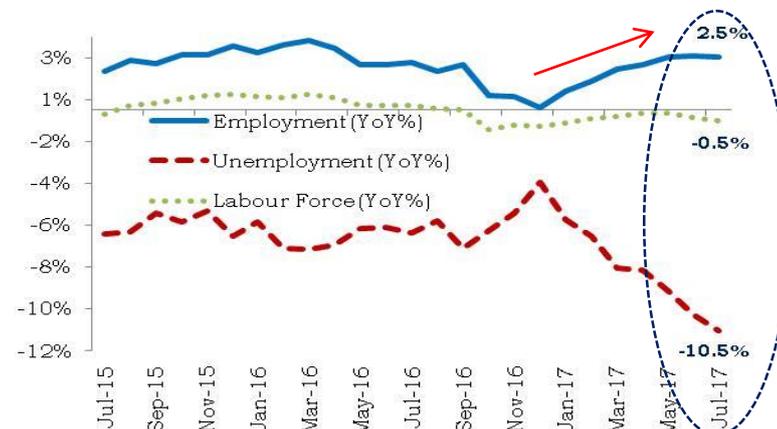
Long term unemployment: a drain on human capital stock



Labour productivity growth: remained stagnant in 2017Q2

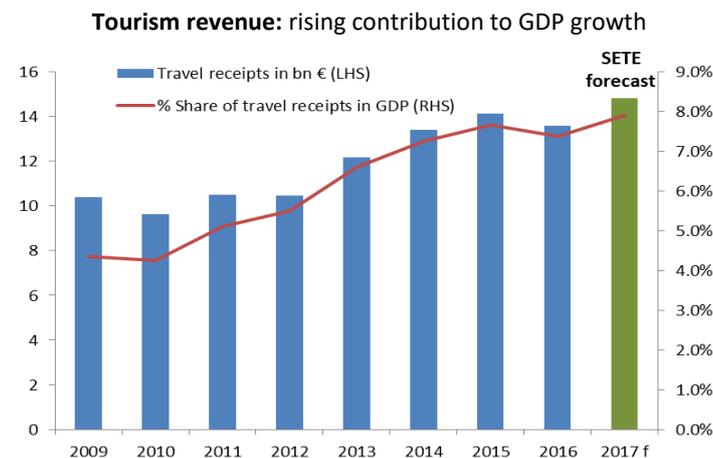
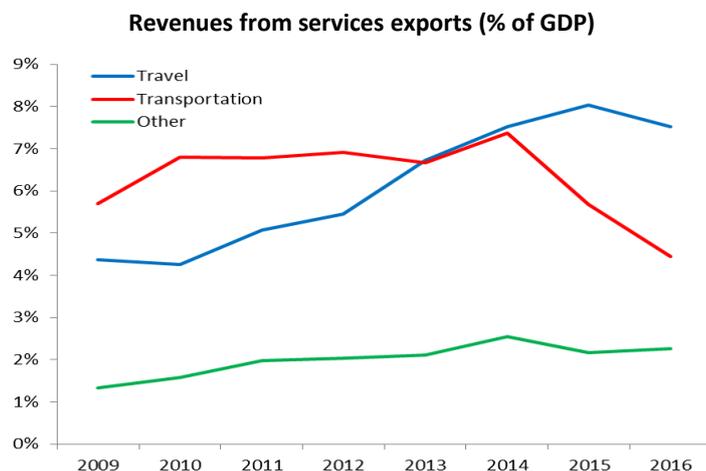


Employment: positive contribution to GDP growth



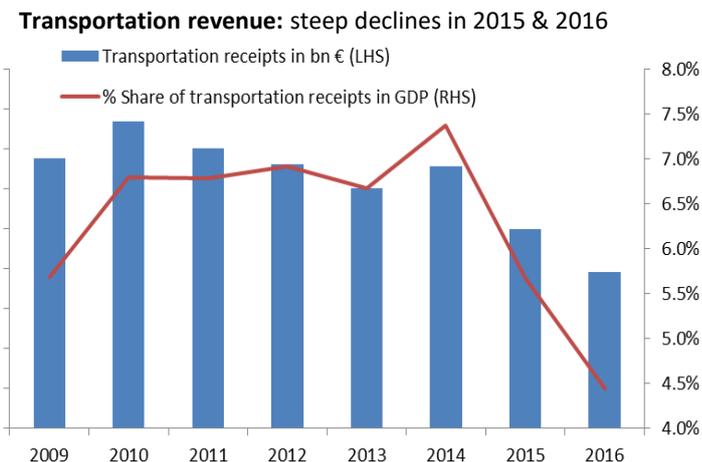
Activity in tourism and shipping industries

Held back GDP growth in 2016, but upbeat expectations for this year



- ❑ Net exports had a negative contribution to real GDP growth in 2016, to the tune of -0.5ppts (services: -0.4ppts; goods: -0.1ppts)
- ❑ Upbeat expectations for the new tourism season are supportive of the domestic growth outlook in H2 2017 (SETE forecasts 9%-plus growth in tourism revenue this year)

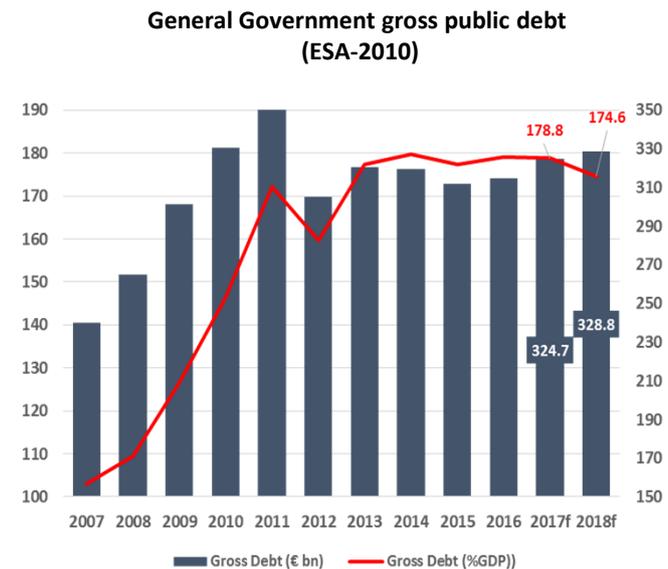
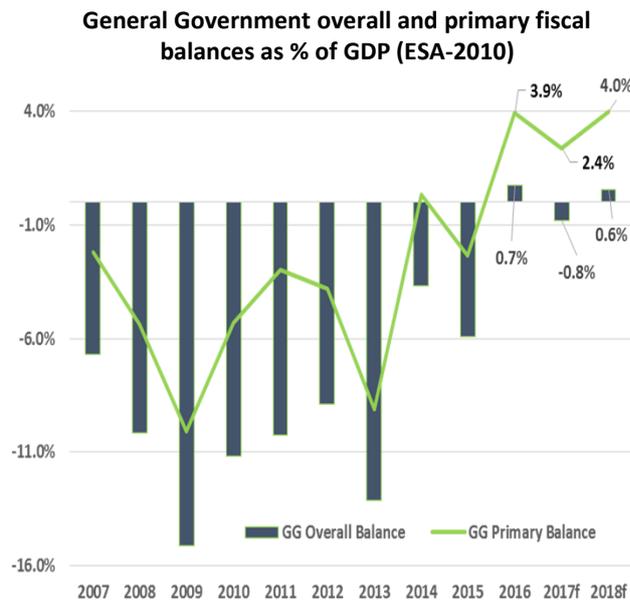
Note: According to the WTTC, the direct and the total contribution of travel & tourism to Greece's 2016 GDP was 7.1% and 16.7%, respectively. In the period 2000-2013, the direct contribution of maritime transports accounted for 3.7% of Greek GDP on average, while their total contribution (direct and indirect) was higher than 7.0% of 2012 GDP



2018 Draft Budget:

Attainability of 2017 & 2018 primary balances

- ❑ 2016 marked the 4th consecutive year of a surplus position in the general government primary balance
- ❑ FY-2016 primary surplus at +3.9% in programme terms vs. 0.5% of GDP target
- ❑ Draft Budget 2018:
 - ✓ FY-2017 and 2018 primary surplus at 2.2% and 3.6% of GDP vs targets of 1.75% and 3.5% of GDP, despite downwards revision in 2017 and 2018 revenues by EUR1.9 bn and EURO.6 bn respectively
 - ✓ FY-2017 and 2018 gross public debt at 178.8% and 174.6% of GDP for 2017 and 2018, respectively

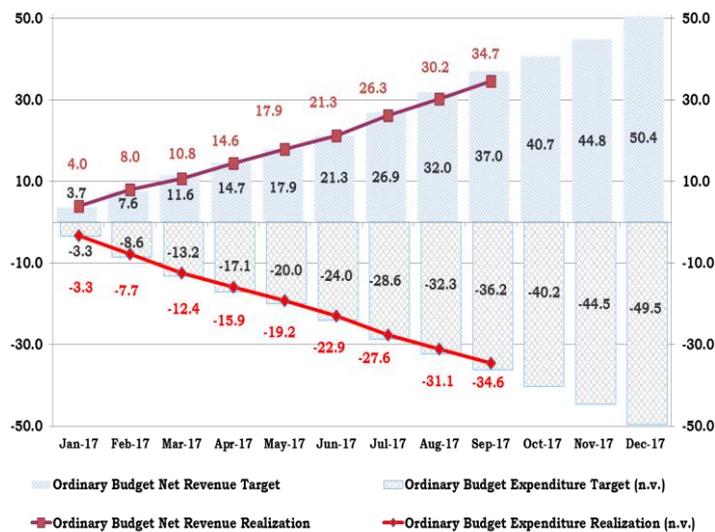


Fiscal accounts:

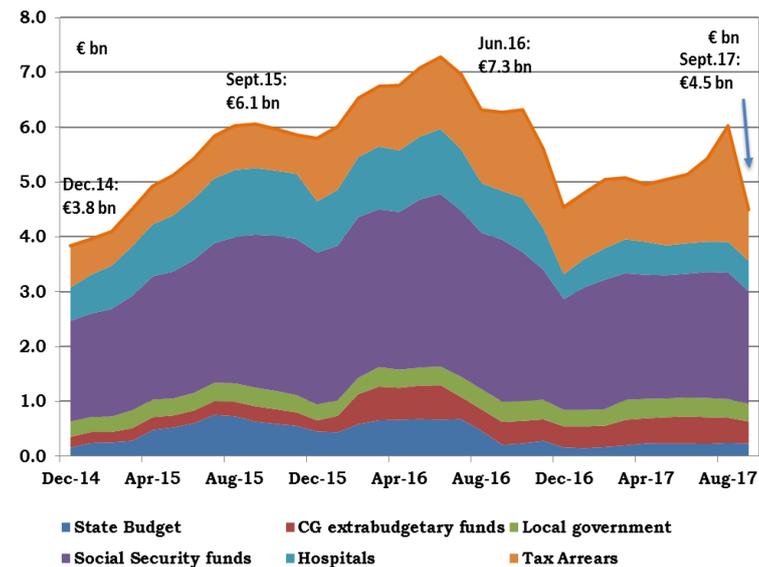
Expectations for fulfilling FY-2017 targets

- Year-to-September 2017 State budget execution supports attainability of full-year primary surplus target (2.2% of GDP) despite the Ordinary-budget revenue shortfall of €0.5 bn compared to the respective MTF2018-21 target.
- The stock of arrears at the end of September 2017 was €4.5 bn , down from €6.0 bn in August 2017.
- Full clearance of arrears is expected before the end of the programme (August 2018).

**State budget execution
Jan-Sept. 2017 (EUR bn)**

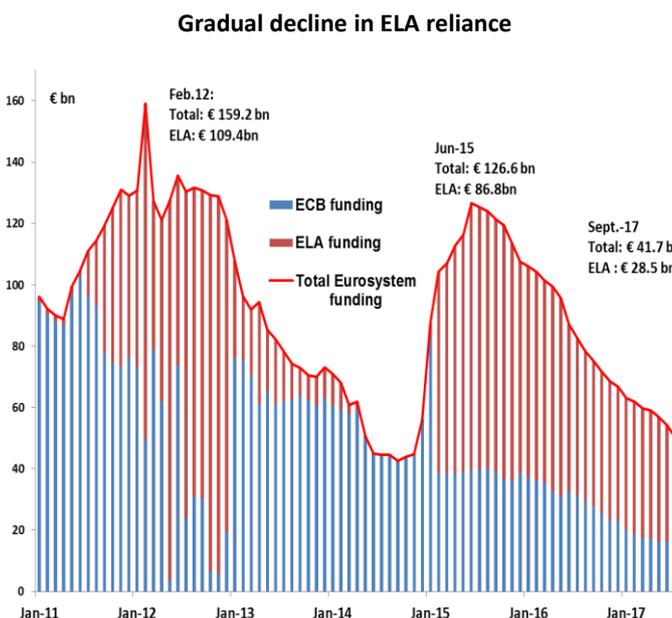
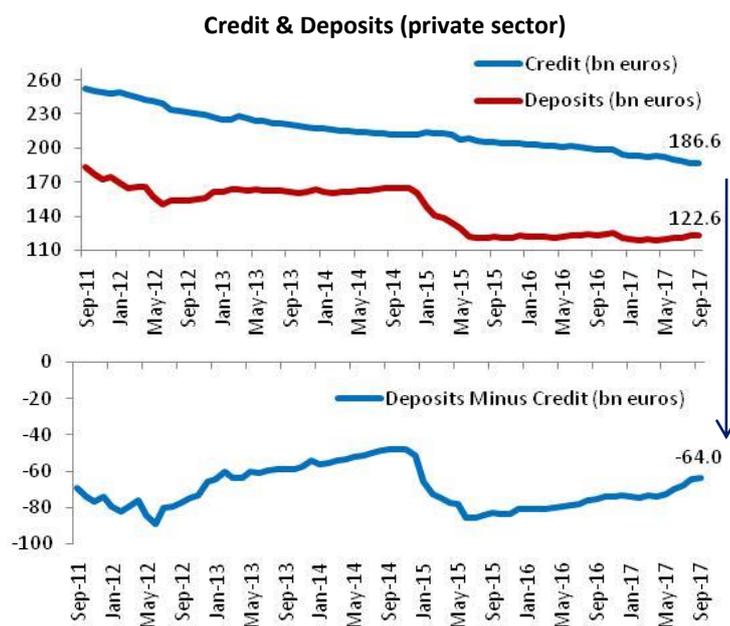


**General Government Arrears to the private sector
Jan-Sept 2017 (EUR bn)**



Domestic financial conditions: Gradual improvement underway

- Further stabilization of macro environment, relaxation of capital controls to facilitate return of bank deposits
 1. Net private-sector deposit inflow of c. €7.2 bn between July 2015 and September 2017; inflow of c. €1.2bn year-to-date
 2. Cash outside the Greek banking system as % of GDP: c. 20.8 in Sept. 2017 vs. 17.4 in Sept. 2014 & 10.0 in EA
- Reduction in ELA funding, mainly as a result of:
 1. Reinstatement of ECB waiver (June 2016)
 2. Increased bank access to interbank funding (c. €18.4bn in September 2017 vs. €9.6bn in November 2015)



	2016*	2017f**	2018f**
	Real (YoY%)	Real (YoY%)	Real (YoY%)
GDP	-0.2	1.8	2.4
Private Consumption	0.0	1.1	1.4
Government Consumption	-1.5	1.0	-0.2
Gross Fixed Capital Formation	1.6	4.3	12.6
Exports	-1.8	6.7	4.7
Imports	0.3	5.6	4.4
GDP Deflator (YoY%)	-1.0	0.7	1.2
HICP (YoY%)	0.0	1.2	1.1
Unemployment Rate (%)	23.5	22.0	20.8

Downside risks

- ✘ Delays in concluding future reviews
- ✘ Low ownership of reforms
- ✘ Slow pace of deposits return
- ✘ Weaker than expected growth in the Eurozone
- ✘ Worsening of the refugee crisis
- ✘ Rising geopolitical tensions

Upside risks

- ✔ Swift lift of capital controls
- ✔ QE inclusion and return of Greece to normality
- ✔ Further significant gains in competitiveness

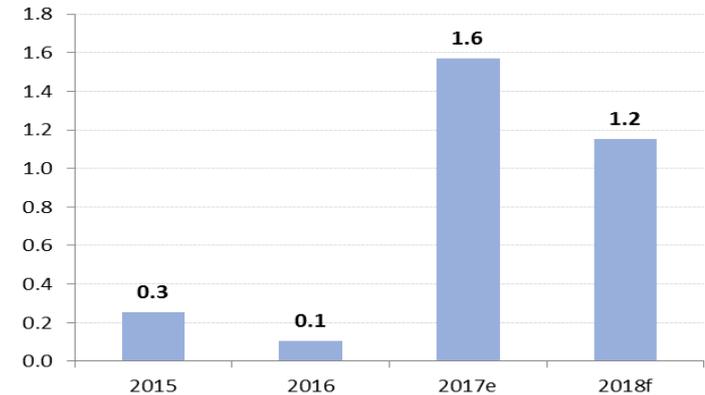
Important projects already completed

- Establishment of the Hellenic Corporation of Assets and Participations S.A. (HCAP); appointment of Supervisory Board and Board of Directors
- Transfer of the 14 Regional Airports to the concessionaire
- Privatisation of the Port of Piraeus (OLP)
- Concession tender of Egnatia Motorway
- Sale of Astir Palace Vouliagmenis SA
- Sale of TRAINOSE SA
- 20-year extension of the Athens International Airport (AIA) concession
- Extension of the term of life of the Hellenic Republic Asset Development Fund (HRADF) for three years (to June 30th 2020)
- Nomination of preferred bidders for the sale of 66% of DESFA

... but a number of items still pending

- Completion of the sale of 67% of the Port of Thessaloniki (OLTH)
- Appointment of Board members in all HCAP subsidiaries
- Submission for clearance of the new policy for toll pricing on Egnatia Motorway and its vertical axes
- Completion of pending items for the financial closing of the concession of Hellinikon
- Appointment of advisors for the key remaining tenders of the HRADF ADP (e.g., HELPE, PPC, DEPA, OTE, 30% stake of Athens International Airport)

Privatisations revenue (2015-2018, € billion)



In the past few months the Greek government had two multi-bills approved by the Hellenic Parliament in order to fulfill the conditionality attached to the 2nd programme review. The key items of this conditionality were:

Medium – Term Fiscal Strategy 2018 – 2021	Primary surplus target of 3.5% of GDP will be maintained from 2018 to 2022 Parametric measures projected to yield c. 0.3% of GDP cumulatively through 2018
Pre-legislation of a pension and personal income tax reform package	To be implemented in 2019 and 2020 delivering net savings/revenue of 2% of GDP
Pre-legislation of a growth-enhancing and a targeted spending package	To be implemented starting in 2019 up to an amount in line with the institutions' projected over-performance relative to the agreed medium-term targets
Labour market reform	Collective bargaining: Current regime to remain in force until end of programme (August 2018) Collective dismissals: Abolishment of Labour Minister's veto right. The Supreme Labour Council becomes the sole competent authority to oversee such matters. Monthly limit for large companies (> 150 employees) remains at 5% of staff.
Public administration reform	The efforts towards the modernisation of the public administration are to be accelerated with schemes that foresee the evaluation and mobility of public servants.
Product and service markets reform	These reforms include, inter alia, the further liberalisation of Sunday trade and the sale of over-the-counter drugs by stores other than pharmacies.

- ❑ Moody's upgraded Greece's long-term issuer rating as well as all senior unsecured bond and programme ratings to Caa2 and Caa2 from Caa3 and Caa3, respectively.

The outlook has been changed to positive from stable.

- ❑ Moody's upgraded the ratings of all Greek mortgage covered bonds to B3 from Caa2.
- ❑ ESM Board of Directors approved the third tranche of €8.5 billion of financial assistance to Greece:
- ❑ First disbursement under this tranche amounts to €7.7 billion out of which, €6.9 billion to be used for debt servicing and €0.8 billion for arrears clearance.
- ❑ Further disbursement for arrears clearance of €0.8 billion expected before 31 October 2017.
- ❑ European Council decided to close the excessive deficit procedure (EDP) for Greece through the abrogation of Decision 2009/415/EC.
- ❑ IMF Executive Board approved in principle a €1.6 billion Stand-By Arrangement for Greece.
- ❑ S&P revised its outlook on Greece to positive from stable while affirming its 'B-' long-term foreign and local currency sovereign credit ratings.
- ❑ Hellenic Republic issued new syndicated €3bn 5YR government bond for the first time since 2014, at a yield of 4.625%.
- ❑ Fitch upgraded Greece's long-term issuer rating to 'B-' from 'CCC'

Key items in the upcoming 3rd programme review

- NPLs: Operation of e-auction platform
- Labour market: adopt legislation to increase the quorum for first-degree unions to vote on a strike to 50 percent
- Pensions: Recalculate and process pension applications according to the new benefit rules (Law 4387/2016).
- Privatisations: appointment of BoD members to HCAP subsidiaries, approval of the HCAP Strategic Plan by the General Assembly, Hellinikon, Egnatia motorway
- Public administration: perform the first assessment exercise on the basis of the reformed assessment scheme and implement new mobility scheme.
- Energy: finalisation of the structural measures to divest PPC's lignite-fired generation capacity
- Property taxes: alignment of property tax assessment zonal values with market prices
- Regulated professions: alleviation of unjustified and disproportionate restrictions, Presidential Decree for the liberalisation of the reserved activities for engineers and on public works' engineers' registries.
- Land use: submit to the Council of State a Presidential Decree to harmonise older legislation with Law 4269/2014
- Social safety nets: Reform the family, disability and transport benefit systems
- Investment licensing: adopt primary and secondary legislation in the remaining mining sectors

Timeline for the period ahead

- October 2017: Commencement of 3rd programme review
- Early-2018: Completion of 3rd programme review
- February 2018: Initiation of stress tests for Greek banks
- May 2018: Release of stress tests' results
- August 2018: Completion of 3rd Economic Adjustment Programme

Note: It is estimated that a 4th review will be carried out sometime in Spring 2018 and a final review in Summer 2018 before the completion of the programme.

Appendix III – Glossary

This document contains financial data and measures as published or derived from the published consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards (IFRS). Additional sources used, include information derived from internal information systems consistent with accounting policies and other financial information such as consolidated Pillar 3 report. The financial data are organized into two main reportable segments, Greece view and International Operations view.

Greece view is incorporating the operations of Eurobank Ergasias S.A. Bank and the Greek subsidiaries, incorporating all business activities originated from these entities, after the elimination of intercompany transactions between them.

International Operations are incorporating operations for in Romania, Bulgaria, Serbia, Cyprus and Luxembourg. Each country includes the local Bank and all local subsidiaries, incorporating all business activities originated from these entities, after the elimination of intercompany transactions between them.

Commission income: The total of Net banking fee and commission income and Income from non banking services of the reported period.

Other Income: The total of Dividend income, Net trading income, Gains less losses from investment securities and net other operating income of the reported period.

Core Pre-provision Income (Core PPI): The total of Net interest income, Net banking fee and commission income and Income from non banking services minus the operating expenses of the reported period.

Pre-provision Income (PPI): Profit from operations before impairments and restructuring costs as disclosed in the financial statement for the reported period.

Net Interest Margin: The net interest income of the reported period, annualised and divided by the average balance of total assets. The average balance of total assets is the arithmetic average of total assets at the end of the reported period and of total assets at the end of the previous period.

Loans Spread: Accrued customer interest income over matched maturity and currency libor, annualized and divided by the reported period average Loans and Advances to Customers. The period average for Loans and Advances to Customers is calculated as the weighted daily average of the customers' loan volume as derived by the Bank's systems.

Deposits Spread: Accrued customer interest expense over matched maturity and currency libor, annualized and divided by the reported period average Due to Customers. The period average for Due to Customers is calculated as the daily average of the customers' deposit volume as derived by the Bank's systems.

Deposits Client Rate: Accrued customer interest expense, annualized and divided by the reported period average Due to Customers. The average for Due to Customers is calculated as the daily average of the customers' deposit volume as derived by the Bank's systems.

Fees/Assets: Calculated as the ratio of annualized Commission income divided by the average balance of total assets. The average balance of total assets is calculated as the arithmetic average of total assets at the end of the period under review and of total Assets at the end of the previous period.

Cost to Income ratio: Total operating expenses divided by total operating income.

Cost to Average Assets: Calculated as the ratio of annualised operating expenses divided the by the average balance of total assets for the reported period. The average balance of total Assets is calculated as the arithmetic average of total Assets at the end of the reported period and of total Assets at the end of the previous period.

Cost of Risk: Impairment losses on Loans and Advances charged in the reported period, annualized and divided by the average balance of Loans and Advances to Customers. The average balance of Loans and Advances to Customers is calculated as the arithmetic average of Loans and Advances to Customers at the end of the reported period and of total assets at the end of the previous period.

Provision/Gross Loans: Impairment Allowance for Loans and Advances to Customers divided by Gross Loans and Advances to Customers at the end of the reported period.

90dpd ratio: Gross Loans more than 90 days past due divided by Gross Loans and Advances to Customers at the end of the reported period.

90dpd Coverage: Impairment Allowance for Loans and Advances to Customers divided by loans more than 90 days past due at the end of the reported period.

90dpd formation: Net increase/decrease of 90 days past due loans in the reported period excluding the impact of write offs, sales and other movements.

Non Performing Exposures (NPEs): Non Performing Exposures (in compliance with EBA Guidelines) are the Bank's material exposures which are more than 90 days past-due or for which the debtor is assessed as Unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past due amount or the number of days past due.

NPE ratio: Non Performing Exposures (NPEs) divided by Gross Loans and Advances to Customers at the end of the relevant period.

NPE Coverage ratio: Impairment Allowance for Loans and Advances to Customers divided by NPEs at the end of the reported period.

NPE formation: Net increase/decrease of NPEs in the reported period excluding the impact of write offs, sales and other movements.

Forborne: Forborne exposures (in compliance with EBA Guidelines) are debt contracts in respect of which forbearance measures have been extended. Forbearance measures consist of concessions towards a debtor facing or about to face difficulties in meeting its financial commitments ("financial difficulties").

Forborne Non-performing Exposures (NPF): Forborne Non-performing Exposures (in compliance with EBA Guidelines) are the Bank's Forborne exposures that meet the criteria to be classified as Non-Performing.

Loans to Deposits: Loans and Advances to Customers (net of Impairment Allowance) divided by Due to Customers at the end of the reported period.

Risk-weighted assets (RWAs): Risk-weighted assets are the bank's assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013, taking into account credit, market and operational risk.

Phased in Common Equity Tier I (CET1): Common Equity Tier I regulatory capital as defined by Regulation No 575/2013 based on the transitional rules for the reported period, divided by total Risk Weighted Assets (RWA).

Fully loaded Common Equity Tier I (CET1): Common Equity Tier I regulatory capital as defined by Regulation No 575/2013 without the application of the relevant transitional rules, divided by total Risk Weighted Assets (RWA).

Earnings per share (EPS): Net profit attributable to ordinary shareholders divided by the weighted average number of ordinary common shares excluding own shares.

Tangible Book Value: Total equity attributable to shareholders of the Bank excluding preference shares minus Intangible Assets.

Tangible Book Value/Share: Tangible book value divided by outstanding number of shares as at period end excluding own shares.

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