

16 FEBRUARY 2006

# FULL YEAR 2005 RESULTS



# Cautionary Statement Regarding Forward-Looking Information



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# FY 2005 Financial Highlights

## A formidable performance



- ■ FY 2005 Net Profit climbs 47.4% to € 501.1 m
- ■ ROE reaches 21.1% from 16.8% in FY 04
- ■ Dividend at € 0.90 – up 25% Y-o-Y
- ■ 2-for-10 shares bonus issue

...With strong gains across the board



- ■ Gross Loans jump 25.5% y-o-y to € 27.4 bn
  - ■ New Europe loans increase by 72.4% to € 1.7 bn
- ■ Customer Funds rise 22.6% to € 36.9 bn
- ■ Operating Income up 25% to €1.9bn
- ■ Strong efficiency ratio (C/I) at 47.9% for the Group, 42.7% in Greece
- ■ Core Profit expands 37.1%



# Business Review

## Greece still grows strong - New Europe set to flourish

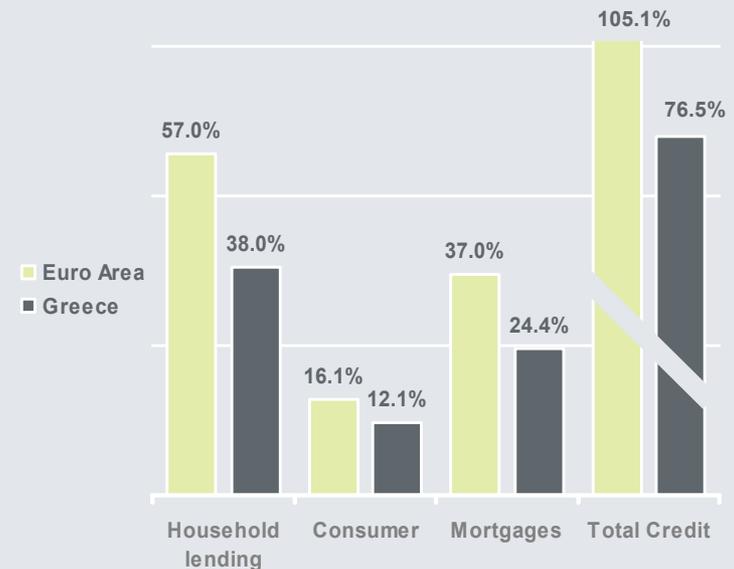


### Strong GDP Growth Outlook

	2005f	2006f	2007f
Greece	3.7%	3.5%	3.4%
Romania	5.2%	5.3%	5.0%
Bulgaria	6.0%	5.5%	5.5%
Poland	3.4%	4.3%	4.5%
EU 15	1.4%	2.0%	2.2%

Source: Eurostat, Eurobank EFG

### Penetration in Greece still low (credit / GDP)



Source: ECB, Bank of Greece, FY 05 estimates

## Better than expected Macroeconomic Environment in Greece



- GDP growth at 3.7% for 2005.
- Feared Post Olympics hangover never materialised.
- Budget deficit estimated to have contracted to 4.3% in 2005 and is expected to decline to about 2.6% in 2006.
- Inflation at 3.2% in January 2006.
- Structural reforms and privatisation program proceeding at a more rapid pace.
- Fourth Community Structural Fund program negotiated with EU at € 21.1 bn for 2006 - 2013.
- Credit Expansion for 2005 at 18.7% vs. 16.5% in 2004, mainly due to rapid expansion of mortgages and businesses.
- Robust economic growth expected to continue in 2006 (GDP growth around 3.5%) with decelerating credit expansion.

# Strong credit expansion continues across the board

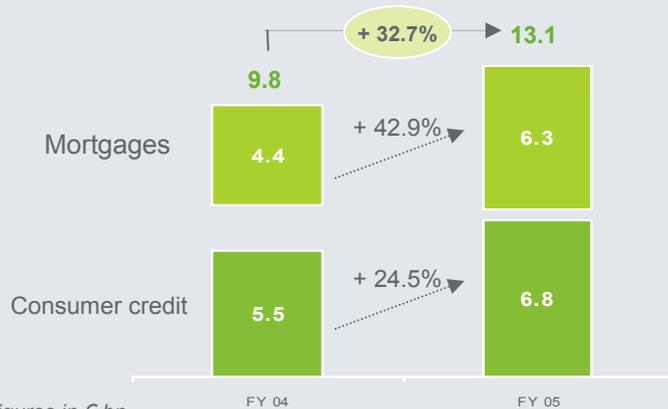


- ▄▄ Total Lending jumps 25.5% y-o-y to € 27.4 bn
- ▄▄ Market share gain in Greece of 50 bps to 15.5%
- ▄▄ Group Household lending climbs 33%
- ▄▄ Group Business lending expands 20%
- ▄▄ Loans in New Europe soar 72%

## Total Group Lending



## Group Household Lending



Figures in € bn.

## Group Business Lending



# Capitalising on Wealth Management



## Total AUM expand 22.6% y-o-y to € 36.9bn

- ☐ New Europe AuM at € 3.1 bn (NSB € 1.5bn), from € 1 bn in FY04
- ☐ Investment products surge 73% to € 9 bn

## Mutual Funds

- ☐ #1 position in Greece with 35.9% market share in FY 05 (excl. money market funds)
- ☐ Balances excl. MM expand 46.1% in total to € 7.6 bn

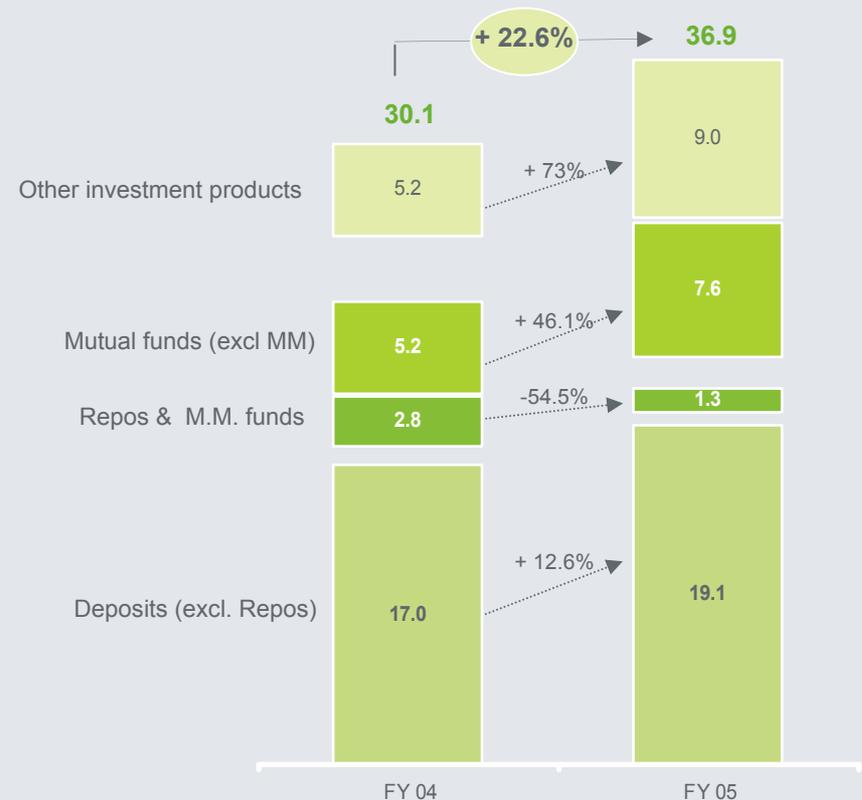
## Private Banking

- ☐ Leading position with AUM at € 6.3 bn, up 26% y-o-y
- ☐ Named 'Best Private Bank in Greece' for a second year by Euromoney

## Insurance

- ☐ Capturing 19% of the life insurance market, with 4.5% market share gain in 2005
- ☐ Total insurance premia rise 43.7% to € 368m

## Customer Funds

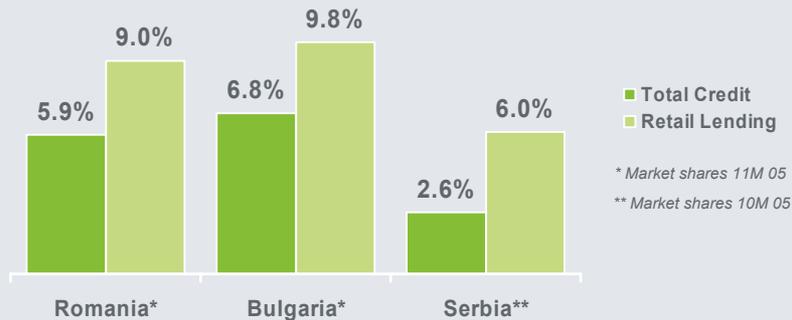


Figures in € bn.

# Capturing market share in New Europe



## Market shares per country



## Key data

	Romania	Bulgaria	Serbia
Branches	151	142	97
Total Assets (€m)	1,725	941	276
Gross Loans (€m)	840	678	122
Lending growth	59%	74%	270%
Investment (€m)	148	89	97

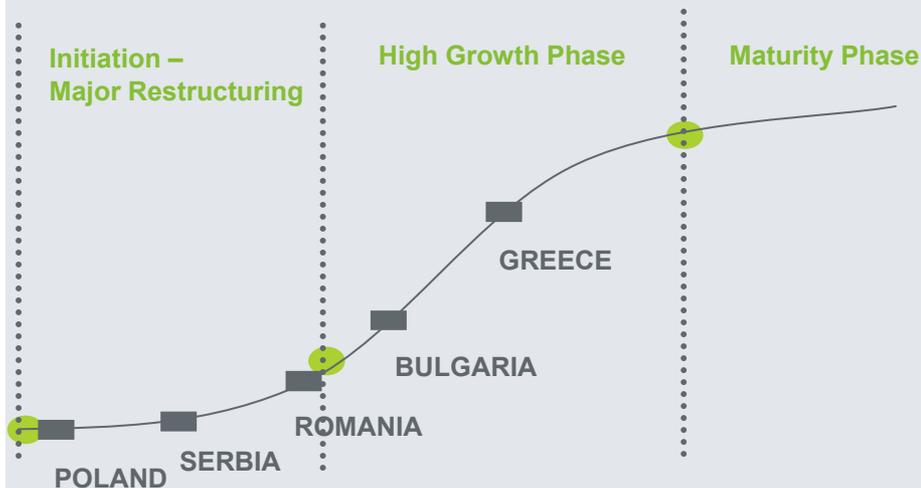
- Large New Europe footprint with 390 branches
- Opening 100 new branches in 2006
- Polish operation went live in February '06
- Total investments outside Greece at € 360m (14.3% of equity) in FY 05
- New Europe contributes 11.1% of core income

# Investments at different stages of maturity

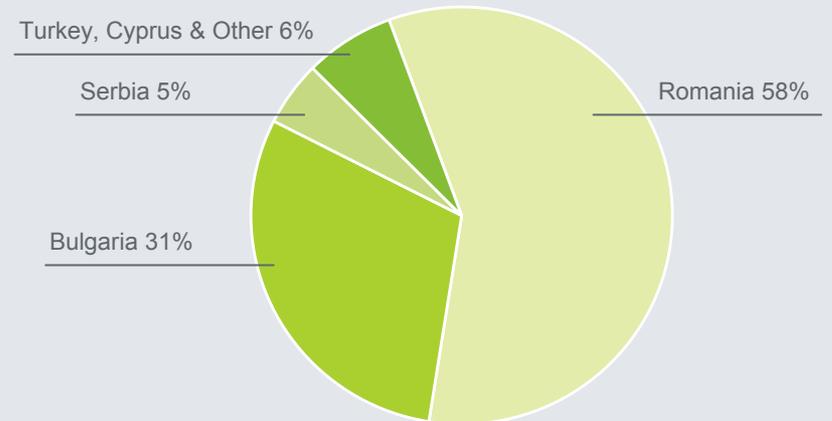


- ⌘ Extensive branch network restructuring to continue in Romania in 2006
- ⌘ Poland to break even by 2008
- ⌘ Bulgaria is delivering – strengthening Sofia presence with new branches
- ⌘ Aim to capture 10% market share in Loans in Bulgaria, Romania and Serbia by 2009

## Different Maturity Stages



## New Europe Core Income contribution per country in FY 05



## Important Initiatives in 2005 and 2006 to date



- ■ Acquisition of HC Istanbul Securities in Turkey
- ■ Acquisition of NSB bank in Serbia
- ■ Start up of operations in Poland
- ■ Voluntary exit program for 620 employees in Romania
- ■ Establishment of regional data center in Romania
- ■ Absorption of Greek Progress Fund
- ■ Premises relocation to achieve efficiencies
- ■ Launch of new international corporate brand Eurobank EFG



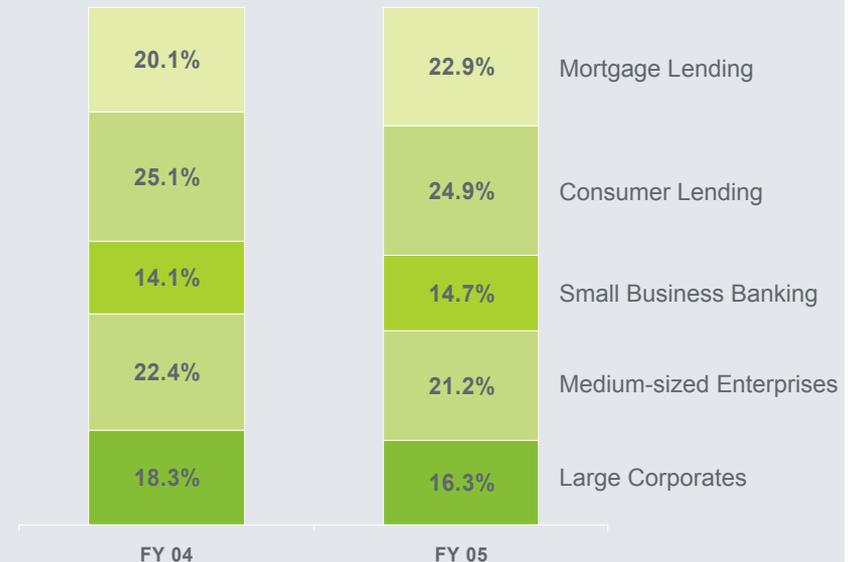
# Financial Review

## Well-diversified loan book with Household lending at 47.7% of total



### Loan Book Composition (%)

- ■ Increased weight of Mortgages and Small Business Banking
- ■ New Europe contributes 6% of gross loans from 4.4% in FY 04
- ■ Retail Lending at 62.4% of total loans, from 59.3% one year ago
- ■ Shift to more profitable segments supports NIM at 3.5%



# NII jumps 25.4% to € 1.4 bn

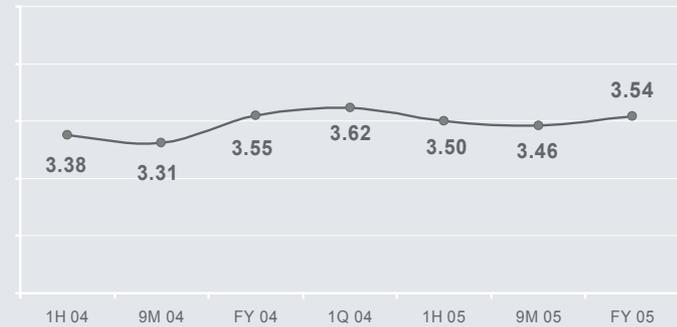


## New record quarter NII at € 391m



Figures in € m.

## Robust NIM above 3.5%



## New Europe contributes 10.8% of total NII



# Active management of loan portfolio improves total spread



## Spread evolution per category

All spreads Greece only

	FY 04	4Q 05	FY 05
<b>Total Deposits &amp; Repos</b>	<b>0.84</b>	<b>1.01</b>	<b>0.94</b>
<b>Wholesale Loans</b>	<b>2.06</b>	<b>1.96</b>	<b>1.99</b>
Mortgage	2.30	1.90	2.11
Consumer	8.82	9.08	9.00
SBB	4.93	4.66	4.76
<b>Retail Loans</b>	<b>5.56</b>	<b>5.37</b>	<b>5.50</b>
<b>Total Loans</b>	<b>4.00</b>	<b>4.07</b>	<b>4.11</b>

## Consumer Book: Volumes & Spreads



## Mortgage Book: Volumes & Spreads



# Fees & Commissions expand 26% to € 420m



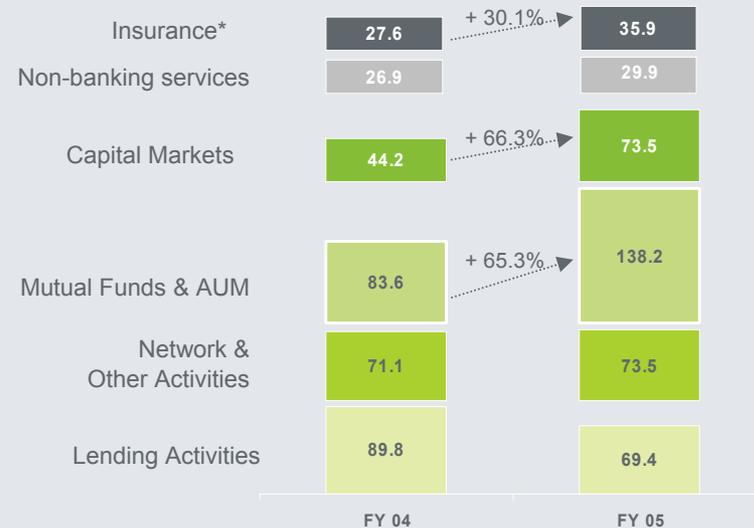
- Mutual Funds & AUM fees jump 65.3% y-o-y, with MF fees exceeding 1% on AUM
- Strong Capital Markets fees at €73.5m, up 66.3% y-o-y
- Equity market related activities contribute 18.1% of Total Fees, from 16.1% in FY 04
- Banking Fees expand 23% to € 355m

## Total Fees climb to € 420m



Figures in € m.

## Total Fees Composition



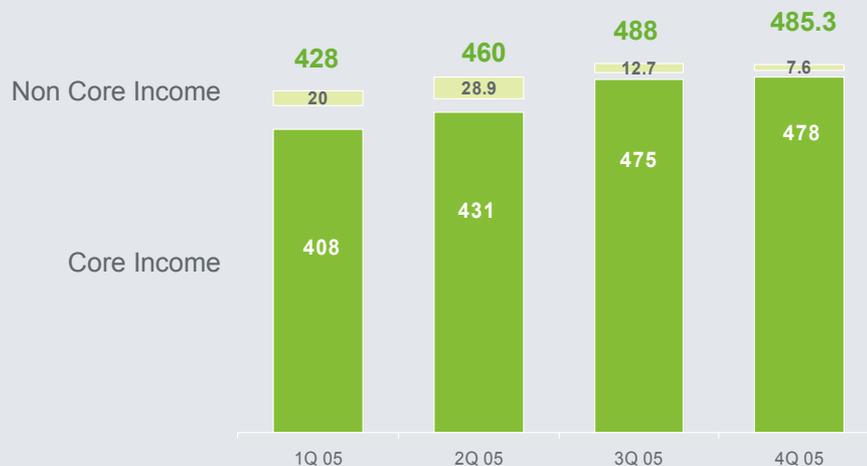
\* On a comparable basis

# Total Operating Income grows 25% driven by Core Income



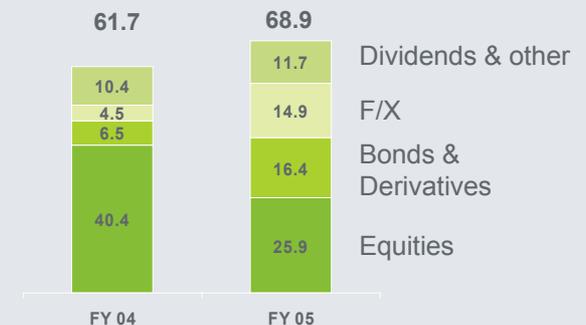
- Core Income rises 25.6% y-o-y to € 1.8 bn, contributing 96.3% of Total Operating Income
- New Europe contributes 11.3% of Total Operating Income, from 9.8% one year ago

## Operating Income Evolution



Figures in € m.

## Breakdown of Non Core Income

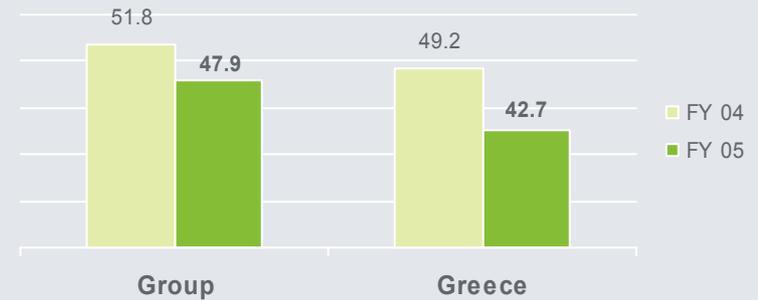


# Great efficiency gains: Cost / Income at 47.9%



- Cost/Income at 42.7% for Greek operations reflect ongoing cost containment
- Group costs burdened in 4Q 05 by:
  - First time consolidation of Polbank & NSB expenses
  - Voluntary Exit Scheme in Romania
- Group costs rise 12.3% like-for-like
- Total costs at € 891m reflect:
  - New operations in 2005 (Turkey, Poland, NSB)
  - 20% network expansion to 722 branches for the Group
  - 40% headcount increase in New Europe

## Cost/Income (%)



## Cost evolution

	FY 04	FY 05
<b>Group Costs (comparable)</b>	772	867 <b>+ 12.3%</b>
New Operations & Exit Scheme		24
<b>Total Group Costs</b>	<b>772</b>	<b>891</b>

	FY 04	FY 05
Depreciation	82	98
Admin.	265	307
Staff	425	486

Figures in € m.

## Total Costs per Region



# Credit quality improves in 4Q 05—still vigilant provisioning

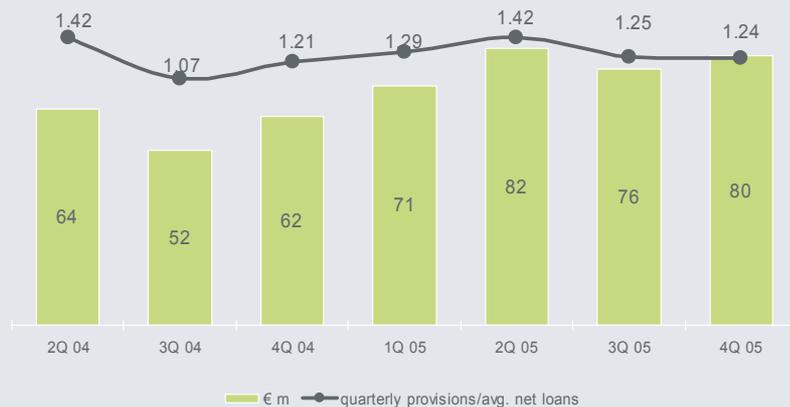


- NPLs at 3.02%, from 3.12% in 9M 05, covered 92% by provisions
- Household lending NPLs at 2.2%
- Provisioning stabilising at 1.29% of avg. net loans (from 1.32% in 9M 05)

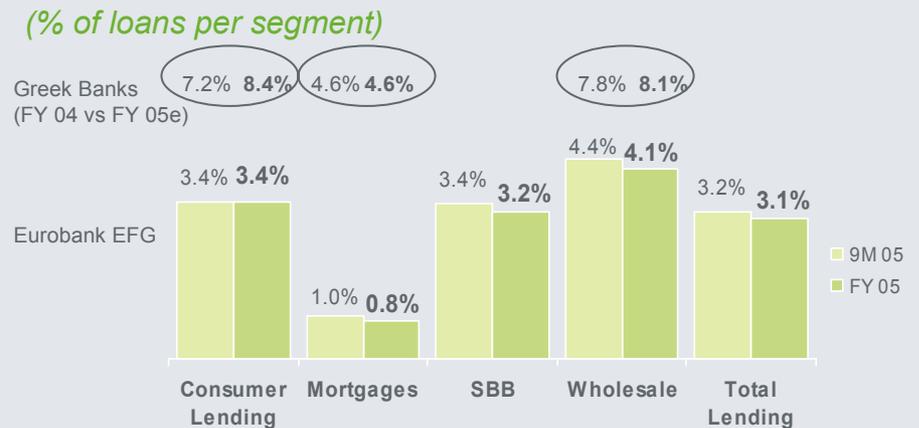
## Group NPL Ratio (% of loans)



## Bad Debt Provisions



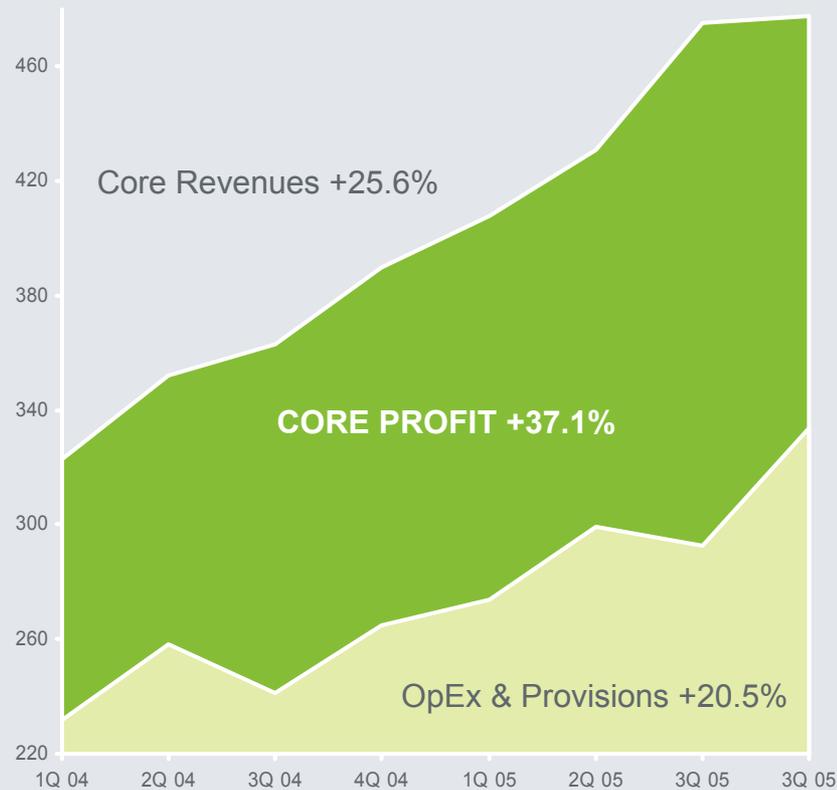
## Greek NPLs per segment (% of loans per segment)



# Core profit grows 37.1% to € 592m



## Wide 'Positive jaws'



- Core Revenues (NII + Total Fees) rise 25.6%

- Sharper efficiency in Greece with cost / income improving 6.5 pps at 42.7%

## Composition of Core Profit elements



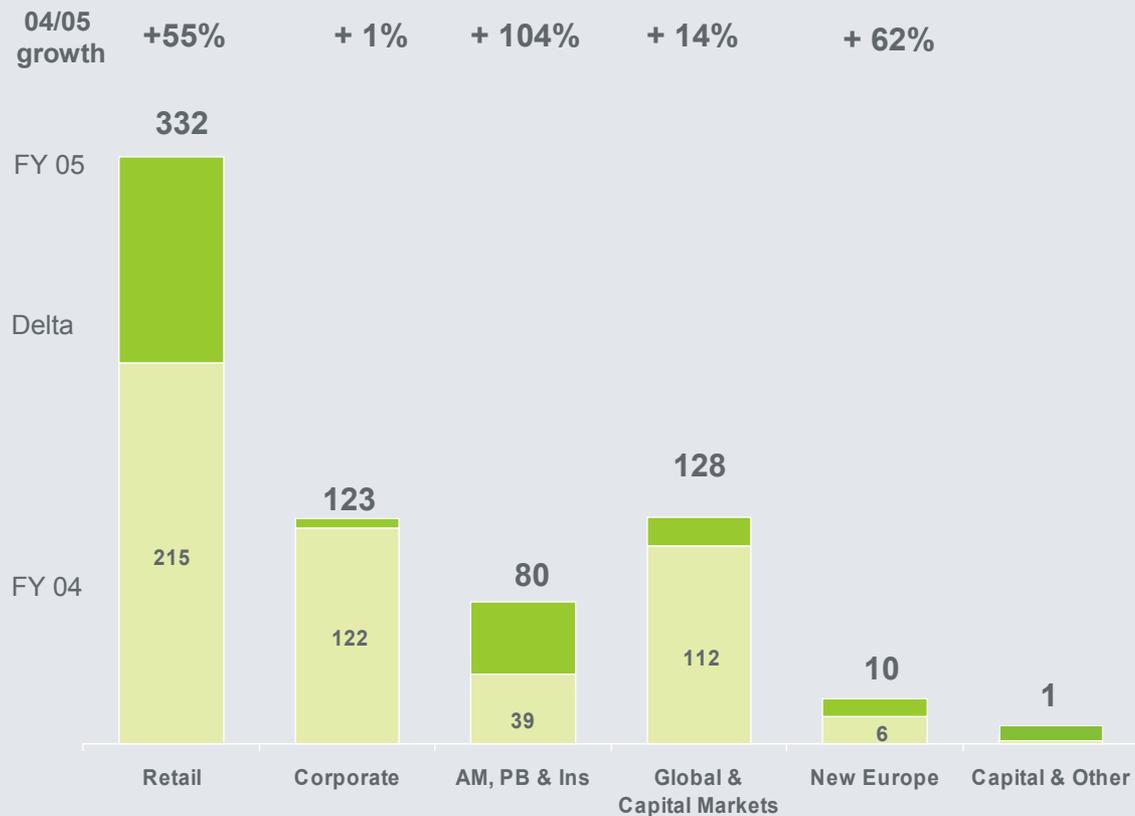


# Segmental Performance

Profits before tax\* € 672m, up 39% y-o-y



## PBT\* per Segment



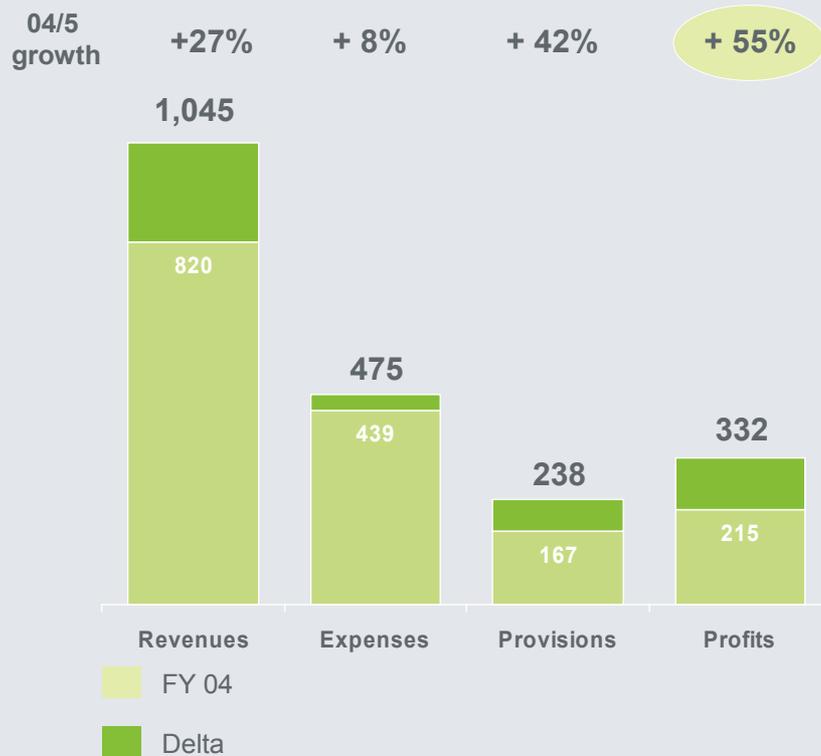
Figures in € m.

## Group PBT\*



\* after Minority Interest

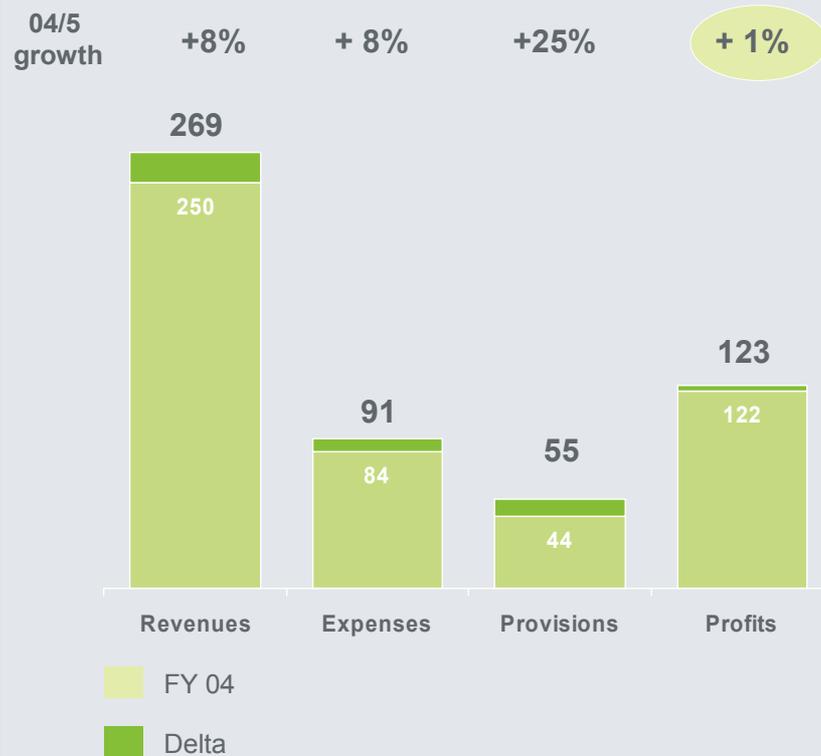
# Retail –overachieving targets



■ ■ Cost to Income	53.6% → 45.5%
■ ■ Return on Equity	32.0% → 39.3%
■ ■ Share of profits	44.4% → 49.4%

**Retail:** incorporating customer current accounts, savings, deposits, investment savings products, credit and debit cards, consumer loans, small business banking and mortgages

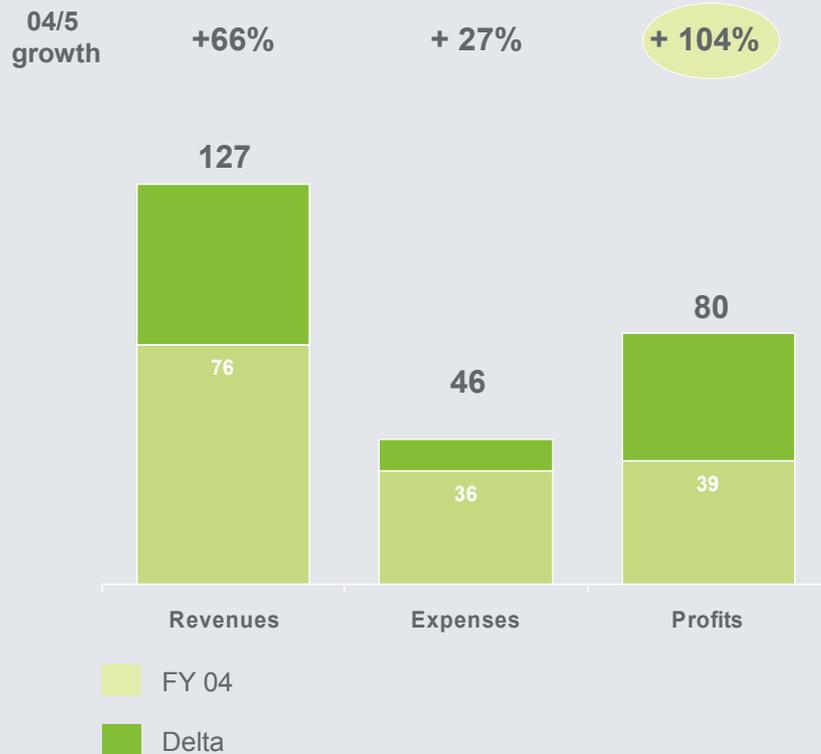
# Corporate – profits maintained



■ Cost to Income	33.7% → 33.9%
■ Return on Equity	19.5% → 17.1%
■ Share of profits	25.2% → 18.3%

**Corporate:** incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products to corporate entities.

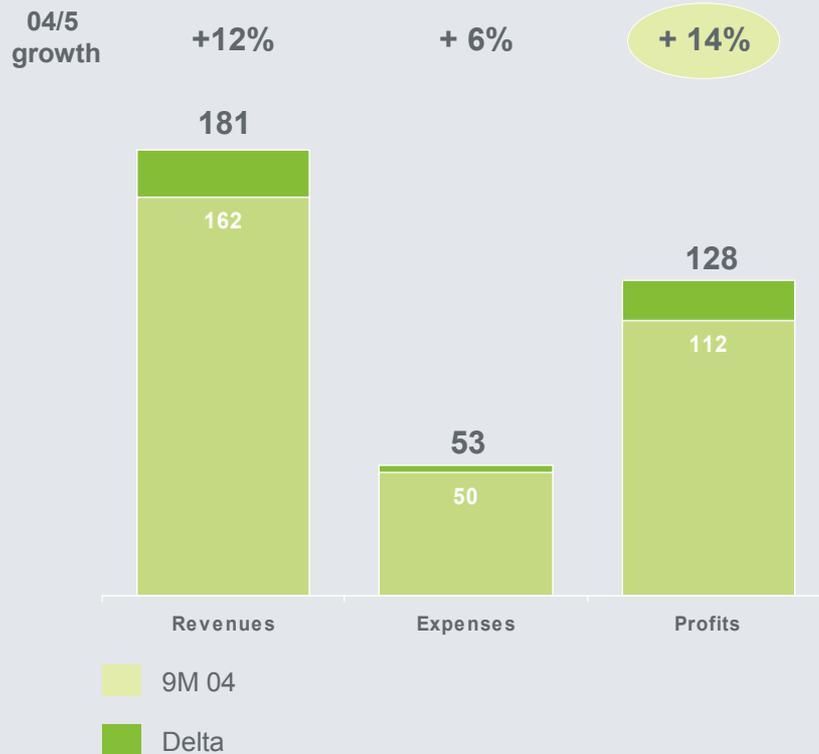
# AM, PB & INS – highest top line growth



■	Cost to Income	47.6% → 36.5%
■	Return on Equity	70.6% → 85.7%
■	Share of profits	8.1% → 11.9%

**Asset Management, Private Banking and Insurance:** incorporating private banking services, including total wealth management to medium and high net worth individuals, insurance, mutual fund products and institutional asset management.

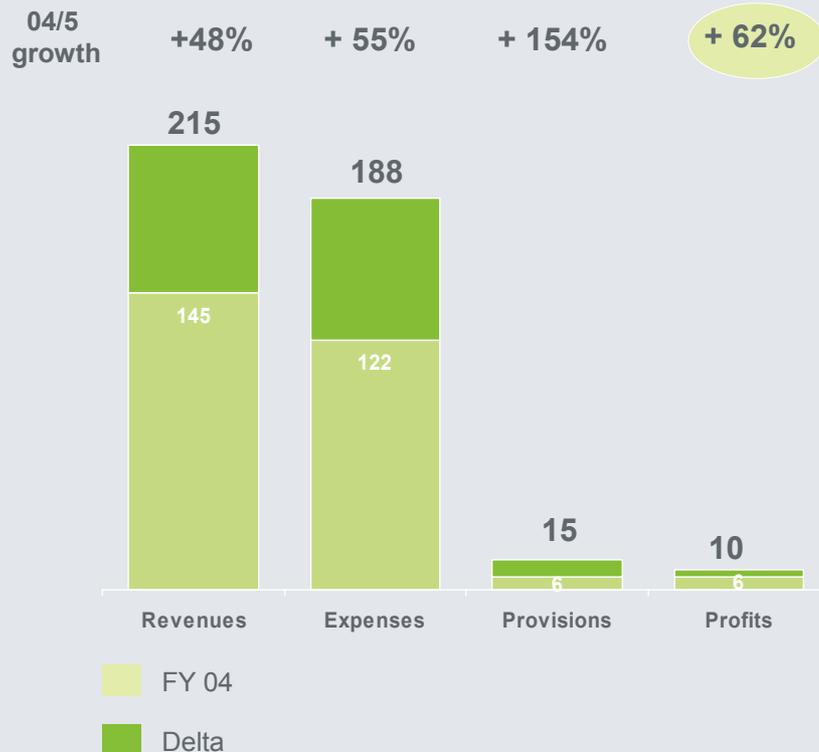
# Global & Capital Markets – overall strong results



■ ■	Cost to Income	30.7% → 29.2%
■ ■	Return on Equity	88.3% → 73.5%
■ ■	Share of profits	23.3% → 19.1%

**Global & Capital Markets:** incorporating investment banking services including corporate finance, merger and acquisitions advice, custody, equity brokerage, financial instruments trading and institutional finance to corporate and institutional entities, as well as, specialised financial advice and intermediation to private and large retail individuals, as well as small and large corporate entities.

# New Europe – major investment in infrastructure, loan portfolio not yet mature



Cost to Income	83.8%	→	87.8%
Return on Equity	9.1%	→	5.5%
Share of profits	1.3%	→	1.6%

*\*segmental reporting entails the internal allocation of all revenues and all costs between business units, thereby presenting differences from accounting reporting*

**New Europe:** incorporating operations in Romania, Bulgaria, Serbia, Poland, Turkey and Cyprus

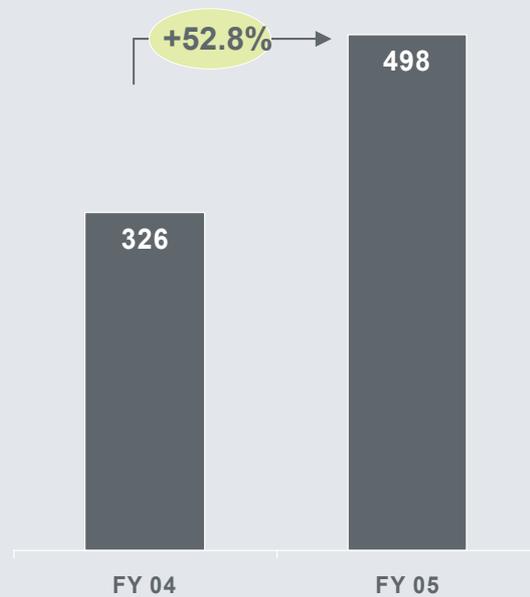


# Rising profitability for shareholders

FY05 Net Profit climbs 47.4% to € 501.1 m



## Greek Operations Net Profit



## Group Net Profit

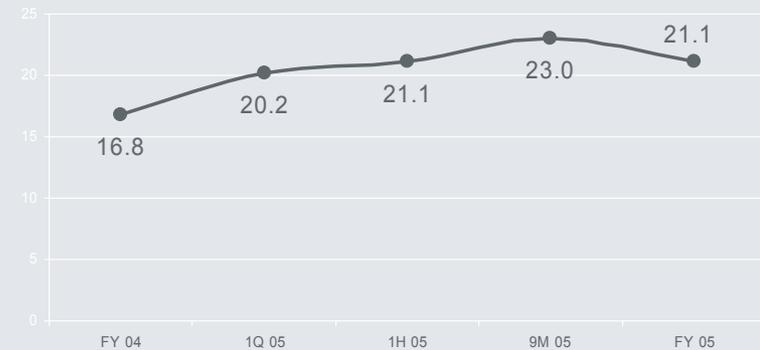


# High Returns for Shareholders



- Shareholders' Equity at € 2.5bn
- Hybrid Tier I capital at € 762m
- Tier II capital at € 614m
- RoA at 1.30%, from 1.14% in FY 04
- Return on Equity at 21.1%

## RoE



## RoA



## Regulatory Capital

€ 3.5 bn

Tier I Reg. Cap.

€ 2.8 bn

Tier I Ratio

10.9%

Total Risk Asset Ratio

13.5%



# New Financial Targets

## Setting new financial targets



- ■ Earnings CAGR >20% for 2006 – 2008
- ■ Return on Equity 25% by 2008
- ■ Cost / Income at 45% by 2008
- ■ Existing targets for 2006 maintained:
  - ■ Earnings growth >23% or at least € 615m.

# Appendices

Notes:

1. The above information is unaudited.
2. The audited financial statements for the year ended 31 December 2005, as stipulated by the L.2190/1920 a.135, will be posted to the Bank's website on 28 February 2006. The condensed financial statements, as stipulated by the Ministerial Decree 23861/587/2004, will be published in the press and will be posted to the Bank's website on the same date.

# Financial Ratios



Financial Ratios	FY 05	FY 04
Net Interest Margin	3.5%	3.5%
Cost-Income	47.9%	51.8%
NPLs (% of loans)	3.0%	2.9%
NPLs coverage	92.0%	95.0%
Provision Charge (% of loans)	1.29%	1.19%
Tier I Ratio	10.94%	8.03%
Total Capital Adequacy	13.54%	9.93%
ROA after tax	1.30%	1.14%
ROE after tax and minorities	21.1%	16.8%
EPS (€)	1.55	1.10

# Summary Figures



Summary Figures (€ m)	FY 05	FY 04	Δ%	New Europe
Net Interest Income	1,371.6	1,093.7	25.4%	148.1
Net fees & Commissions	354.6	288.6	22.8%	51.3
Non banking fees	65.8	44.9	46.5%	0.0
<b>Core Income</b>	<b>1,792.0</b>	<b>1,427.2</b>	<b>25.6%</b>	<b>199.5</b>
Non core income	68.9	61.7	11.7%	10.2
<b>Total Operating Income</b>	<b>1,860.9</b>	<b>1,488.9</b>	<b>25.0%</b>	<b>209.7</b>
Operating Expenses	890.9	771.9	15.4%	185.7
Impairment	308.8	223.3	38.3%	15.2
<b>Core Profit</b>	<b>592.2</b>	<b>432.0</b>	<b>37.1%</b>	<b>-1.5</b>
Profit before tax	676.7	499.2	35.6%	8.8
<b>Net Profit</b>	<b>501.1</b>	<b>339.9</b>	<b>47.4%</b>	<b>3.6</b>
Loans (gross)	27,385	21,819	25.5%	1,652
Due to Customers	19,255	18,208	5.8%	1,555
Total Assets	44,464	33,046	34.6%	2,978
Total Equity	2,523	2,102	20.0%	367

# Balance Sheet Figures



Portfolio of Loans (Gross, € m)	FY 05	FY 04	Δ%
Consumer Loans	6,811	5,470	24.5%
Mortgages	6,262	4,383	42.9%
<b>Loans to Households</b>	<b>13,073</b>	<b>9,853</b>	<b>32.7%</b>
Small Business Loans	4,027	3,087	30.5%
Loans to Medium Enterprises	5,808	4,881	19.0%
Loans to Corporates	4,477	3,999	12.0%
<b>Business Loans</b>	<b>14,312</b>	<b>11,966</b>	<b>19.6%</b>
<b>Total Gross Loans</b>	<b>27,385</b>	<b>21,819</b>	<b>25.5%</b>

Assets Under Management (€ m)	FY 05	FY 04	Δ%
Deposits & Other liquid funds	20,341	19,705	3.2%
Mutual Funds	7,559	5,174	46.1%
Other investment products	8,972	5,185	73.0%
<b>Total Funds under Management</b>	<b>36,872</b>	<b>30,064</b>	<b>22.6%</b>

# FY 2005 – Summary per Segment



Segmental Results FY 2005 (€ m)	Retail	Corporate	AM, PB & INS	Treasury & Capital Markets	Capital & Other	Elimination Center	New Europe	Total
Interest income	932	188	20	83	-1	0	150	1,372
Net fee & commission income	46	38	98	119	3	0	52	355
Net Insurance income	0	0	36	0	0	0	0	36
Non Banking services	3	0	0	0	27	0	0	30
Other income	12	11	-2	24	11	0	14	69
Non-interest income	62	49	131	143	40	0	65	489
Fees Received/Paid	51	33	-24	-45	3	-17	0	0
Gross Market Revenues	1,045	269	127	181	42	-17	215	1,861
Operating Expenses	-475	-91	-46	-53	-54	17	-188	-891
Loans Provisions	-239	-55	0	0	0	0	-15	-309
Income from associates	1	0	0	0	15	0	0	16
Minorities	0	0	-1	0	-4	0	-1	-5
PBT attr. to Shareholders	332	123	80	128	-1	0	10	672
% of Group PBT	49.4%	18.3%	11.9%	19.1%	-0.2%	0.0%	1.6%	100.0%
Risk Weighted Assets	11,462	9,352	138	2,183	899		1,985	26,019
% of Total RWA	44.1%	35.9%	0.5%	8.4%	3.5%		7.6%	100.0%
Minimum Required Capital (8%)	917	749	114	221	245		289	2,535
% of total	36.2%	29.6%	4.5%	8.7%	9.7%		11.4%	
Cost / Income	45.5%	33.9%	36.5%	29.2%	N/A		87.8%	47.9%
RoA (before tax)	2.4%	1.4%	2.9%	1.1%	N/A		0.4%	1.7%
ROAC (before tax)	39.3%	17.1%	85.7%	73.5%	N/A		5.5%	29.0%

# FY 2004 – Summary per Segment



Segmental Results FY 2004 (€ m)	Retail	Corporate	AM, PB & INS	Treasury & Capital Markets	Capital & Other	Elimination Centre	New Europe	Total
Interest income	732	180	15	79	-5	0	92	1,094
Net fee & commission income	44	34	76	86	1	0	47	289
Net Insurance income	0	0	18	0	0	0	0	18
Non Banking services	0	0	0	0	27	0	0	27
Other income	13	9	4	20	9	0	6	62
Non-interest income	57	44	98	107	37	0	53	395
Fees Received/Paid	31	27	-37	-24	6	-3	0	0
Gross Market Revenues	820	250	76	162	38	-3	146	1,489
Operating Expenses	-439	-84	-36	-50	-49	10	-122	-772
Loans Provisions	-167	-44	0	0	0	-6	-6	-223
Income from Associates	1	0	0	0	4	0	0	5
Minorities	0	0	-1	0	-4	0	-11	-16
PBT attr. to Shareholders	215	122	39	112	-11	0	6	483
% of Group PBT	44.4%	25.2%	8.1%	23.3%	-2.3%		1.3%	
Risk Weighted Assets	9,661	8,517	316	1,595	1,063		1,149	22,302
% of Total RWA	43.3%	38.2%	1.4%	7.2%	4.8%		5.2%	
Minimum Required Capital (8%)	773	681	72	128	356		93	2,103
% of total	36.7%	32.4%	3.4%	6.1%	16.9%		4.4%	
Cost / Income	53.6%	33.7%	47.6%	30.7%	N/A		83.8%	51.8%
RoA (before tax)	1.8%	1.5%	1.5%	1.3%	N/A		0.4%	1.6%
ROAC (before tax)	32.0%	19.5%	70.6%	88.3%	N/A		9.1%	23.8%

# Contacts



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