

August 30, 2010

# First Half 2010 Results





# Macro environment & results highlights



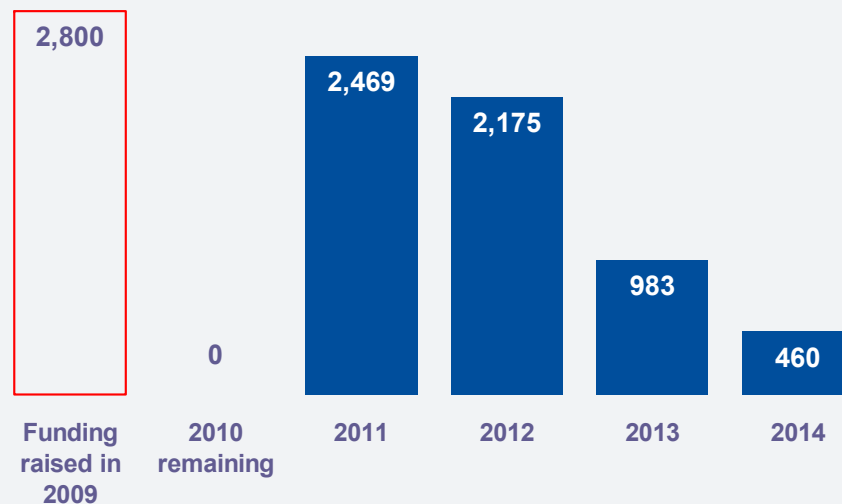
- Significant progress in fiscal consolidation
- Deficit target of 8.1% in 2010 is achievable.
  - State spending reduced by 12.6% vs. a target of a 5.8% reduction.
  - Revenue gathering lags targets but acceleration is expected in 2H10 as measures “kick-in”.
- Structural reforms ahead of schedule to restore competitiveness of Greek economy.
- 2010 GDP contraction expected at no more than 4%, inflation expected close to 4.7%.

- Economic conditions are improving - 2011 prospects promising.
- Current account deficit at single digit.
- Money and FOREX markets stable with little degree of volatility.
- GDP expected to grow in most countries in 2010:
  - Turkey and Poland by 6% and 3% respectively
  - Serbia and Ukraine by 1.5% and 4% respectively
  - Bulgaria's and Cyprus' GDP is expected to remain flat or to slightly contract
  - Romania will remain in recession in 2010 but is expected to turn to growth in 2011.
- Inflation under control.

- Net profit of € 34m in 2Q10.
- Pre-provision income 5.5% down qoq at € 389m but up 6.5%yoy at € 800m.
- NII down 5% qoq at € 561m but up 2% yoy at € 1,153m.
- 1H10 OpEx at € 702m down 3%yoy on track to exceed target.
- Provisions up 3%qoq at € 346m with asset quality trends steadily improving in NE.
- Capital position among the best in the sector with total CAD at 11.8% and Tier I at 10.6%. Capital resilience confirmed by stress tests.
- Quarterly NE profits accelerate to € 7m from € 4m in 1Q and losses a year ago.

- ECB exposure at €20bn.
- Strong contingent liquidity reserve of €5bn.
- No wholesale obligations remaining for 2010.
- GGB portfolio stable compared to 1Q10; short dated portfolio with c40% maturing within 3 years
- New liquidity buffer for the system of €25bn through govt. guarantees expected in September.

## Wholesale funding maturities profile





## 2Q 2010 Results:

Assets & Liabilities actively managed and under control

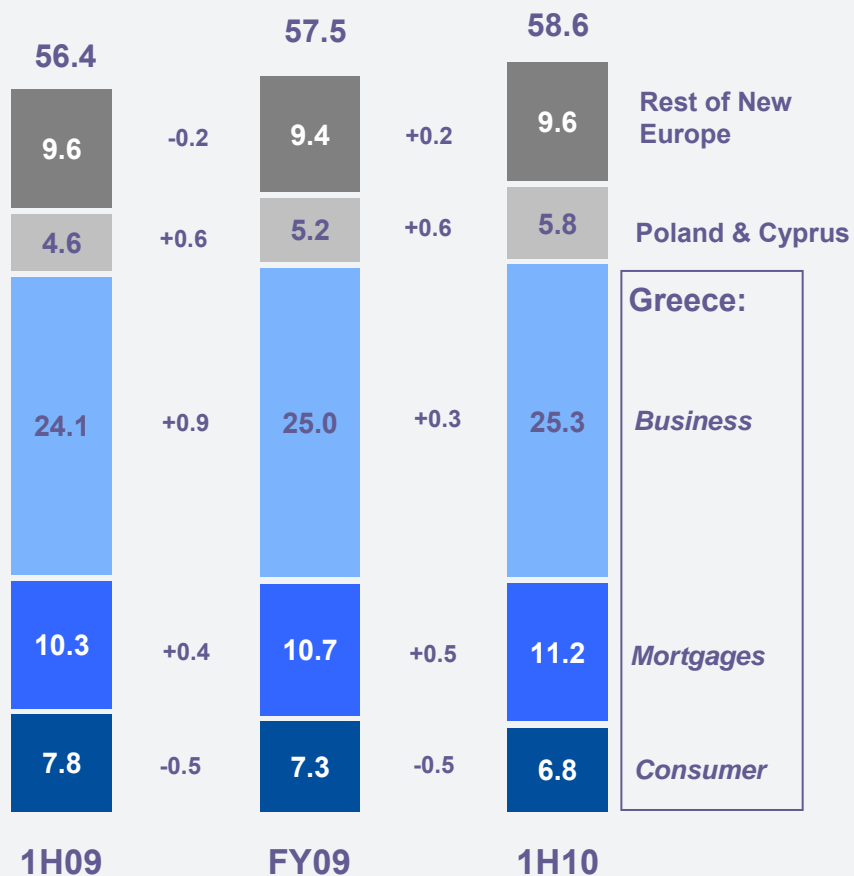
Pre-provision income preserved

Capital strength maintained

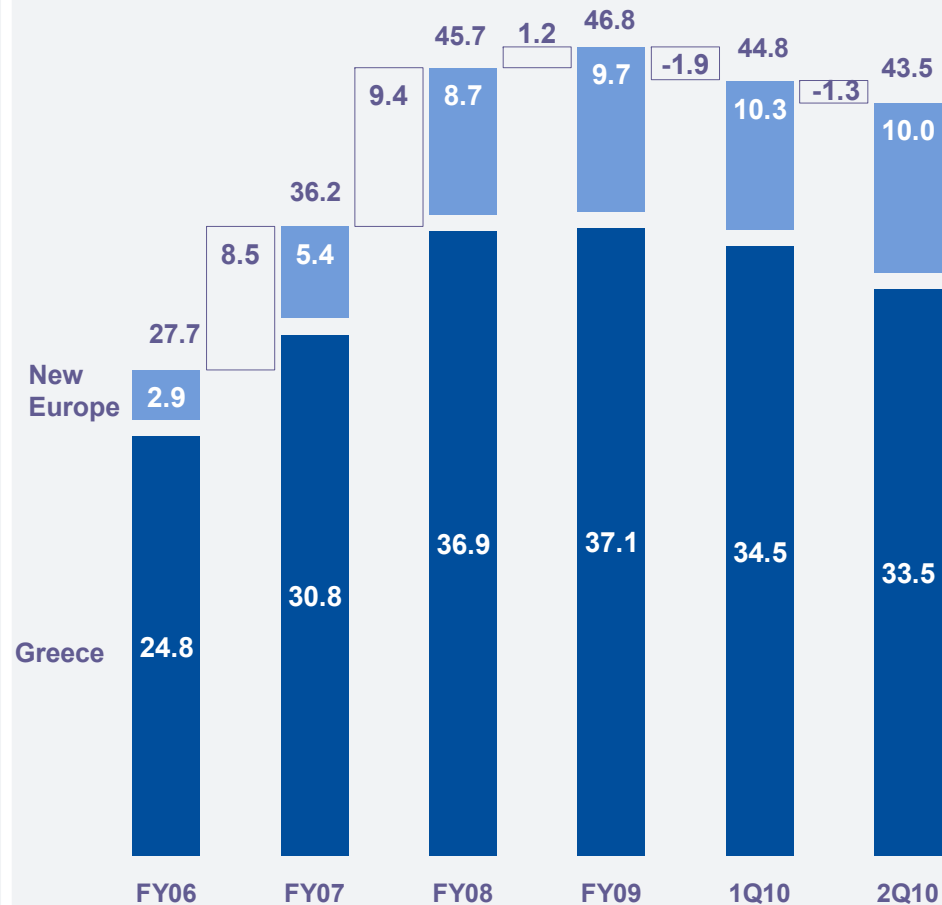
New Europe's profitability continues

# Selective loan growth and de-risking – deposit outflows contained

## Loans – growth & de-risking



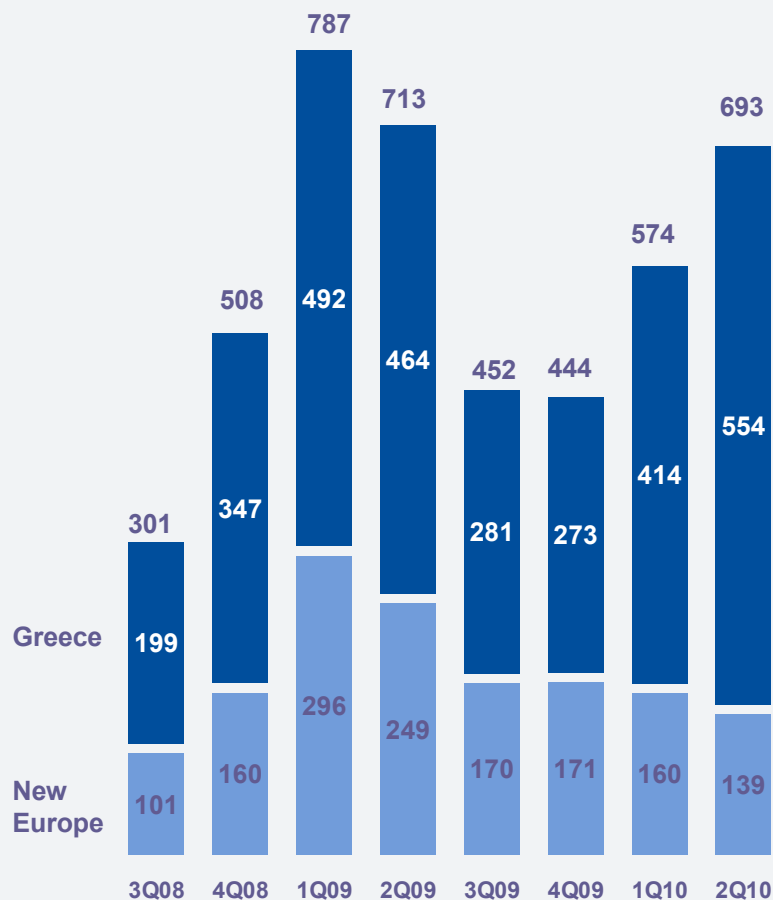
## Deposits – outflows contained



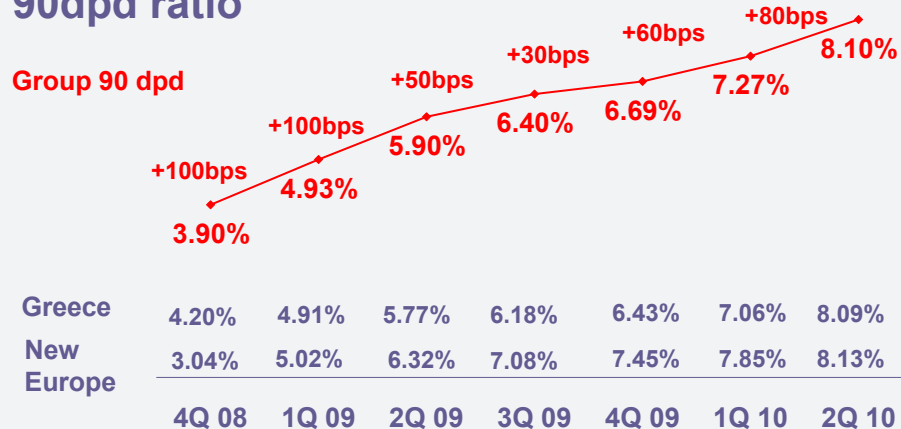


# Asset quality trends: improvement in New Europe, stress in Greece

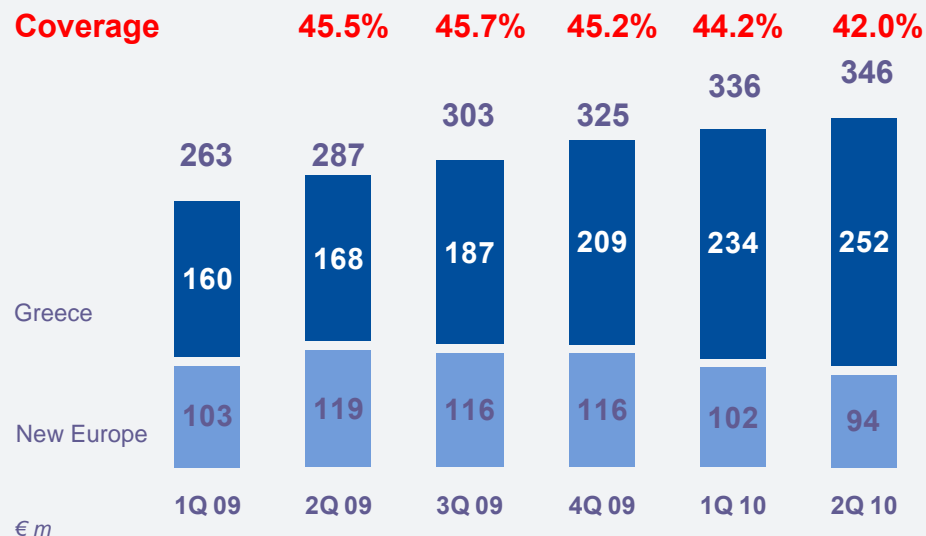
## Group 90dpd formation



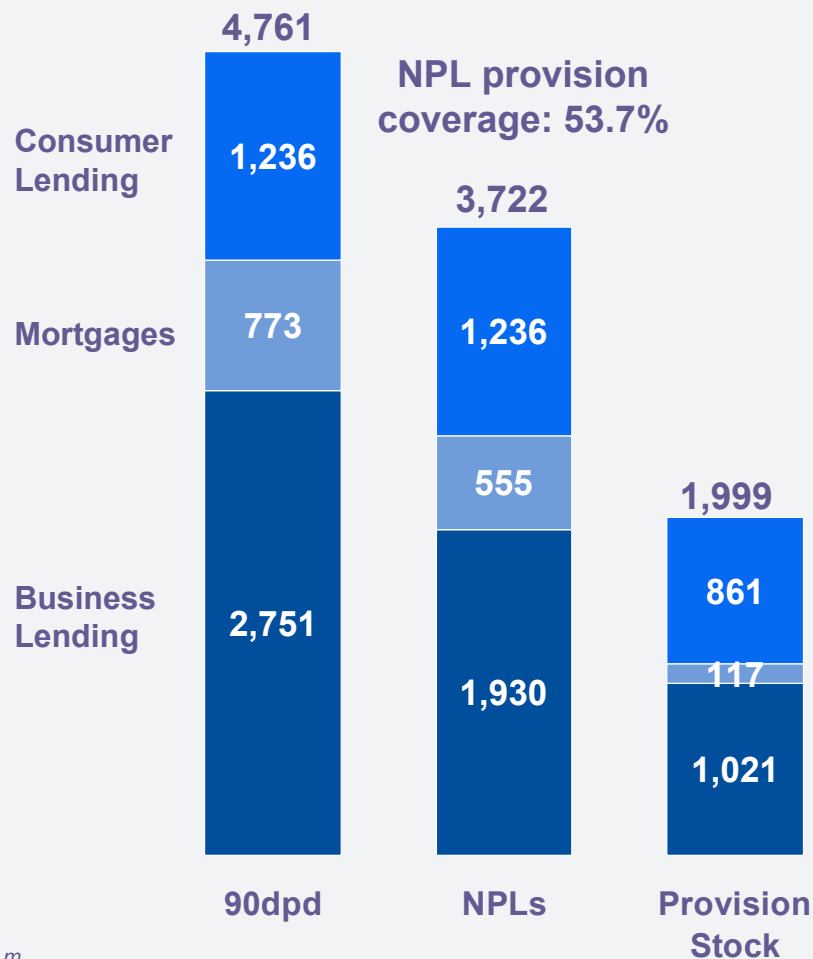
## 90dpd ratio



## LLPs / coverage ratio



90dpd provision coverage: 42.0%



NPL provision coverage: 53.7%

90dpd provisions coverage	NPLs provisions coverage	Value of collaterals	Total NPL coverage	NPL recovery rates	
~70%	~70%	~5%	~75%	35%	Consumer Lending
>10%	>15%	>150%	>100%	95%	Mortgages
>35%	>50%	~55%	>100%	50%	Business Lending

## 2Q 2010 Results:

Assets & Liabilities actively managed and under control

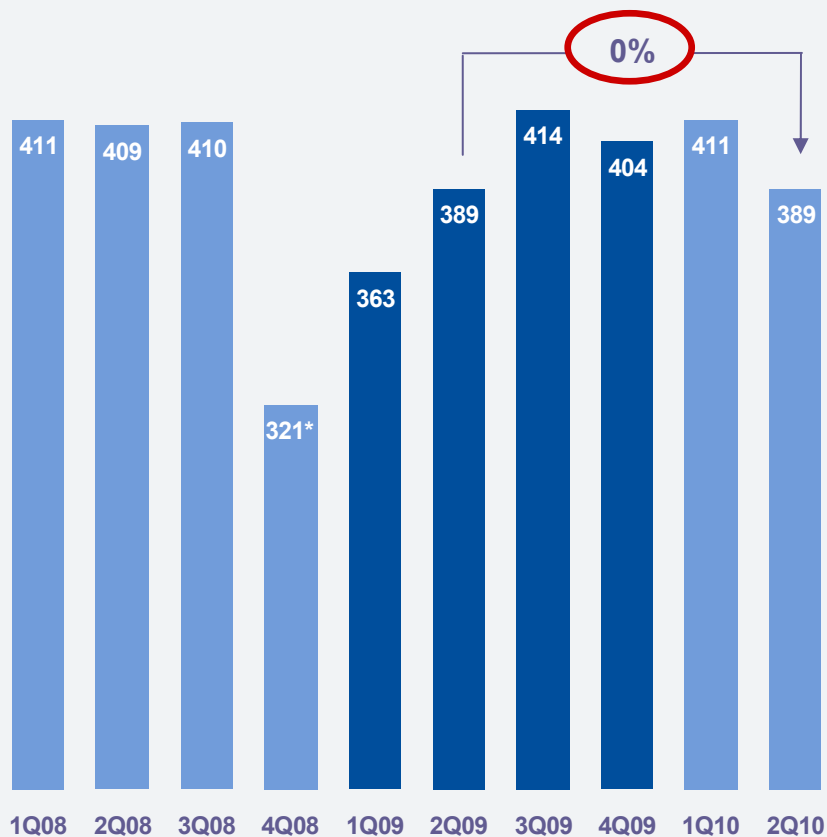
Pre-provision income preserved

Capital strength maintained

New Europe's profitability continues

# Pre-provision income drops 5.5% qoq on higher funding costs

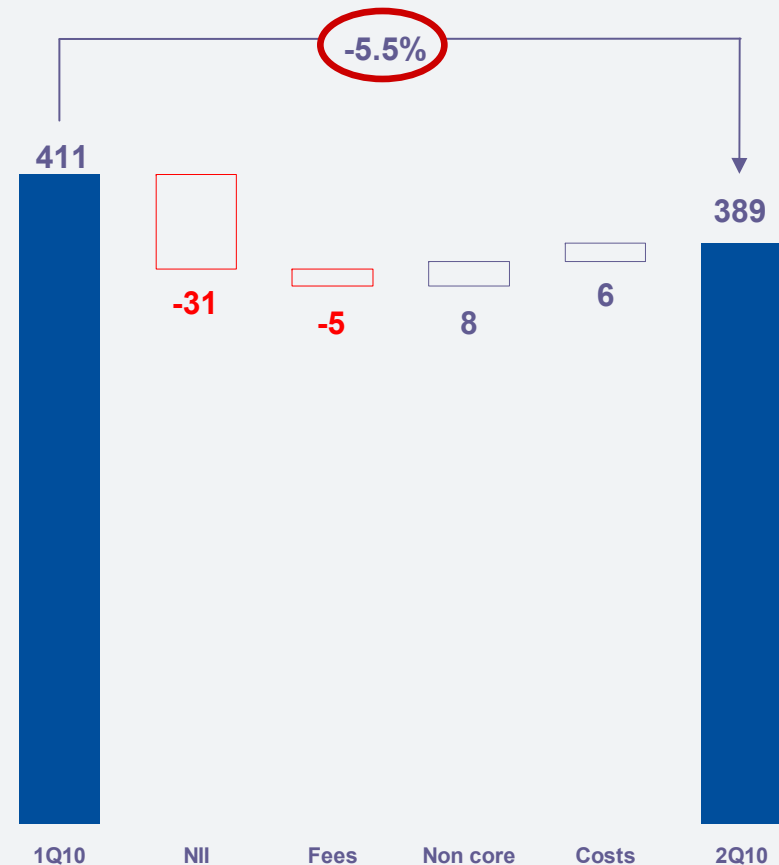
## Quarterly pre-provision income



€ m.

\* excl. € 160m own debt revaluation gain

## Pre-provision income movement

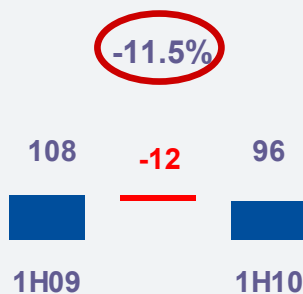


€ m.

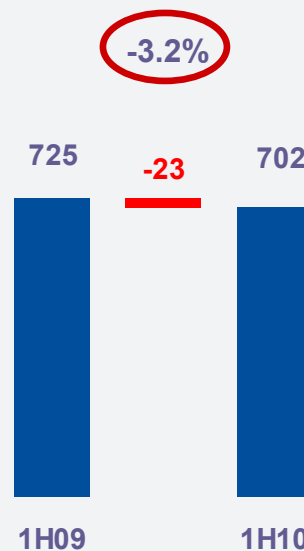
# 1H10 pre-provision income up 6.5%yoy



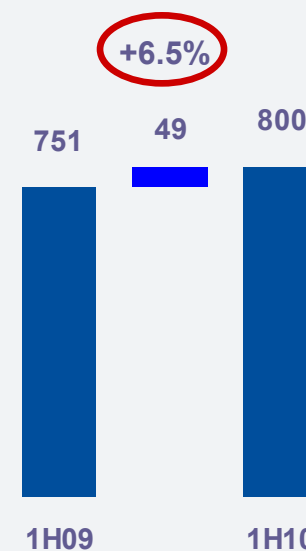
Core revenues



Non - core revenues



OpEx



Pre-provision income



# Loan repricing continues, asset mix and higher funding costs impact NIM

## Evolution of Greek spreads (%)

	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10
Core deposits	-0.06	-0.24	-0.46	-0.21	-0.19	-0.17
Time deposits	-1.02	-0.90	-0.74	-0.79	-1.04	-1.84
<b>Total Deposits</b>	<b>-0.79</b>	<b>-0.72</b>	<b>-0.66</b>	<b>-0.61</b>	<b>-0.78</b>	<b>-1.34</b>

Wholesale Loans	2.17	2.37	2.44	2.49	2.70	2.98
Mortgage	1.22	1.25	1.37	1.58	1.73	1.79
Consumer	9.80	9.81	10.02	9.92	9.83	9.56
SBB*	5.05	5.14	5.08	5.05	4.81	4.97
<b>Retail Loans</b>	<b>5.06</b>	<b>5.04</b>	<b>5.05</b>	<b>5.03</b>	<b>4.87</b>	<b>4.79</b>

Total Loans	3.90	3.97	3.97	3.97	3.97	4.00
-------------	------	------	------	------	------	------

## Evolution of NIM (%)

NIM (%)	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10
Greece	2.34	2.54	2.54	2.59	2.48	2.32
New Europe	3.55	3.70	3.75	3.77	3.65	3.38
Group	2.65	2.83	2.84	2.89	2.78	2.60

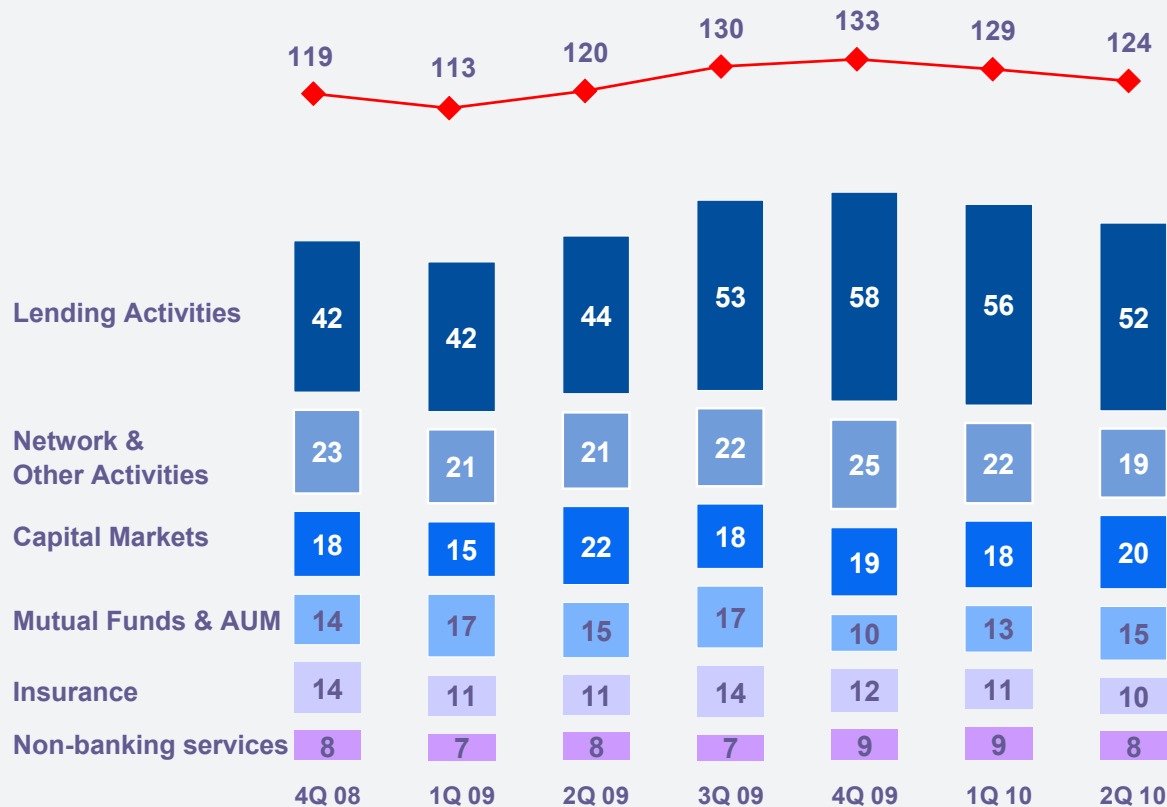
NIM (%)	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10
Romania	4.53	3.94	4.47	4.62	4.86	4.10
Bulgaria	3.56	4.19	3.80	3.91	3.84	3.91
Serbia	4.91	5.14	5.95	5.73	4.57	4.74
Turkey	3.23	3.61	3.38	3.08	3.04	2.72
Poland	1.95	2.62	2.96	2.98	2.89	2.66
Ukraine	6.98	5.91	5.12	4.42	3.90	3.99
Cyprus	1.30	1.21	1.64	1.71	1.72	1.78

\*excluding TEMPME loans which carry 200bps spread with Govt. guarantee

# Commission income gains 8% yoy

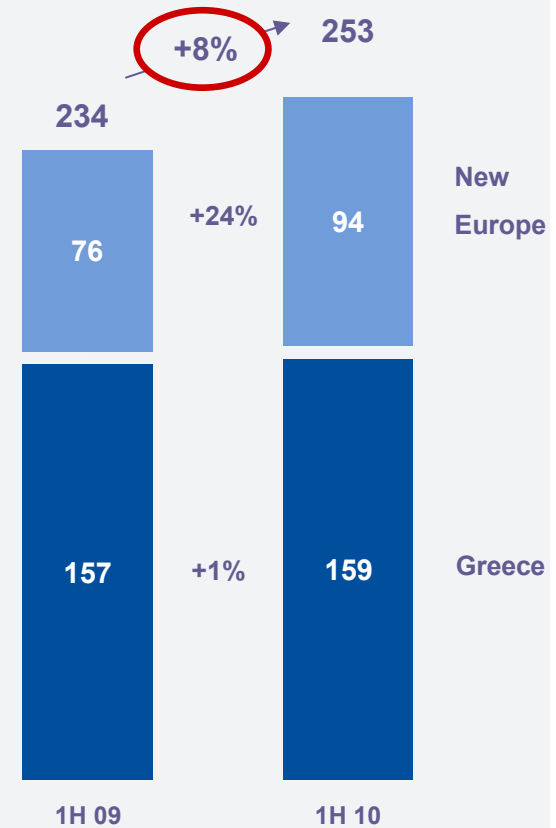
## Commission income evolution

Total commission income



€ m.

## New Europe fees up 24%yoy

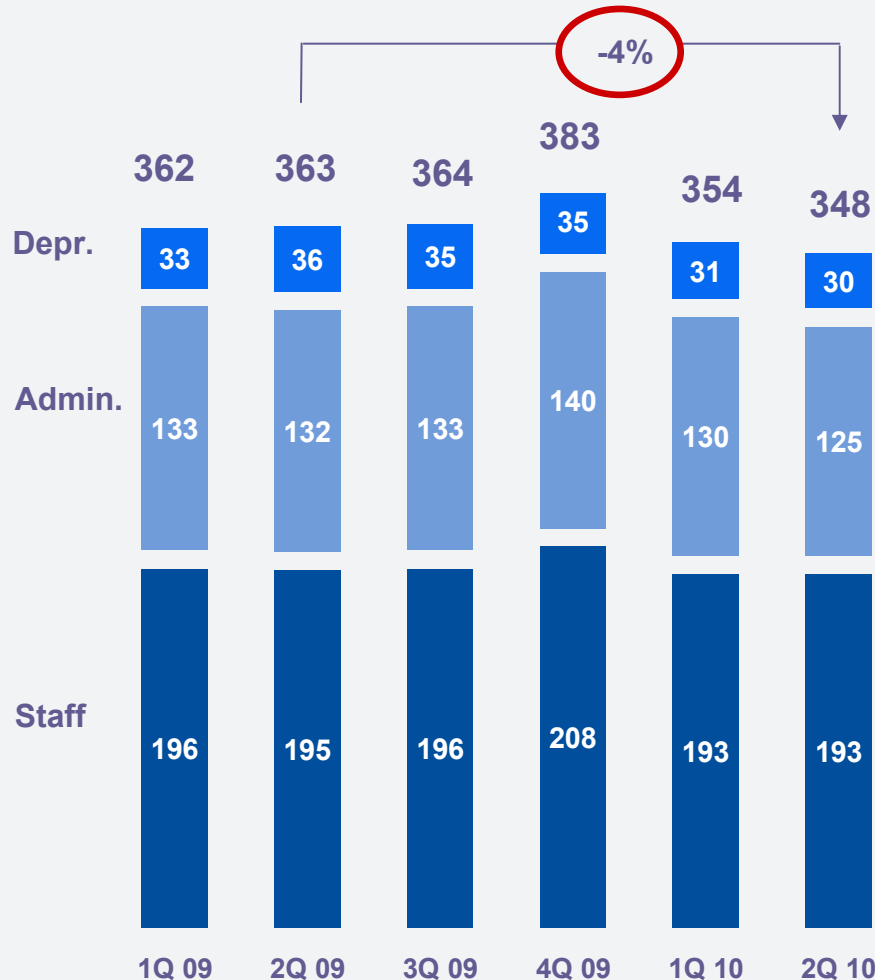


€ m.



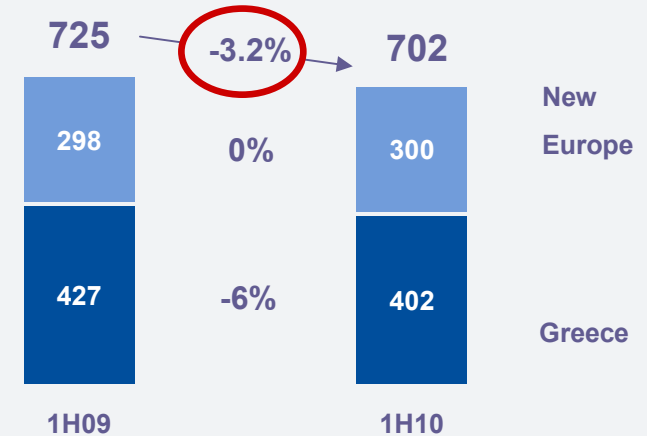
# Cost containment accelerates - costs drop more than 3%yoy

## 2Q10 OpEx drops by 4% yoy

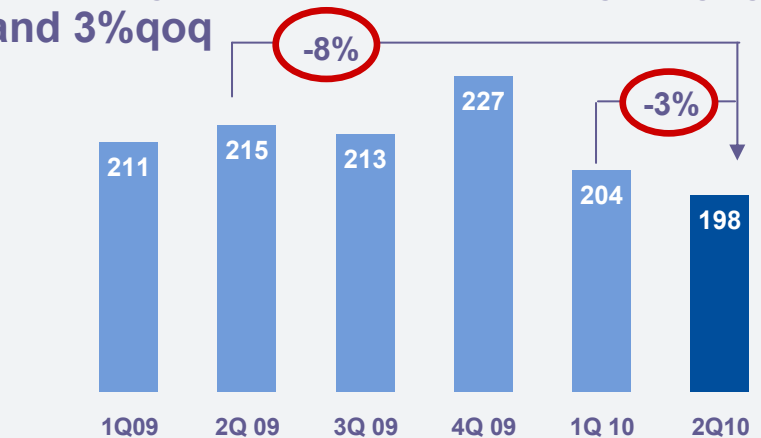


€ m.

## 1H10 OpEx drops by 3.2%yoy



## Quarterly Greek OpEx drops by 8%yoy and 3%qoq



€ m.

## 2Q 2010 Results:

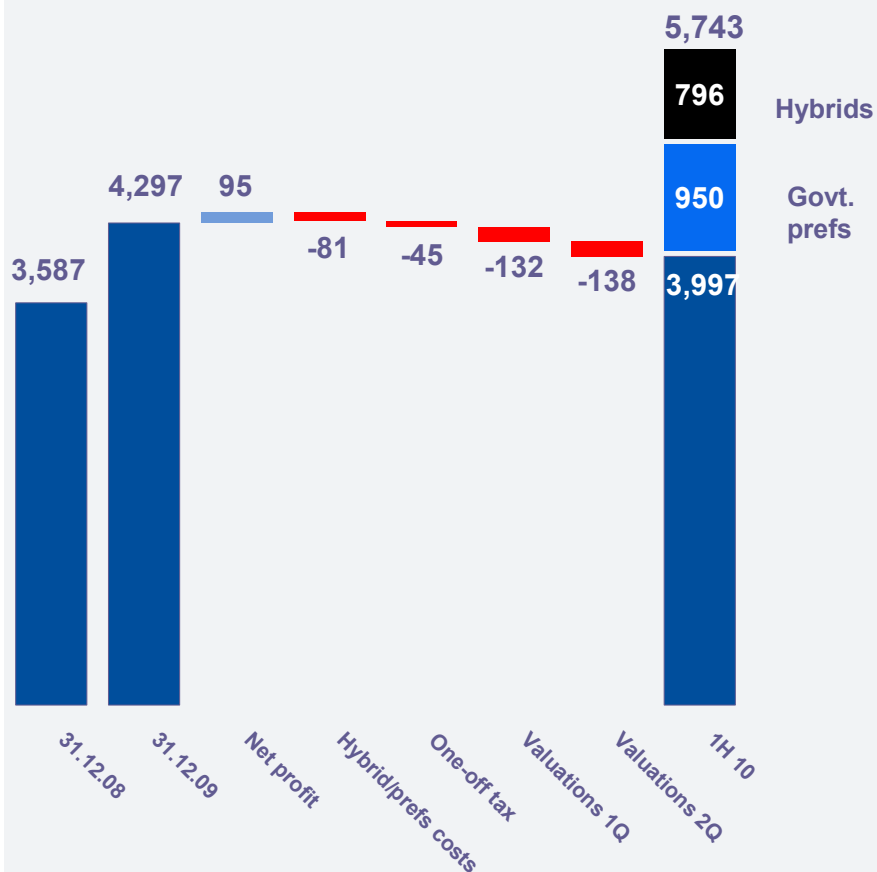
Assets & Liabilities actively managed and under control

Pre-provision income preserved

**Capital strength maintained**

New Europe's profitability continues

## Equity movement



€ m.

Capital Adequacy (%)	2Q 09	FY 09	1Q 10	2Q10
Equity Tier I ratio <i>(Core Tier 1 less goodwill) (excludes Government preference shares)</i>	8.0% €3.8bn	8.4% €4.0bn	8.4% €4.1bn	8.0% €3.9bn
Core Tier I ratio <i>(excludes Government preference shares)</i>	9.2% €4.3bn	9.5% €4.6bn	9.5% €4.6bn	9.1% €4.5bn
Total Tier 1 <i>(includes Government preference shares)</i>	10.2% €4.8bn	11.2% €5.3bn	11.0% €5.4bn	10.6% €5.2bn
Total CAD ratio	11.5% €5.4bn	12.4% €5.9bn	12.2% €5.9bn	11.8% €5.8bn
RWAs (€bn)	47.1	47.8	48.5	49.0

## 2Q 2010 Results:

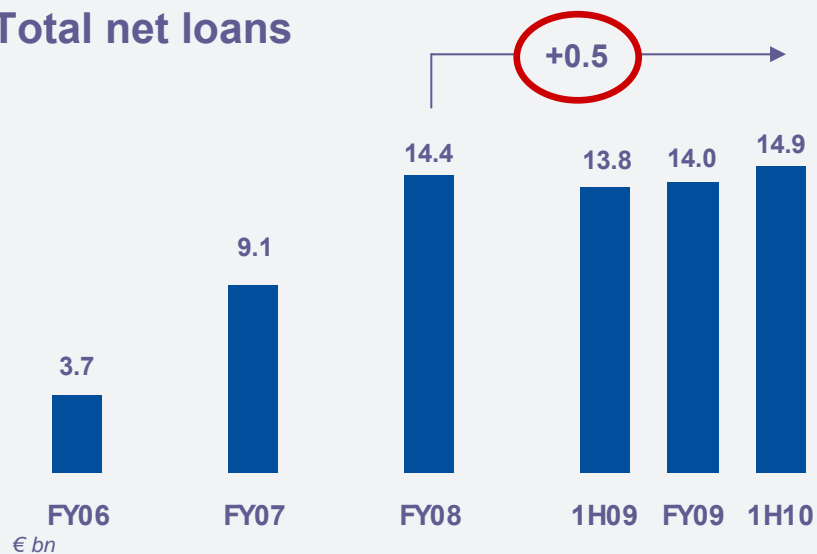
Assets & Liabilities actively managed and under control

Pre-provision income preserved

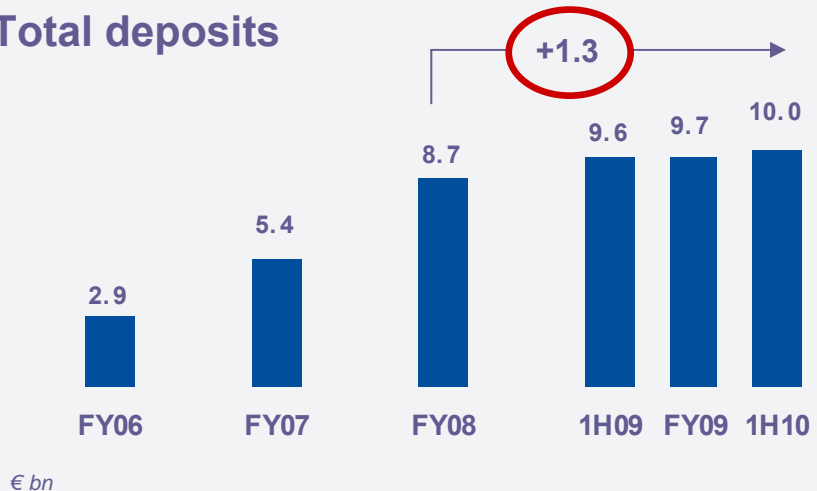
Capital strength maintained

New Europe's profitability continues

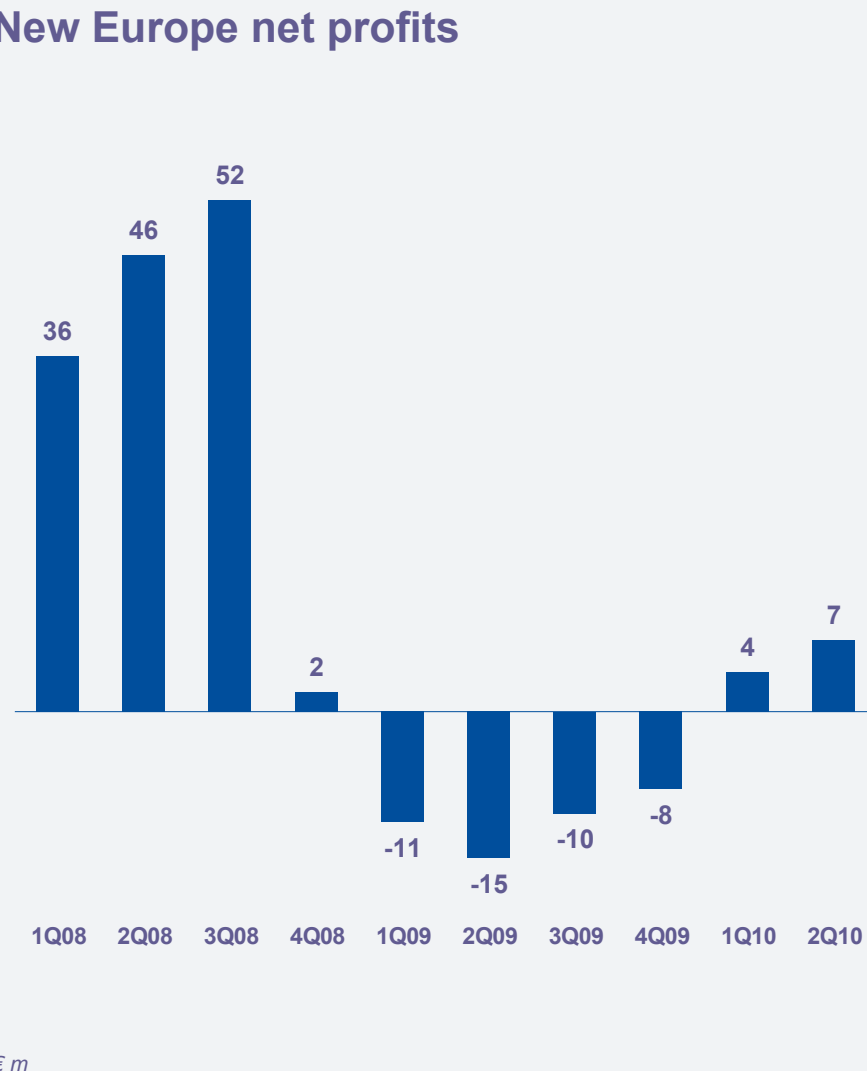
## Total net loans



## Total deposits

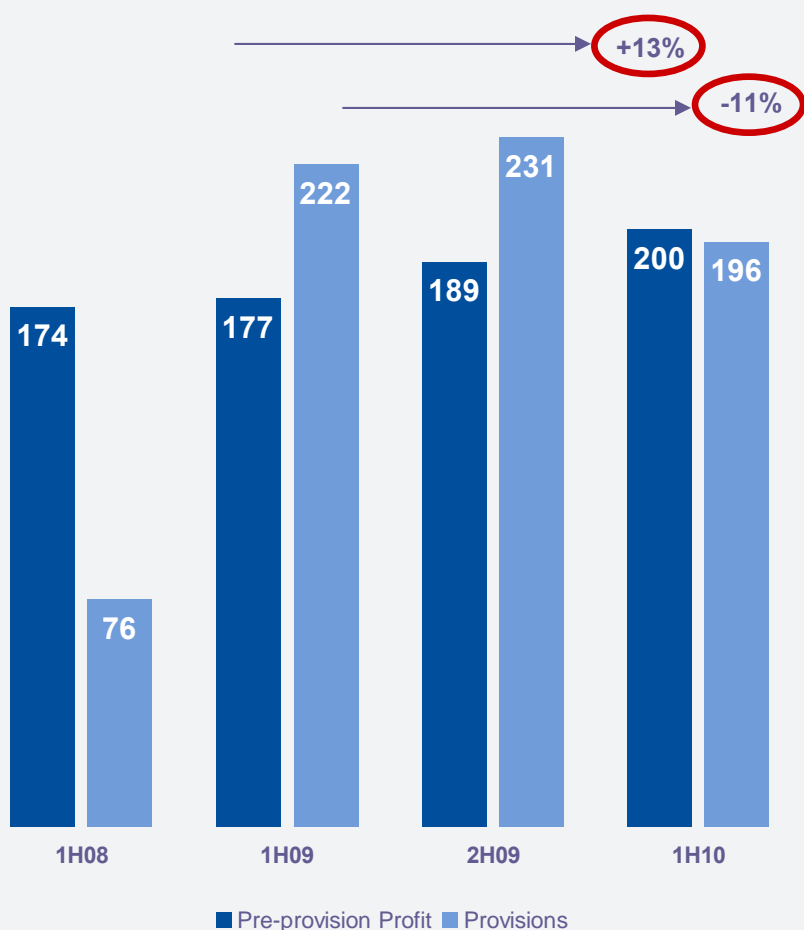


## New Europe net profits



# New Europe pre-provision income picks up and provision charges decline

## Pre-provision income picks up

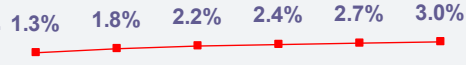


## Provisions decline

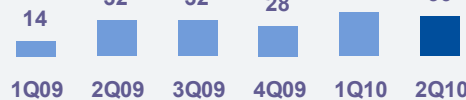


# Asset quality in New Europe: continuing encouraging trends

90+ over av. loan book



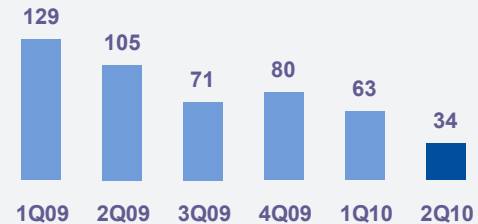
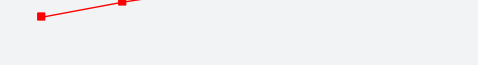
Gross 90+ formation



Loan book

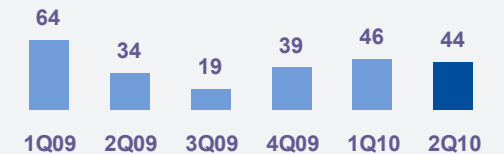
Poland (€ 5.1bn)

90+ over av. loan book



Romania (€ 3.4bn)

90+ over av. loan book

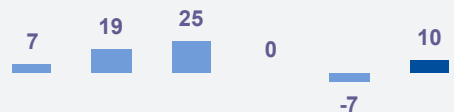


Bulgaria (€ 3.1bn)

90+ over av. loan book



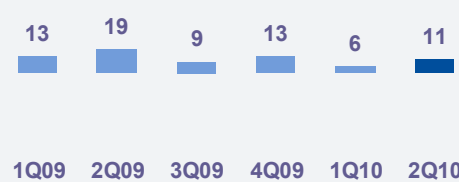
Gross 90+ formation



Loan book

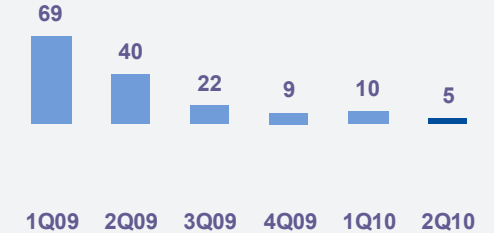
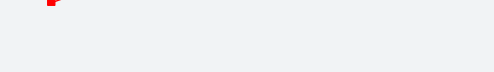
Turkey (€ 1.3bn)

90+ over av. loan book



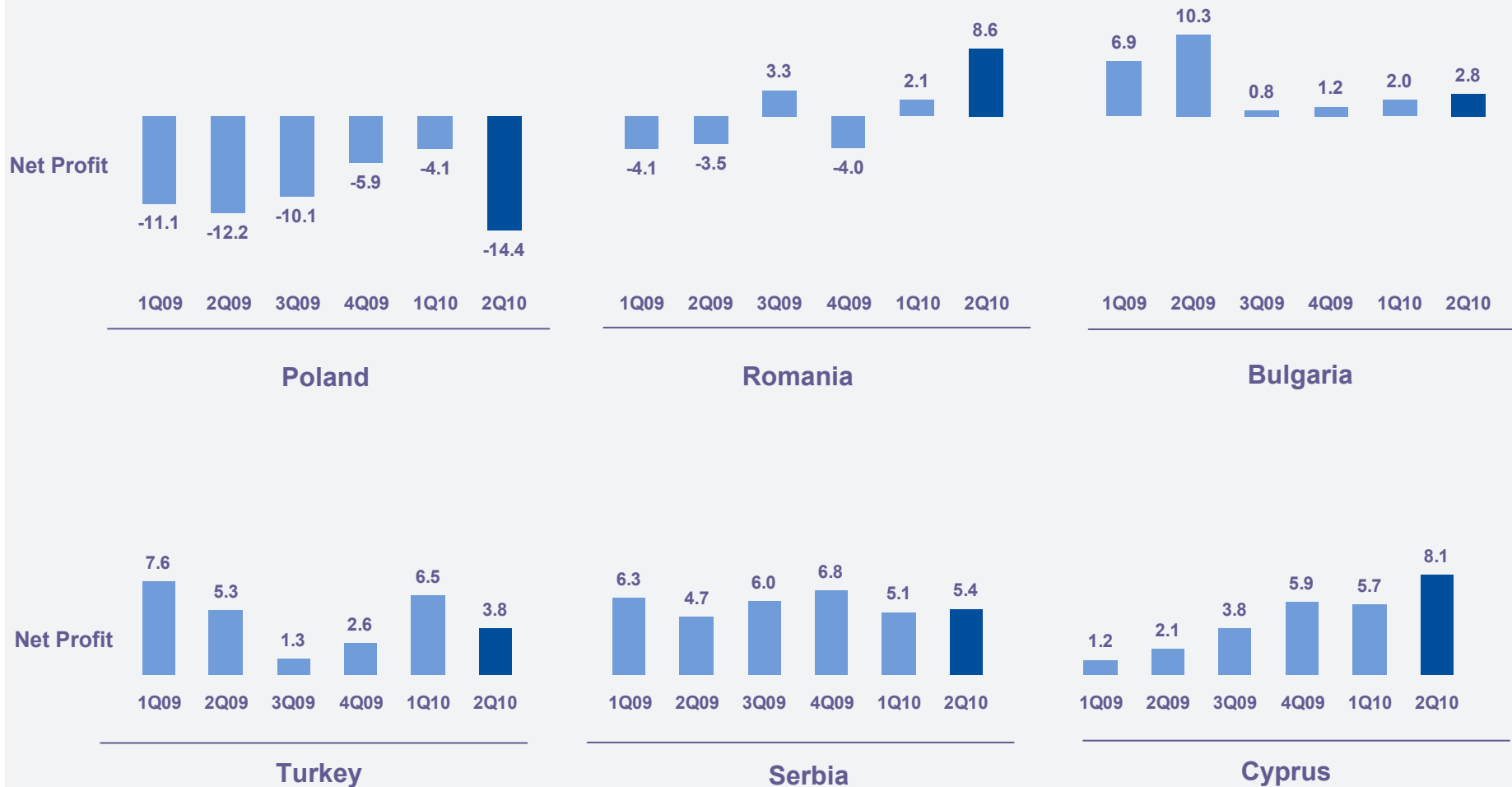
Serbia (€ 1.1bn)

90+ over av. loan book



Ukraine (€ 0.7bn)

# New Europe profits at € 9.2m in 1H10 vs. losses € 26m a year ago



**Ukraine:** Losses in 2009: 1Q = €18m, 2Q = €22m, 3Q = €15m, 4Q = €14m.

Losses in 2010: 1Q = €13m, 2Q = €7m

€ m.



## 2Q 2010 Results:

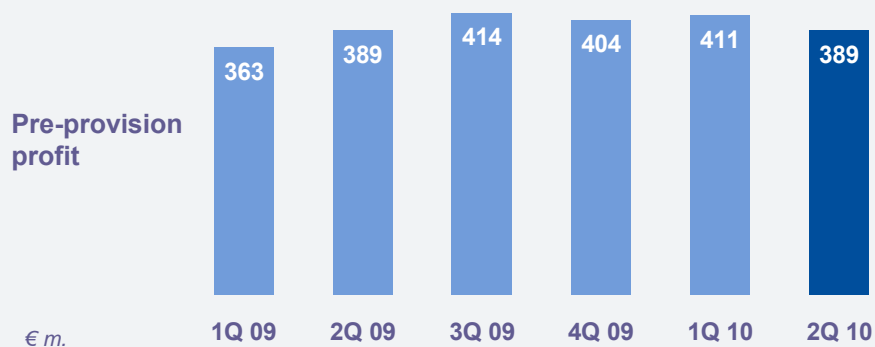
Assets & Liabilities actively managed and under control

Pre-provision income preserved

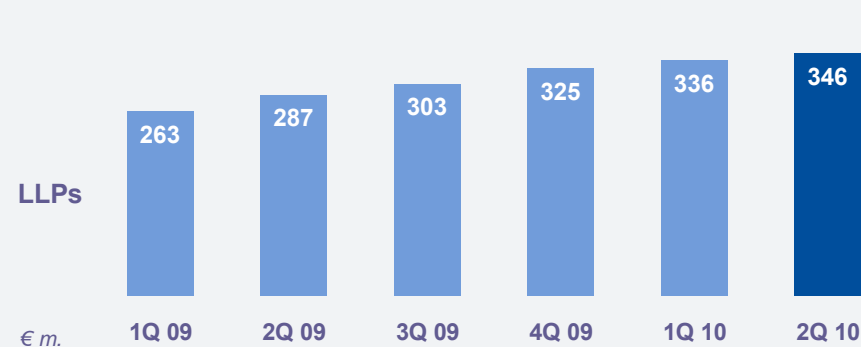
Capital strength maintained

New Europe's profitability continues

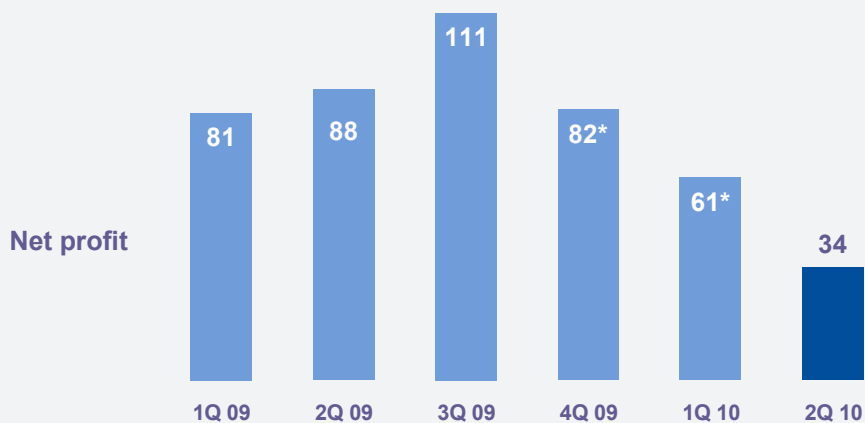
## Resilient pre-provision profit



## Marginal increase in LLPs

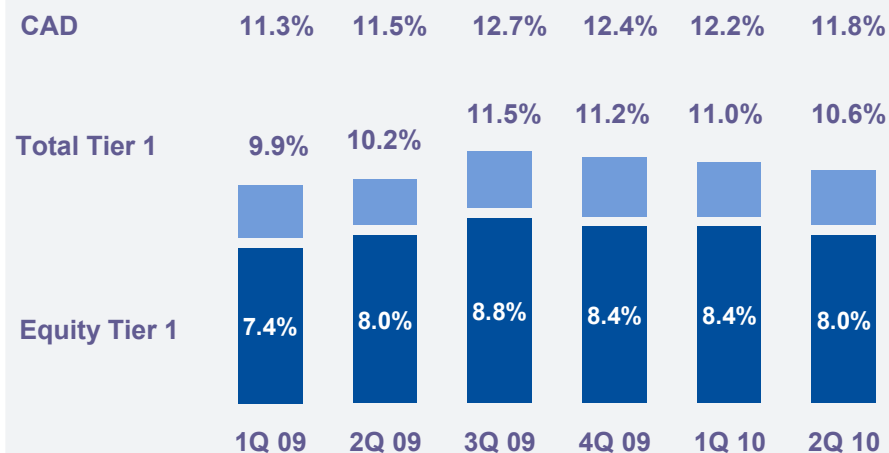


## Profitable in every quarter during the crisis



\* before one-off tax items  
€ m.

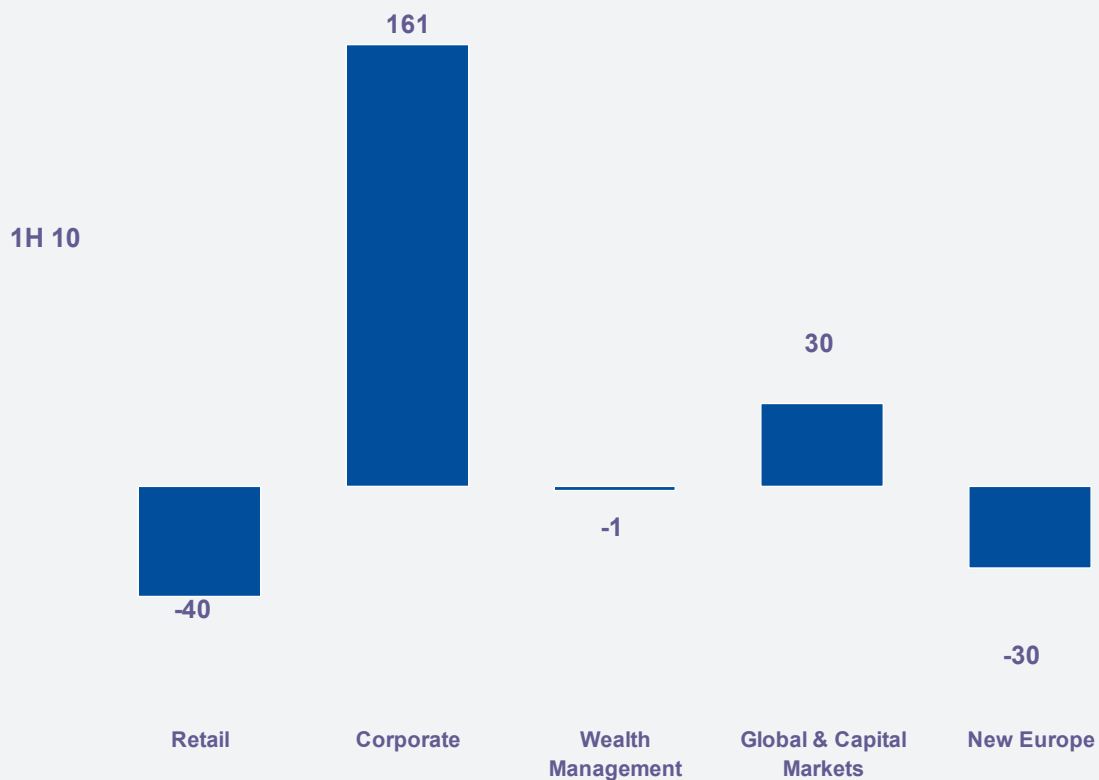
## Strong capital position





# Segmental Performance

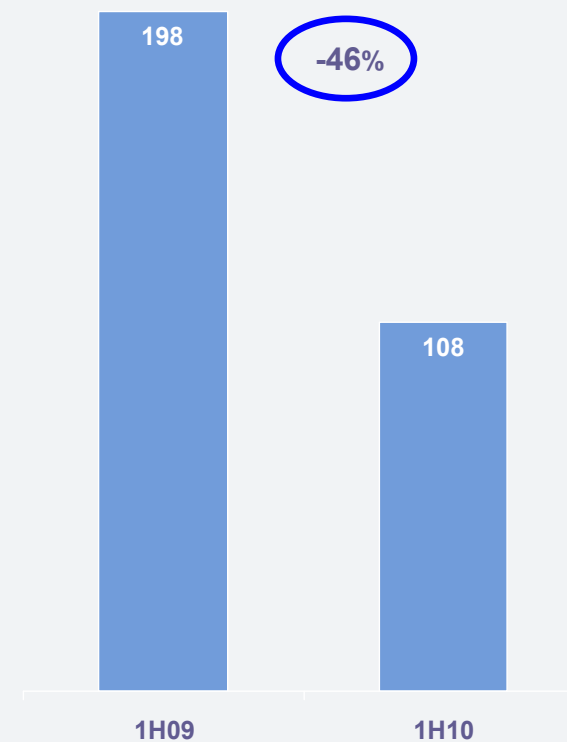
## PBT\* per Segment

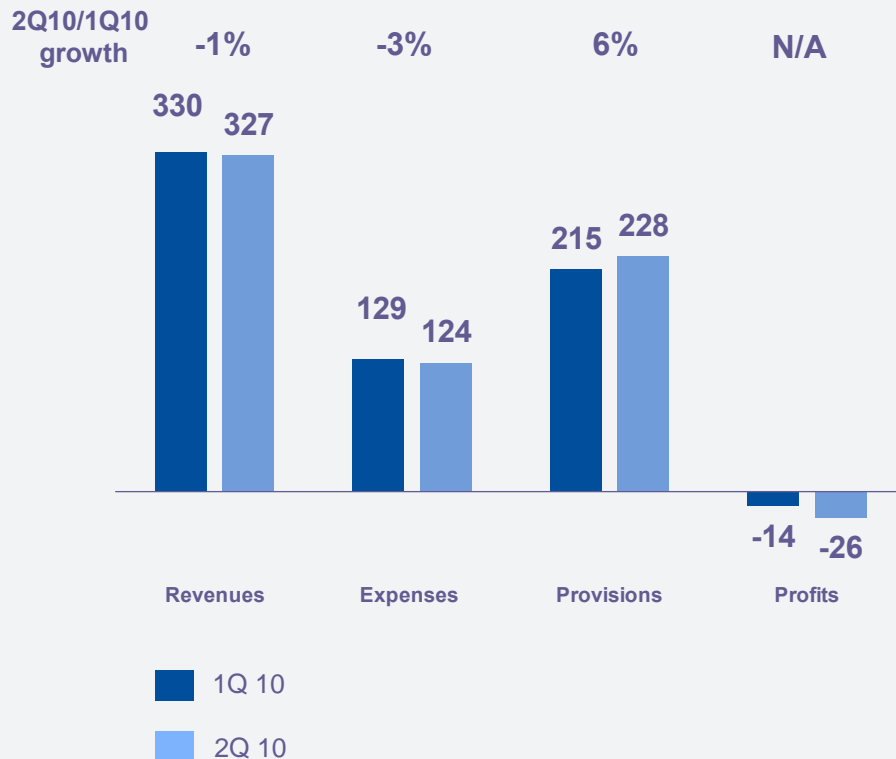


Figures in € m.

\* after minority interest

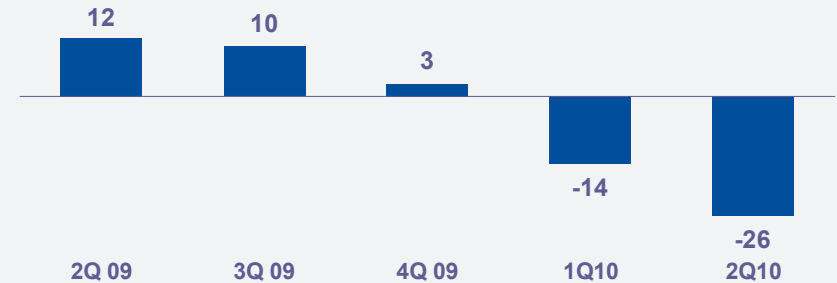
## Group PBT\*





Figures in € m.

## Quarterly PBT evolution (€ m)

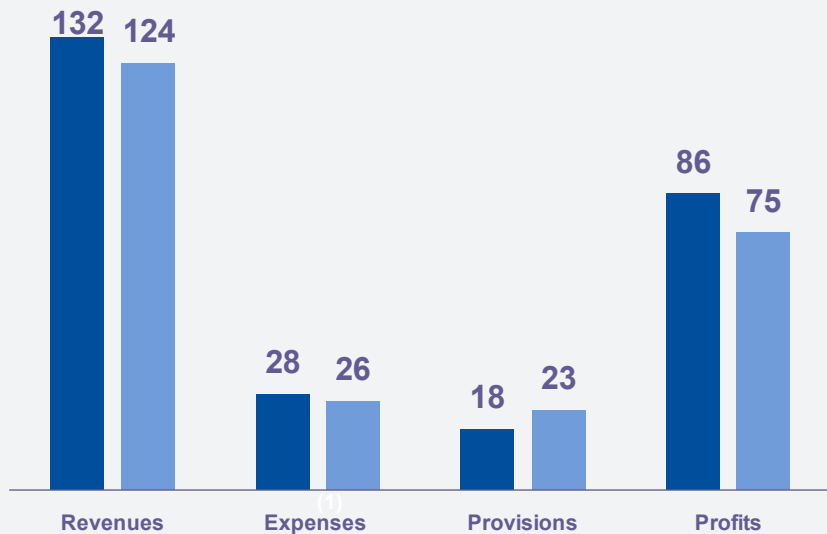


	<u>FY 09</u>		<u>1H 10</u>
- Cost to Income	44.1%	→	38.5%
- Return on Equity	3.7%	→	-8.9%
- Return on RWA	0.34%	→	-0.82%

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

2Q10/1Q10 growth

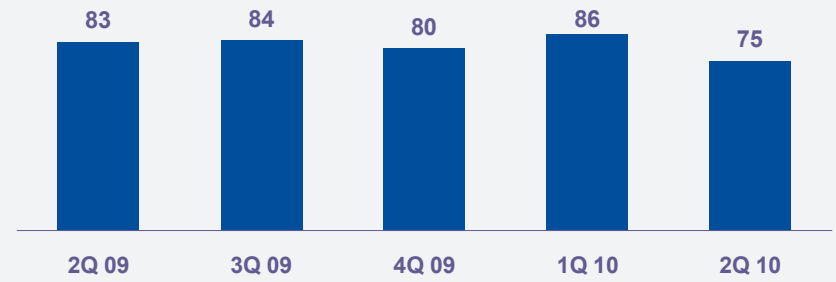
-6%                      -6%                      32%                      **-13%**



■ 1Q 10  
■ 2Q 10

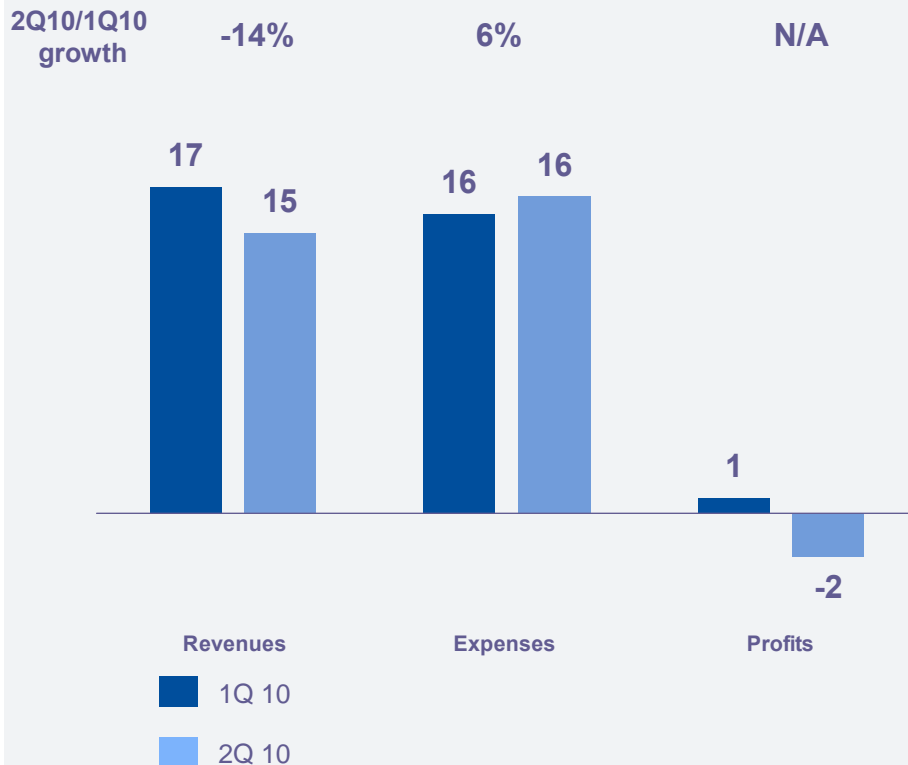
Figures in € m.

## Quarterly PBT evolution (€ m)



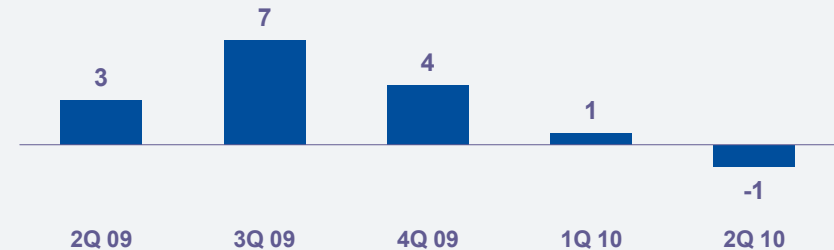
	<u>FY 09</u>		<u>1H 10</u>
- Cost to Income	24.2%	→	21.0%
- Return on Equity	26.2%	→	23.4%
- Return on Rwa	2.03%	→	1.89%

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



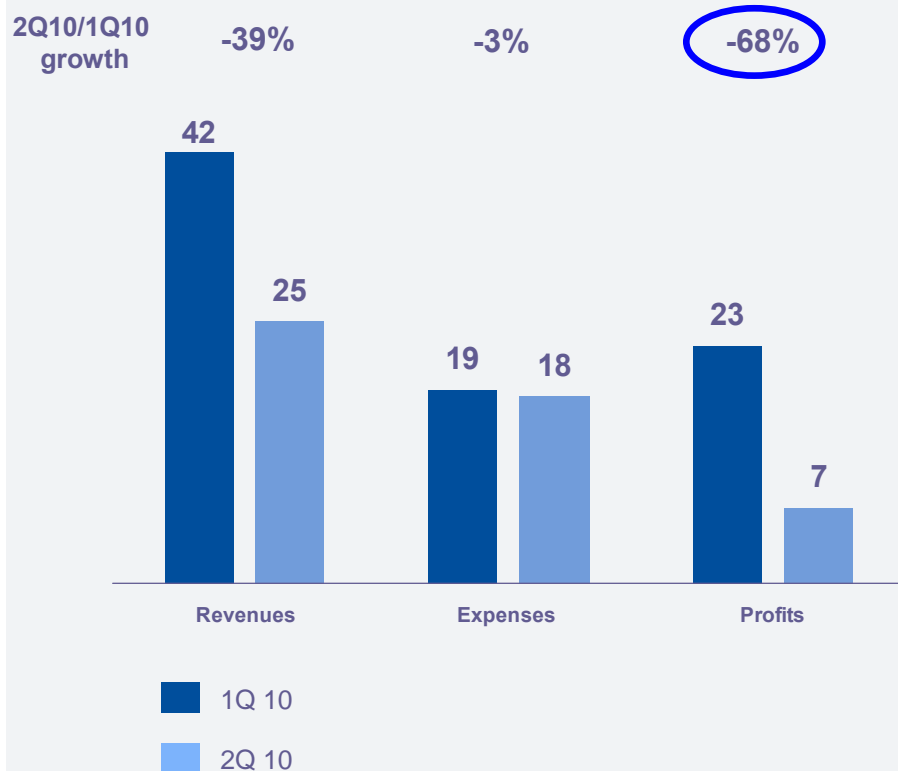
Figures in € m.

## Quarterly PBT evolution (€ m)



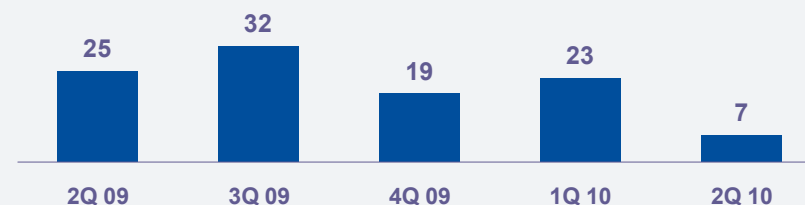
	<u>FY 09</u>		<u>1H 10</u>
- Cost to Income	79.0%	→	101.7%
- Return on Equity	10.9%	→	-1.8%

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



Figures in € m.

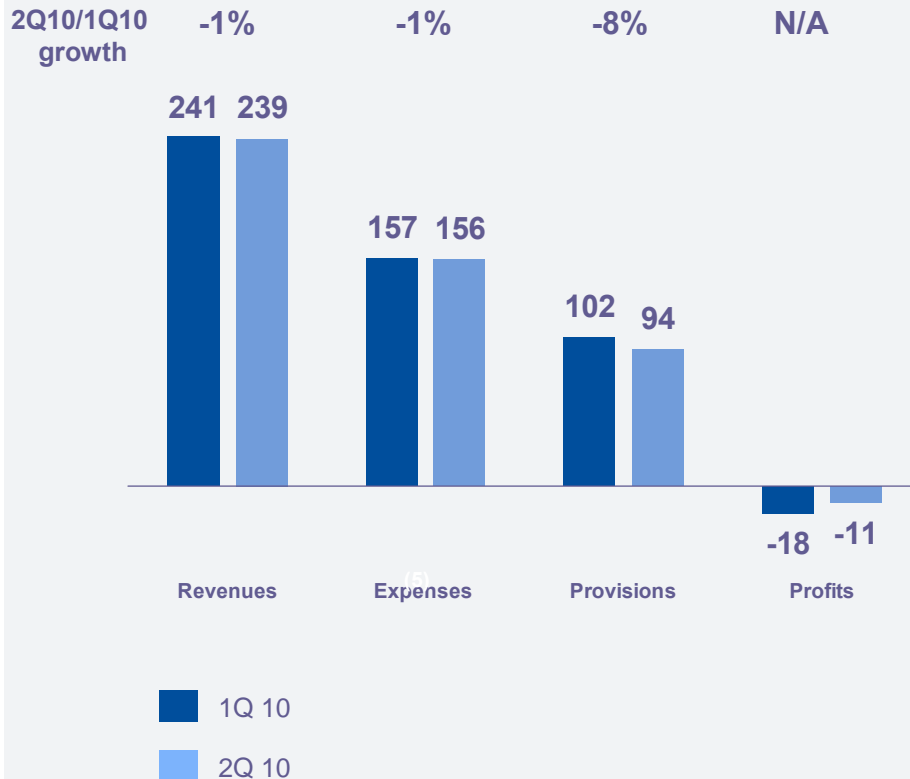
## Quarterly PBT evolution (€ m)



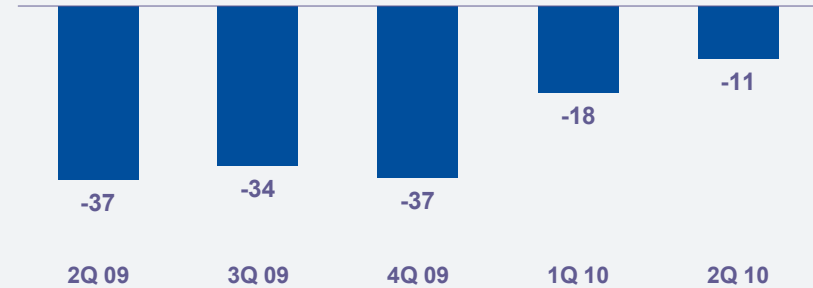
	<u>FY 09</u>	<u>1H 10</u>
- Cost to Income	41.2%	→ 54.9%
- Return on Equity	23.7%	→ 15.7%

**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.





## Quarterly PBT evolution (€ m)



	<u>FY 09</u>		<u>1H 10</u>
- Cost to Income	68.4%	→	65.1%
- Return on Rwa	0.75%	→	-0.41%



# Appendices

Financial Ratios	1H10	1H09
Net Interest Margin	2.69%	2.72%
Cost-Income	46.7%	49.1%
NPLs (% of loans)	6.3%	4.1%
NPLs coverage	54%	66%
Provision Charge (% of net loans)	2.42%	1.98%
Tier I Ratio	10.6%	10.2%
Total Capital Adequacy	11.8%	12.1%
ROA after tax	0.2%*	0.4%
ROE after tax and minorities	0.9%*	7.3%
EPS (€, annualised)	0.08*	0.61

\* before € 45m one-off tax on prior year's revenues

Summary Figures (€ m)	1H 10	1H 09	Δ%	New Europe
Net Interest Income	1,152.7	1,133.9	1.7%	388.4
Net fees & Commissions	215.3	196.6	9.5%	89.8
Insurance and non banking fees	37.8	36.9	2.4%	4.2
<b>Total Operating Income</b>	<b>1,501.6</b>	<b>1,475.8</b>	<b>1.8%</b>	<b>499.4</b>
Operating Expenses	701.7	724.5	-3.2%	299.6
Impairment	681.6	549.8	24.0%	196.1
Profit before tax	116.5	203.2	-42.7%	3.6
<b>Net Profit</b>	<b>95.1*</b>	<b>168.6</b>	<b>-43.6%</b>	<b>11.7</b>
<b>Portfolio of Loans (Gross, € m)</b>				
Consumer Loans	9,499	10,998	-13.6%	2,735
Mortgages	16,537	14,561	13.6%	5,378
<b>Loans to Households</b>	<b>26,035</b>	<b>25,559</b>	<b>1.9%</b>	<b>8,113</b>
Small Business Loans	9,123	9,062	0.7%	1,968
Loans to Medium-Sized Enterprises	12,189	11,305	7.8%	2,086
Loans to Large Corporates	11,261	10,479	7.5%	3,247
<b>Business Loans</b>	<b>32,573</b>	<b>30,846</b>	<b>5.6%</b>	<b>7,301</b>
<b>Total Gross Loans</b>	<b>58,608</b>	<b>56,405</b>	<b>3.9%</b>	<b>15,414</b>

\* before € 45m one-off tax on prior year's revenues

# Key figures of New Europe operations

Page 37



		Romania	Bulgaria	Serbia	Cyprus	Poland	Turkey	Ukraine	NE	Δ yoy%
<b>Balance Sheet</b>	Total Assets	5,814	3,927	1,736	2,171	5,683	2,599	903	22,849	+8.0%
	Total Loans	3,406	3,066	1,114	733	5,076	1,347	672	15,415	+8.6%
	Total Deposits	1,809	1,870	731	1,745	2,602	886	354	9,996	+3.9%
<b>P&amp;L</b>	Operating Income	167.3	83.2	51.3	24.5	100.7	53.9	17.3	499.4	+5.2%
	Operating Expenses	(86.8)	(44.8)	(30.6)	(8.1)	(70.4)	(36.0)	(21.7)	(299.6)	0.5%
	Profit before tax (before MI)	8.9	1.8	10.5	15.4	(23.1)	12.3	(22.2)	3.6	NA
	Profit after tax and minorities	10.7	4.8	10.5	13.8	(18.4)	10.3	(20.0)	11.7	NA
<b>Resources</b>	Retail network	286	209	118	-	328	7	88	1,036	
	Wholesale network	16	9	10	5	7	40	4	91	

€ m.

# 1H 2010 – Summary per Segment

(€ m)	Retail	Corporate	Wealth Management	Global & Capital Markets	Capital & Other	Elimination Center	New Europe	Total
Interest income	559.8	228.6	1.0	16.4	-25.2	0.0	372.1	1,152.7
Net fee & commission income	32.5	32.7	24.2	35.0	1.08	0.0	89.8	215.3
Net Insurance income	0.0	0.0	21.0	0.0	0.0	0.0	-0.2	20.7
Non Banking services	1.0	0.0	0.0	0.0	11.6	0.0	4.4	17.0
Other income	14.0	-8.7	1.3	33.6	38.6	0.0	16.9	95.9
Non-interest income	47.6	24.0	46.5	68.6	51.3	0.0	110.9	348.9
Fees Received/Paid	49.2	2.7	-16.0	-17.9	7.4	-22.2	-3.2	0.0
Gross Market Revenues	656.6	255.3	31.4	67.1	33.5	-22.2	479.8	1,501.6
Operating Expenses	-252.8	-53.6	-32.0	-36.8	-36.2	22.2	-312.5	-701.7
Loans Provisions	-443.7	-40.8	-0.9	0.0	0.0	0.0	-196.1	-681.6
Income from associates	-0.1	0.0	0.0	0.0	-1.8	0.0	0.0	-1.9
Minorities	0.0	0.0	0.0	0.0	-8.1	0.0	-0.8	-8.9
PBT attr. to Shareholders	-40.1	160.9	-1.4	30.3	-12.6	0.0	-29.6	107.6
% of Group PBT	-37.2%	149.6%	-1.3%	28.2%	-11.7%	0.0%	-27.5%	100.0%
Risk Weighted Assets	9,871	17,795	371	5,145	1,533	0	14,282	48,996
Allocated Equity	922	1,463	164	360	1,625	0	1,479	6,014
% of total	15.3%	24.3%	2.7%	6.0%	27.0%		24.6%	100%
Cost / Income	38.5%	21.0%	101.7%	54.9%	n.a	0	65.1%	46.7%
RoA (before tax)	-0.3%	1.8%	0.0%	0.3%	n.a	0	-0.3%	0.3%
ROAC (before tax)	-8.9%	23.4%	-1.8%	15.7%	n.a	0	-3.9%	3.5%

# 1H 2009 – Summary per Segment

(€ m)	Retail	Corporate	Wealth Management	Global & Capital Markets	Capital & Other	Elimination Center	New Europe	Total
Interest income	543.4	197.2	-2.1	25.4	-2.6	0.0	372.6	1,133.9
Net fee & commission income	23.5	23.1	21.5	55.9	-0.76	0.0	73.4	196.6
Net Insurance income	0.0	0.0	22.1	0.0	0.0	0.0	-0.2	21.9
Non Banking services	0.7	0.0	0.0	0.0	11.4	0.0	2.9	15.0
Other income	5.6	5.4	5.9	18.7	57.5	0.0	15.2	108.3
Non-interest income	29.8	28.5	49.4	74.6	68.1	0.0	91.4	341.8
Fees Received/Paid	35.7	11.3	-11.5	-17.8	7.1	-23.7	-1.1	0.0
Gross Market Revenues	609.0	237.1	35.7	82.3	72.7	-23.7	462.9	1,475.8
Operating Expenses	-283.0	-54.7	-30.0	-33.4	-30.9	23.7	-316.2	-724.5
Loans Provisions	-304.9	-21.4	-0.2	-1.8	0.0	0.0	-221.4	-549.8
Income from associates	0.5	0.0	0.0	0.0	1.1	0.0	0.0	1.7
Minorities	0.0	0.0	0.0	0.0	-10.9	0.0	5.6	-5.2
PBT attr. to Shareholders	21.6	161.0	5.5	47.0	32.0	0.0	-69.2	197.9
% of Group PBT	10.9%	81.3%	2.8%	23.7%	16.2%	0.0%	-35.0%	100.0%
Risk Weighted Assets	9,988	15,737	200	6,295	1,657	0	13,221	47,098
Allocated Equity	878	1,182	135	441	1,526	0	1,514	5,677
% of total	15.5%	20.8%	2.4%	7.8%	26.9%	0	26.7%	100%
Cost / Income	46.5%	23.1%	84.1%	40.6%	n.a	0	68.3%	49.1%
RoA (before tax)	0.2%	2.0%	0.1%	0.5%	n.a	0	-0.7%	0.5%
ROAC (before tax)	4.6%	27.1%	8.0%	22.0%	n.a	0	-9.1%	7.7%





This communication has been prepared by and is the sole responsibility of EFG. It has not been reviewed, approved or endorsed by any third party retained by EFG. This communication is provided for information purposes only. The contents of this communication do not constitute or form part of an offer to sell or issue or any solicitation of any offer to purchase or subscribe for any securities for sale or an inducement to enter into any other investment activity in any jurisdiction.

The information and opinions herein are reliable and have been obtained from sources believed to be reliable, but no representation or warranty, express or implied, is made with respect to the fairness, correctness, accuracy, reasonableness or completeness of such information and opinions. There is no obligation to update, modify or amend this communication or to otherwise notify any recipient if any information, opinion, projection, forecast or estimate set forth herein changes or subsequently becomes inaccurate.

The information herein includes statements that constitute forward-looking statements. Such forward looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ as a result of such risks and uncertainties.

This communication is only made to or directed at persons who (i) are outside the United Kingdom or (ii) have professional experience in matters relating to investments who fall within the definition of "investment professionals" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) are persons falling within Articles 49(2)(a) to (d) (high net worth bodies corporate, unincorporated associations, partnerships, trustees of high value trusts etc.) of the Order or (iv) are persons outside the United States (within the meaning of Regulation S under the United States Securities Act of 1933, as amended) and who are not U.S. persons (within the meaning of the aforesaid Regulation S) (all such persons being referred to as "Relevant Persons"). This communication must not be acted on or relied on by persons who are not Relevant Persons.

This communication and the information contained herein is confidential and may not be reproduced or distributed in whole or in part without the prior written consent of EFG. In particular, neither this communication nor any copy hereof may be taken or retransmitted in or into the United States or redistributed, directly or indirectly, in the United States. Any failure to comply with the aforementioned restrictions may constitute a violation of applicable securities laws.