EUROBANK Holdings

9M2021 – First Greek Bank to achieve single-digit NPE ratio

- Net profit[1] at €298m in 9M2021 and €103m in 3Q2021
  - Net profit[1] of SEE operations at €111m in 9M2021 and €37m in 3Q2021
- Core pre-provision income up by 4.1% y-o-y to €675m
- Cost of risk at 1.1%[2] in 9M2021
- Core operating profit at €357m in 9M2021, up 60.8% y-o-y
- Profit before tax[1] at €412m in 9M2021
- Single-digit NPE ratio at 7.3%[2]
- NPEs stock at €2.9bn, down €3.2bn y-o-y
- Provisions over NPEs at 72.8%, up 10.3 ppts y-o-y
- Agreement with doValue for Mexico securitization
- Total CAD 15.7%[3] and CET1 13.3%[3]
- New loan disbursements in Greece €5.3bn in 9M2021
- Customer Deposits up by €3.8bn in 9M2021

[1] Adjusted net profit.
[2] Pro-forma for Mexico senior notes recognition.
[3] Pro-forma for Mexico securitization.

November 25, 2021

"Eurobank's financial results for Q3 2021 represent a milestone for the Bank and for the Greek banking system. Our NPE ratio stands at 7.3%, the first time a Greek bank reports a single-digit ratio during the last 10 years, sending a strong signal of return to financial normalcy.

Having turned the corner on legacy issues, we are now focusing all our efforts to strengthening and expanding our business, while supporting Greece's main economic policy goals - shifting to a sustainable and inclusive growth model and returning to investment grade credit rating. Macroeconomic developments support this goal setting. The Greek economy is expected to grow more than 7% this year and retain a high pace in 2022. However, it is both important and feasible to keep the growth rate well above our Eurozone peers at an average of close to 4% for the next five years, making the most of the available EU funds and of the opportunity to attract significant foreign and local private capital for investments.

During the third quarter, Eurobank continued to perform solidly along every line, overshooting our guidance. Core pre provision income increased and core operating profits climbed by 61% on lower loan loss provisions. Net profit came at almost €300m for the nine months of the year, supported by our expanding international activities. Loan disbursements of €5.3bn in Greece for the first nine months of 2021 highlight our shift to growth mode and is expected to continue and gather pace. In 2021, we have seen total inflows of almost €4bn in private sector deposits. Households and businesses have considerable liquidity reserves that can fuel consumption and investments going forward.

Eurobank is the first Greek bank to leave behind the NPL problem. We are thus best placed and committed to make the most of the strong growth of the Greek economy and improving economic conditions in our core markets, supporting our clients to take advantage of the upward cycle and assisting the communities we serve to achieve sustainable and inclusive prosperity."

Fokion Karavias, CEO

EUROBANK Holdings

9M2021 Financial Results Review

Adjusted net profit amounted to €298m in the nine months of 2021 (9M2021), with **net profit after restructuring costs and other one-off items** reaching €216m. The bottom-line result includes €72m loss from the Mexico securitization. In more detail:

- **Net interest income** fell by 2.0% in 9M2021 to €1.0bn, mainly as a result of Cairo loans de-consolidation. **The net interest margin** receded to 1.90% in 9M2021, from 2.05% the respective period of 2020.

- **Net fee and commission income** expanded by 18.4% y-o-y in 9M2021 to €326m, mainly due to fees from network activities, rental income and lending business. Fee and commission income rose by 6.1% q-o-q to €117m and accounted for 65 basis points of total assets in 3Q2021.

- The increase in fee and commission income more than offset net interest income reduction, thus **core income** grew by 2.3% to €1,326m in 9M2021. **Other income** amounted to €66m in 9M2021, compared to €251m in 9M2020. As a result, **total operating income** totaled €1,391m in the period January-September 2021, down 10.0% y-o-y.

- **Operating expenses** were flat y-o-y in Greece and increased by 0.5% y-o-y for the Group to €650m in 9M2021. The **cost to income ratio** remained well below the 50% threshold at 46.8%.

- **Core pre-provision income** was up by 4.1% y-o-y and 0.8% q-o-q.

- **Pre-provision income** declined by 17.6% in 9M2021 and 3.9% in 3Q2021 due to lower other income.

- **Loan loss provisions** reached €318m in 9M2021 and corresponded to 113[4] basis points of the average net loans.

- **Core operating profit** stood at €357m in the period January-September, an increase of 60.8% compared to the respective period of 2020.

- **SEE operations** were profitable, as the **adjusted net profit** reached €111m in 9M2021 and €37m in 3Q2021. **Core pre-provision income** increased by 5.9% y-o-y and amounted to €192m, with **core operating profit** rising by 16.8% y-o-y to €137m.

- Following the **agreement with doValue** for the sale of a portion of mezzanine and junior Mexico securitization notes, the **NPE ratio** fell to the single-digit level of 7.3%[4] in 3Q2021, the lowest among Greek banks. The **stock of NPEs** decreased by €3.2bn y-o-y to €2.9bn at the end of September. The **NPE formation** was negative by €26m in 3Q2021. **Provisions over NPEs** increased to 72.8%. Closing and de-consolidation of Mexico NPEs will take place in 4Q2021.

- **CET1 and total CAD** reached 13.3%[5] and 15.7%[5] at September-end, against total SREP capital requirements of 6.2% and 11.0% respectively. The fully-loaded Basel III CET1 increased by 20 basis points q-o-q to 12.3%[5].

- **Risk weighted assets** amounted to €40.6bn[5] in 9M2021.

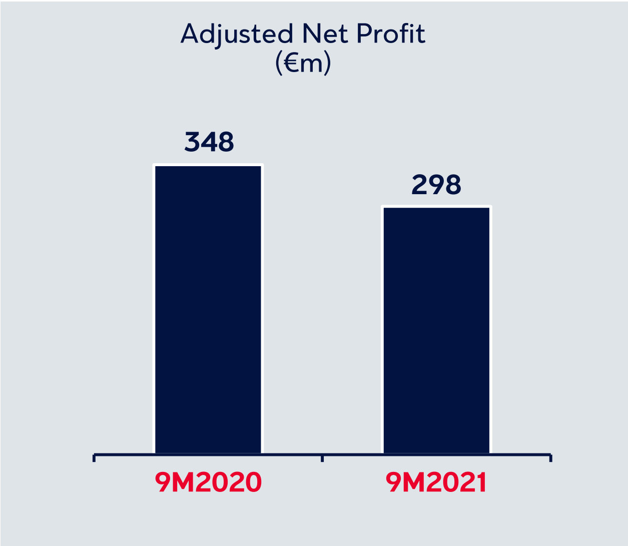
[4] Pro-forma for Mexico senior notes recognition.
[5] Pro-forma for Mexico securitization.

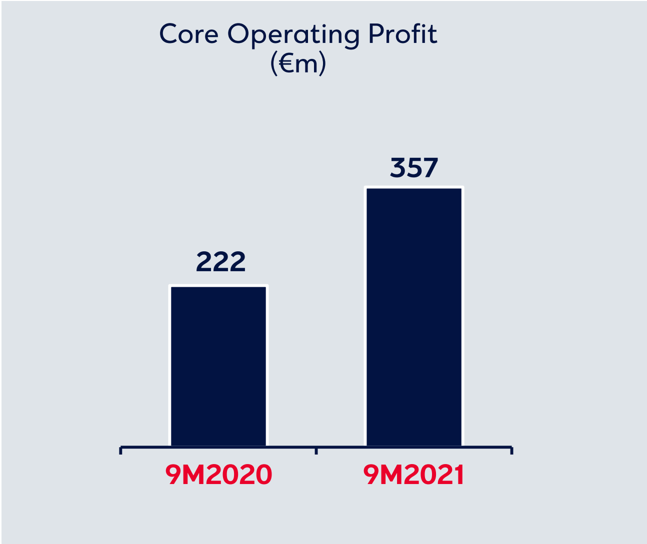
- **New loan disbursements in Greece** reached €5.3bn in 9M2021 και €1.9bn in 3Q2021. **Total gross loans** amounted to €39.8bn at the end of September, including senior notes of €5.1bn[6]. Corporate loans stood at €21.6bn, mortgages at €10.0bn and consumer loans at €3.1bn.

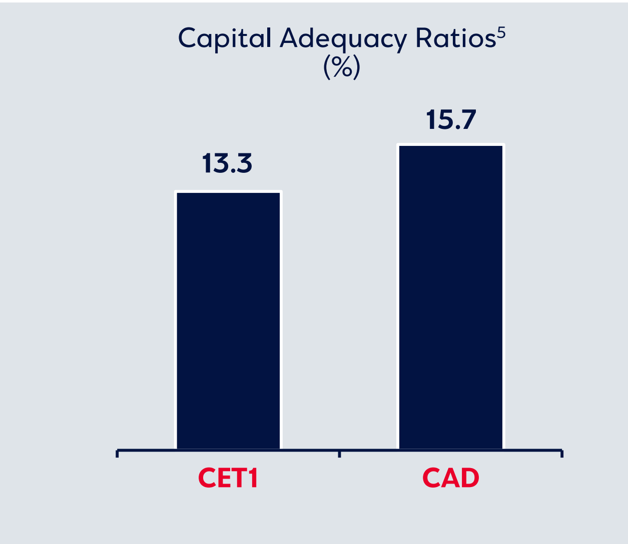
- **Customer deposits** rose by €3.8bn in 9M2021 and €1.4bn in 3Q2021. Savings and sight deposits amounted to €37.5bn, while time and other deposits stood at €13.6bn. The **loans to deposits ratio** further improved to 73.8%[6], from 75.4% in 2Q2021. The **liquidity coverage ratio** also improved to 168.2% in 3Q2021, from 166.4% in 2Q2021.

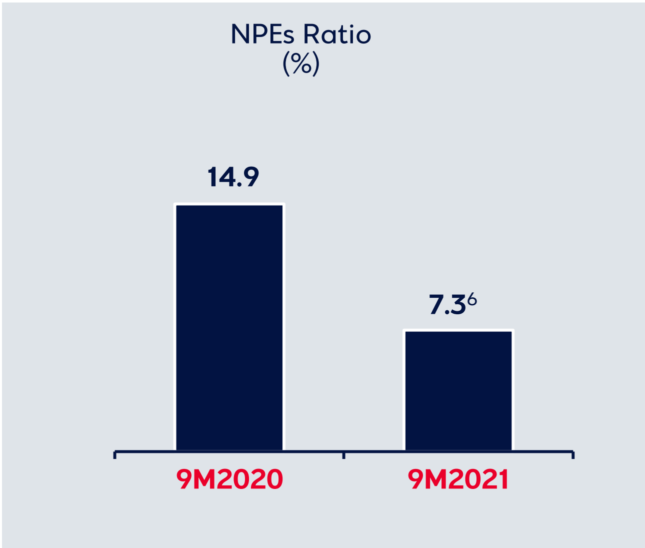
[6] Pro-forma for Mexico €1.6bn senior notes recognition.

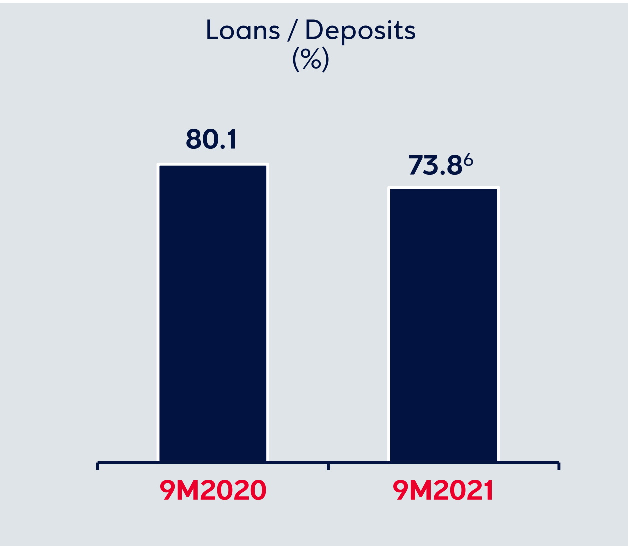
EUROBANK Holdings

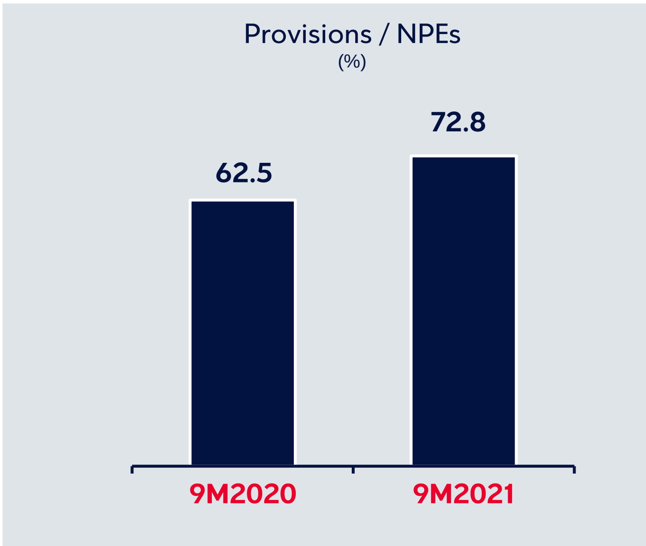












EUROBANK Holdings

P&L	9M2021	9M2020	Change
Net Interest Income	€1,000m	€1,020m	-2.0%
Net Fee & Commission Income	€326m	€275m	18.4%
Total Operating Income	€1,391m	€1,546m	-10.0%
Total Operating Expenses	€650m	€647m	0.5%
Core Pre-Provision Income	€675m	€648m	4.1%
Pre-Provision Income	€741m	€899m	-17.6%
Loan Loss Provisions	€318m	€427m	-25.3%
Core Operating Profit	€357m	€222m	60.8%
Adjusted Net Profit	€298m	€348m	-14.6%
Net Income after tax	€216m	-€1,081m	

Balance Sheet	9M2021	9M2020
Consumer Loans	€3,053m	€3,531m
Mortgages	€10,006m	€11,717m
Small Business Loans	€3,764m	€4,203m
Large Corporates & SMEs	€17,804m	€17,723m
Senior Notes	€3,503m	€3,506m
Total Gross Loans	€38,161m	€40,722m
Total Customer Deposits	€51,136m	€46,156m
Total Assets	€73,374m	€67,454m

Financial Ratios	9M2021	9M2020
Net Interest Margin	1.90%	2.05%
Cost to Income	46.8%	41.9%
NPEs Ratio	7.3%[4]	14.9%
Provisions / NPEs	72.8%	62.5%
Provisions to average Net Loans (Cost of Risk)	1.13%[4]	1.51%
Common Equity Tier 1 (CET1)	13.3%[5]	13.2%
Total Capital Adequacy (CAD)	15.7%[5]	15.6%

Glossary - Definition of Alternative Performance Measures (APMs) and other selected financial measures/ ratios

- **Adjusted net profit**: Net profit/loss from continuing operations after deducting restructuring costs, goodwill impairment, gains/losses related to the transformation plan and income tax adjustments.
- **Basic Earnings per share (EPS)**: Net profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.
- **Common Equity Tier 1 (CET1)**: Common Equity Tier I regulatory capital as defined by Regulation (EU) No 575/2013 as in force, based on the transitional rules for the reported period, divided by total Risk Weighted Assets (RWA).
- **Core Operating Profit**: Core pre-provision income minus loan loss provisions.
- **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.
- **Cost to Income ratio**: Total operating expenses divided by total operating income.
- **Fees and commissions**: The total of net banking fee and commission income and income from non banking services of the reported period.
- **Fully loaded Common Equity Tier I (CET1)**: Common Equity Tier I regulatory capital as defined by Regulation No 575/2013 as in force, without the application of the relevant transitional rules, divided by total RWA.
- **Income from trading and other activities**: The total of net trading income, gains less losses from investment securities and other income/ (expenses) of the reported period.
- **Loans to Deposits ratio**: Loans and advances to customers at amortised cost divided by due to customers at the end of the reported period.
- **Liquidity Coverage Ratio (LCR)**: The total amount of high quality liquid assets over the net liquidity outflows for a 30-day stress period.
- **Net Interest Margin (NIM)**: The net interest income of the reported period, annualised and divided by the average balance of continued operations' total assets (the arithmetic average of total assets, excluding discontinued operations' assets, at the beginning and the end of the reported period as well as at the end of interim quarters).
- **Non-performing exposures (NPEs)**: Non Performing Exposures (in compliance with EBA Guidelines) are the Group'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. The NPEs, as reported herein, refer to the gross loans at amortised cost except for those that have been classified as held for sale.
- **NPEs formation**: Net increase/decrease of NPEs in the reported period excluding the impact of write offs, sales and other movements.
- **NPEs Coverage ratio**: Impairment allowance for loans and advances to customers, including impairment allowance for credit related commitments (off balance sheet items), divided by NPEs at the end of the reported period.
- **NPEs ratio**: Non Performing Exposures (NPEs) divided by gross loans and advances to customers at amortised cost at the end of the reported period.
- **Pre-Provision Income (PPI)**: Profit from operations before impairments, provisions and restructuring costs as disclosed in the financial statements for the reported period.

- **Provisions (charge) to average Net Loans ratio (Cost of Risk)**: Impairment losses relating to loans and advances charged in the reported period, annualised and divided by the average balance of loans and advances to customers at amortised cost (the arithmetic average of loans and advances to customers at amortised cost, including those that have been classified as held for sale, at the beginning and the end of the reported period, as well as at the end of interim quarters).

- **Return on tangible book value (RoTBV)**: Adjusted net profit divided by average tangible book value.

- **Tangible Book Value (TBV)**: Total equity excluding preference shares, preferred securities and non controlling interests minus intangible assets.

- **Tangible Book Value/Share (TBV/S)**: Tangible book value divided by outstanding number of shares as at period end excluding own shares.

- **Texas Ratio**: Non-performing exposures (NPEs) divided by the sum of impairment losses relating to loans and advances and Common Equity Tier 1.

- **Total Capital Adequacy ratio**: Total regulatory capital as defined by Regulation (EU) No 575/2013 as in force, based on the transitional rules for the reported period, divided by total Risk Weighted Assets (RWA). The RWA are the Group'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.

EUROBANK ERGASIAS SERVICES AND HOLDINGS S.A.
General Commercial Registry No: 000223001000

CONSOLIDATED BALANCE SHEET

	In € million	
	30 Sep 2021	31 Dec 2020
ASSETS		
Cash and balances with central banks	**11,288**	6,637
Due from credit institutions	**2,795**	3,336
Derivative financial instruments	**2,046**	2,552
Loans and advances to customers	**36,108**	37,424
Investment securities	**9,908**	8,365
Property and equipment	**809**	778
Investment property	**1,459**	1,459
Goodwill and other intangible assets	**270**	254
Deferred tax assets	**4,437**	4,526
Other assets	**2,550**	2,358
Assets of disposal groups classified as held for sale	**1,704**	39
Total assets	**73,374**	67,728
LIABILITIES		
Due to central banks	**8,745**	7,999
Due to credit institutions	**1,544**	1,502
Derivative financial instruments	**2,393**	2,939
Due to customers	**51,136**	47,290
Debt securities in issue	**2,535**	1,556
Other liabilities	**1,551**	1,197
Total liabilities	**67,904**	62,483
EQUITY		
Share capital	**816**	815
Share premium, reserves and retained earnings	**4,654**	4,430
Total equity	**5,470**	5,245
Total equity and liabilities	**73,374**	67,728

CONSOLIDATED INCOME STATEMENT

	In € million	
	1 Jan - 30 Sep 2021	1 Jan - 30 Sep 2020
Net interest income	**1,000**	1,020
Net banking fee and commission income	**253**	213
Income from non banking services	**73**	63
Gains less losses from investment securities	**71**	233
Other income/(expenses)	**(6)**	236
of which gain on "FPS" disposal		*219*
Operating income	**1,391**	1,765
Operating expenses	**(650)**	(647)
Profit from operations before impairments, provisions and restructuring costs	**741**	1,118
Impairment losses relating to loans and advances to customers	**(390)**	(1,935)
of which loss on projects "Mexico" and "Cairo" in 2021 and 2020, respectively	*(72)*	*(1,509)*
Other impairment losses and provisions	**(25)**	(24)
Restructuring costs	**(13)**	(135)
Share of results of associates and joint ventures	**14**	22
Profit/(loss) before tax	**327**	(954)
Income tax	**(111)**	(127)
Net profit/(loss) attributable to shareholders	**216**	(1,081)

Note:
The Interim Consolidated Financial Statements for the nine months ended 30 September 2021 will be published on 26 November 2021.