EUROBANK Holdings

1H2022 Financial Results

- ✓ Core operating profit at €380m, up 71.7% y-o-y
- ✓ Tangible book value per share at €1.60, up €0.18 in 1H2022
- ✓ Total CAD at 17.0%[1], up 140bps y-o-y - FLCET 1 at 14.0%[1], up 190 bps y-o-y
- ✓ SEE net profit[2] at €102m, up 38.8% y-o-y
- ✓ NPE ratio at 5.9%[3] - Provisions over NPEs at 71.5%
- ✓ Net NPEs at €0.7bn
- ✓ Cost of risk at 64bps
- ✓ Loans to Deposits ratio at 75.0%
- ✓ FY2022 Business Plan revised upwards: RoTBV[4] at c.11%

[1] Pro-forma for Solar securitization held for sale. CAD impact -20bps, no impact on FL CET1 & CET1. Reported CAD 17.2%. Including period profits, subject to AGM approval.
[2] Adjusted net profit.
[3] Pro-forma for Solar senior note recognition.
[4] Adjusting net profit of the year by normalizing other income and excluding Triangle gain and restructuring costs.

“We are in a period in which there is a sense of foreboding in the global and European economy. Geopolitical risks and energy supply concerns have increased, while supply chain disruption continues. Interest rate increases may dampen growth prospects. Major economies may enter into recession, with heightened asset quality risks for the European banking sector.

Against this backdrop, Greece shows a better outlook. Growth is seen at 4% or higher for the full year, on the back of a record-breaking tourism season, lower unemployment and strong investment flows.

Eurobank’s results for 2022H1 confirm the business model and the bank’s potential after the clean-up of the balance sheet. We exceeded our targets in all lines and across every sector of activity. As a result, core operating profit rose by 72% and tangible book value per share increased by 18 cents in the first half to 1.60 euro through organic profitability, exceptional trading profits and the merchant acquiring business sale. International activities, a key component of our diversified income stream, continue their sustainable performance showing close to 40% net profit increase from last year. This strong set of results allows us to revise upwards our goals for 2022, including the return on equity which should now exceed the 10% initial target.

As Greece enjoys a post-pandemic acceleration, we dedicate all our efforts to supporting growth and assisting our clients, households and notably businesses, in their drive. During the first six months of 2022, we disbursed more than 5 billion euros in new loans, with major new deals for large infrastructure and private investment projects, while we continue to lead the market in almost every segment of retail banking.

Overall, although next year could prove more challenging, we are confident that we have built a strong franchise, able to withstand external adversities and create value for all stakeholders.”

Fokion Karavias, CEO

1H2022 Financial Results Review

The operating performance of Eurobank in 1H2022 was robust with the **adjusted profit after tax** increasing to €760m, from €195m the respective period of 2021. The **EPS** stood at €0.25, from €0.05 in 1H2021 and the **return on tangible book value**[5] increased to 27.5%, from 7.7% a year ago. In more detail:

- **Net interest income** rose by 4.5% y-o-y in 1H2022 to €700m, against €670m in 1H2021.
- **Net fee and commission income** expanded by 22.4% y-o-y to €256m, mainly due to fees from lending activities, Network operations and cards business. Fee and commission income accounted for 65 basis points of total assets, compared to 61 basis points in 1H2021.
- As a result of the above, **core income** grew by 8.8% y-o-y to €956m in 1H2022. **Other income** climbed to €572m, from €45m in 1H2021, mainly due to trading gains from hedging instruments. Thus, **total operating income** increased by 65.4% y-o-y to €1,528m in 1H2022.
- **Operating expenses** were up by 3.9% y-o-y to €450m due to SEE operations, while in Greece they remained flat. The **cost to core income ratio** improved to 47.1% in 1H2022, from 49.3% a year ago, while the **cost to income ratio** substantially declined to 29.5%, due to high trading gains.
- **Core pre-provision income** was up by 13.5% y-o-y to €506m and **pre-provision income** more than doubled to €1,078m.
- **Loan loss provisions** reached €126m in 1H2022 and corresponded to 64 basis points of the average net loans.
- As a result of the above, **core operating profit** increased by 71.7% y-o-y to €380m in 1H2022, compared to €221m in 1H2021.
- **Adjusted profit before tax** amounted to €933m and **adjusted net profit** totaled €760m in 1H2022. **Net profit after tax** stood at €941m, compared to €190m in 1H2021 and include gains from the completion of the spin-off of the merchant acquiring business (project "Triangle").
- **SEE operations** were profitable, as the **adjusted net profit** reached €102m in the first six months of the current year, from €73m the respective period of 2021. **Core pre-provision income** increased by 11.5% y-o-y and amounted to €142m, with **core operating profit** rising by 41.7% y-o-y to €127m in 1H2022. Circa 45% of net profit came from the operations in Bulgaria and 44% from those in Cyprus.
- The **NPE ratio** fell to 5.9%[6] at the end of June and the **stock of NPEs** decreased to €2.5bn or €0.7bn after provisions. **NPE formation** was negative by €6m in 1H2022. **Provisions over NPEs** increased from 63.3% in 1H2021 to 71.5%.
- **CET1** and **Total CAD** reached 14.7%[7] and 17.0%[7], up 150 bps and 140 bps respectively over 1H2021. These ratios are substantially higher than the respective 2022 total SREP capital requirements of 6.2% and 11.0%. The **fully-loaded Basel III CET1** ratio grew to 14.0%[6], from 12.1% a year ago.
- **Tangible book value per share** increased by €0.18 in 1H2022 to €1.60.

[5] Adjusted net profit.
[6] Pro-forma for Solar senior note recognition.
[7] Pro-forma for Solar securitization held for sale. CAD impact -20bps, no impact on FL CET1 and CET1. Reported CAD 17.2%. Including period profits, subject to AGM approval.

- At the end of the first half 2022, **Risk weighted assets** amounted to €41.7bn and **total assets** stood at €80.2bn

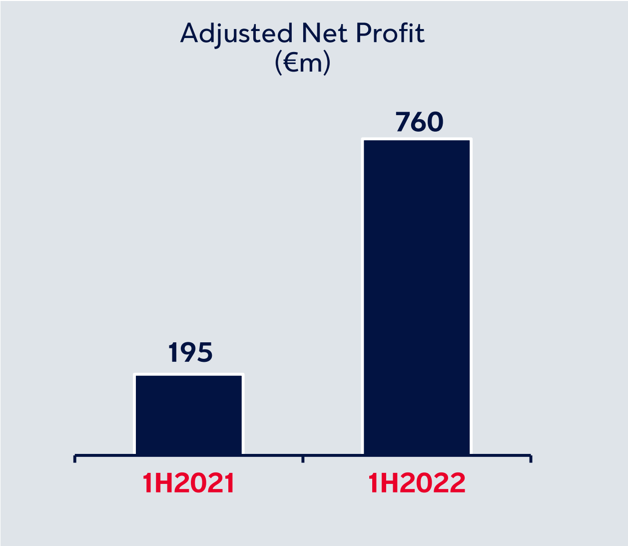
- **New loan disbursements in Greece** reached €5.2bn in 1H2022. **Group performing loans** grew organically by €1.6bn in 1H2022. **Total gross loans** amounted to €42.3bn at the end of June, including senior notes of €5.0bn. Corporate loans stood at €23.8bn, mortgages at €10.2bn and consumer loans at €3.4bn.

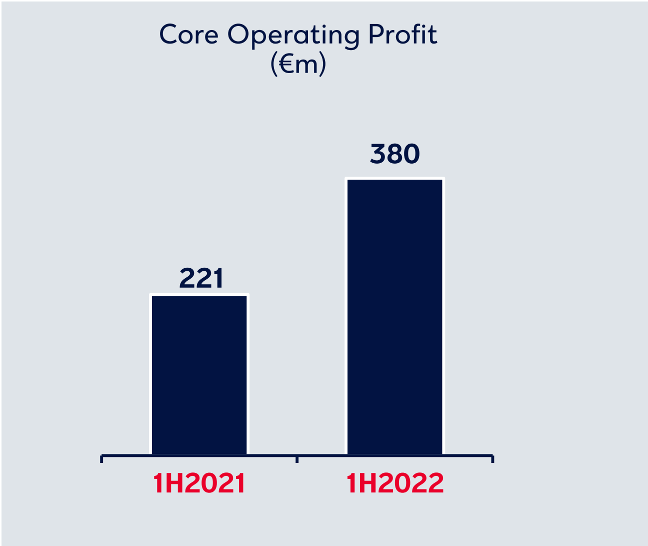
- **Customer deposits** grew by €0.8bn in 1H2022 to €54.0bn. The **loans to deposits ratio** was 75.0% and the **liquidity coverage ratio** 174.3% in 1H2022.

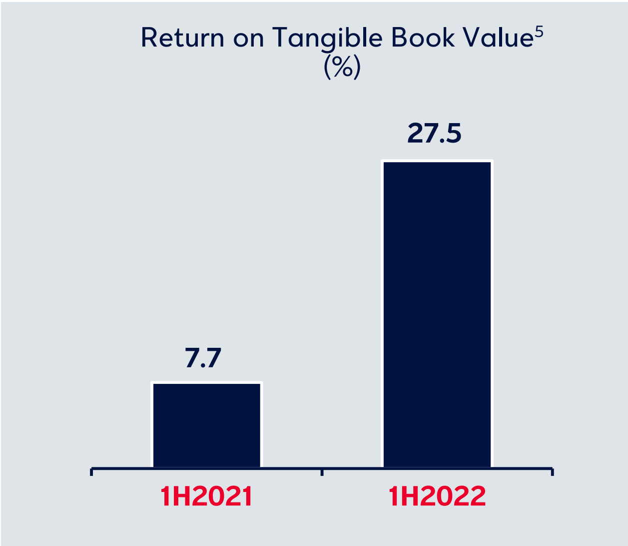
- As a result of the 1H2022 robust performance, **the FY2022 Business Plan** is revised upwards as follows:

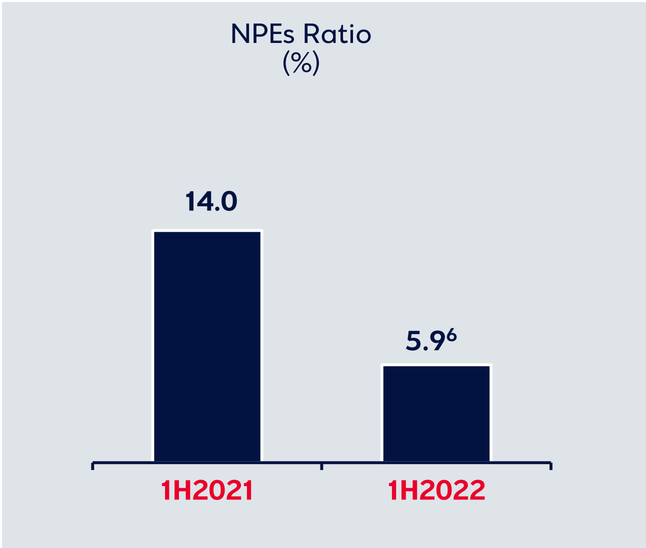
	FY2022 Revised Business Plan	FY2022 Initial Business Plan
Organic Growth of Performing Loans	c.€2.9bn	c.€2.3bn
Core Pre Provision Income	>€1.0bn	c.€865m
Core Operating Profit	c.€750m	c.€610m
RoTBV	c.11%[8]	c.10%[8]
EPS	€0.16[8]	€0.14[8]
Cost of Risk	0.65%	0.65%
NPE ratio	5.8%	5.8%
Provisions over NPEs	64.0%	64.0%
FLB3 CET1[9]	14.2%	13.6%
CAD[9]	17.0%	16.4%

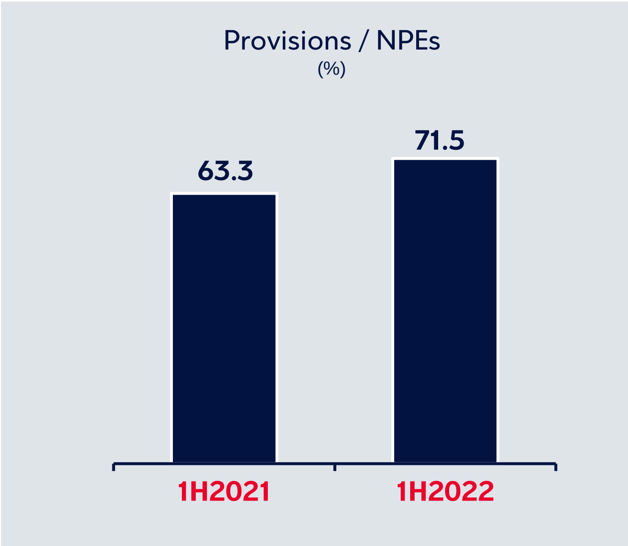
[8] Adjusting net profit of the year by normalizing other income and excluding Triangle gain and restructuring costs.
[9] Including period profits, subject to AGM approval.

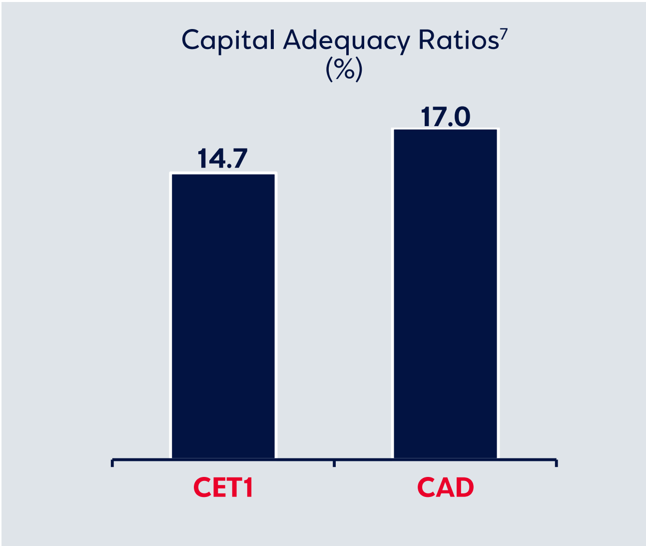

Adjusted Net Profit
(€m)
195
760
1H2021
1H2022


Core Operating Profit
(€m)
221
380
1H2021
1H2022


Return on Tangible Book Value[5]
(%)
7.7
27.5
1H2021
1H2022


NPEs Ratio
(%)
14.0
5.9[6]
1H2021
1H2022


Provisions / NPEs
(%)
63.3
71.5
1H2021
1H2022


Capital Adequacy Ratios[7]
(%)
14.7
17.0
CET1
CAD

Financial Results

P&L	1H2022	1H2021	Change
Net Interest Income	€700m	€670m	4.5%
Net Fee & Commission Income	€256m	€209m	22.4%
Total Operating Income	€1,528m	€924m	65.4%
Total Operating Expenses	€450m	€433m	3.9%
Core Pre-Provision Income	€506m	€446m	13.5%
Pre-Provision Income	€1,078m	€491m	>100%
Loan Loss Provisions	€126m	€224m	(43.9%)
Core Operating Profit	€380m	€221m	71.7%
Adjusted Net Profit	€760m	€195m	>100%
Net Income after tax	€941m	€190m	>100%

Balance Sheet	1H2022	1H2021
Consumer Loans	€3,372m	€3,421m
Mortgages	€10,173m	€11,488m
Small Business Loans	€3,858m	€4,501m
Large Corporates & SMEs	€19,896m	€18,136m
Senior Notes	€4,985m	€3,503m
Total Gross Loans	€42,266m	€41,083m
Total Customer Deposits	€53,996m	€49,742m
Total Assets	€80,180m	€70,859m

Financial Ratios	1H2022	1H2021
Net Interest Margin	1.79%	1.94%
Cost to Income	29.5%	46.9%
NPEs Ratio	5.9%	14.0%
Provisions / NPEs	71.5%	63.3%
Provisions to average Net Loans (Cost of Risk)	0.64%	1.20%
Return on Tangible Book Value[5]	27.5%	7.7%
Earnings per Share	€0.25	€0.05
Common Equity Tier 1 (CET1)	14.7%[7]	13.2%
Total Capital Adequacy (CAD)	17.0%[7]	15.6%

July 29, 2022

EUROBANK Holdings

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
Holdings

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

CONSOLIDATED BALANCE SHEET

	In € million	
	30 Jun 2022	31 Dec 2021
ASSETS		
Cash and balances with central banks	**14,456**	13,515
Due from credit institutions	**1,098**	2,510
Derivative financial instruments	**1,880**	1,949
Loans and advances to customers	**40,533**	38,967
Investment securities	**12,777**	11,316
Property and equipment	**816**	815
Investment property	**1,397**	1,492
Intangible assets	**284**	269
Deferred tax assets	**4,298**	4,422
Other assets	**2,641**	2,597
Total assets	**80,180**	77,852
LIABILITIES		
Due to central banks	**11,604**	11,663
Due to credit institutions	**1,197**	973
Derivative financial instruments	**1,818**	2,394
Due to customers	**53,996**	53,168
Debt securities in issue	**3,100**	2,552
Other liabilities	**2,152**	1,467
Total liabilities	**73,867**	72,217
EQUITY		
Share capital	**816**	816
Share premium, reserves and retained earnings	**5,402**	4,723
Non controlling interests	**95**	96
Total equity	**6,313**	5,635
Total equity and liabilities	**80,180**	77,852

CONSOLIDATED INCOME STATEMENT

	In € million	
	1 Jan - 30 Jun 2022	1 Jan - 30 Jun 2021
Net interest income	**700**	670
Net banking fee and commission income	**207**	161
Income from non banking services	**49**	48
Net trading income/(loss)	**627**	(6)
Gains less losses from investment securities	**(21)**	50
Other income/(expenses)	**291**	1
of which gain on project "Triangle"	***325***	-
Operating income	**1,853**	924
Operating expenses	**(450)**	(433)
Profit from operations before impairments, provisions and restructuring costs	**1,403**	491
Impairment losses relating to loans and advances to customers	**(126)**	(224)
Other impairment losses and provisions	**(33)**	(10)
Restructuring costs	**(68)**	(7)
Share of results of associates and joint ventures	**14**	6
Profit before tax	**1,190**	256
Income tax	**(250)**	(66)
Net profit	**940**	190
Net profit/(loss) attributable to non controlling interests	**(1)**	0
Net profit attributable to shareholders	**941**	190

Note:
The Interim Financial Report for the six months ended 30 June 2022, including the Independent Auditor's Report on Review of Condensed Interim Financial Information, will be published on 5 August 2022.