

PRESS RELEASE
First-quarter 2006 results

Net profit at €52,1 m. up 113%

«The performance in first quarter 2006 reflects the results of our consistent efforts to restructure and develop the Group. Our branch network operates with increasing efficiency, resulting in revenue enhancement, improving profitability and strengthening our competitive position. The forthcoming privatization should reinforce this positive outlook, terminating any uncertainty as to the Group's future.»

George Provopoulos, Chairman and Chief Executive Officer

FIRST-QUARTER 2006 RESULTS

Key figures			
(€ m)	1Q06	1Q05	Δ (%)
Net interest income	175.3	152.9	14.7%
Fee and commission income	42.6	38.7	10.0%
Operating income	264.6	214.0	23.7%
Staff expenses	99.3	98.9	0.5%
Operating expenses	155.5	149.3	4.2%
Provisions	33.8	28.1	20.5%
Earnings after tax	52.1	24.5	112.5%
Earnings per share (EPS) (€)	0.39	0.23	69.6%
Ratios			Δ (bps)
Cost to income	58.8%	69.8%	-1.100
Return on assets (RoA)	1.3%	0.5%	+78

In the first quarter 2006 (1Q06), **profit attributable to shareholders** stood at €52.1m, increased by 112.5% over the respective period last year. The following factors contributed **positively** to this development:

- The increase of net interest income by 14.7%. However, if the respective balance of 1Q05 would be adjusted for the impact of pension restructuring, net interest income would increase by 20.1%
- The disposal of a venture capital participation (€13.8 million capital gain before tax)
- The marginally positive contribution of Phoenix, supported by trading income.

In contrast, profitability was **negatively** affected by the following factors:

- The full write-off of our participation in the Phosphoric Fertilisers Industry (€4.2 million impairment charge)
- The negative charge in other operating expenses from the settlement of outstanding issues (€2.3 million charge before tax)

Net interest income stood at €175.3m, increased by 14.7%, with net interest margin expanding to 3.42% vs. 3.27% in the respective period last year. Adjusting 1Q05 net interest income for the portion of the pension related interest expense €27.8m that was charged against the 4Q06 results, the net interest income growth increases to 20.1%. This growth level reflects the expansion of the liability margin and the increased focus of the loan portfolio growth towards retail banking with margins developing at expected levels.

Net fee and commission income increased by 10.0% standing at €42.6 million. Reported growth reflects primarily the efforts to reposition the group in investment banking and securities business and the increase of the loan portfolio.

Net income from insurance operations stood at €5.4 million registering a 52.5% decrease over the respective period last year. This decline is driven by the reduction in the income from insurance operations as a result of the ongoing strategy of Phoenix for selective underwriting in the motor third party liability sector and ongoing efforts to contain insurance related costs.

Income from financial transactions stood as €13.6 million in 1Q06 vs. €7.0 million in the respective period last year reflecting favourable capital markets condition during the reporting period. **Income from investment securities** stood as €19.2 million from nil last year mainly as a result of the disposal of a venture capital participation generating a €13.7 million capital gain.

Operating costs rose by 4.2%. Efficiency ratio (operating costs to operating income) registered a significant improvement to 58.8% vs. 69.8% in 1Q05 and 85.6% in the respective period of 2004.

More particularly, **personnel costs** increased marginally (+0.5%), as a result of voluntary retirement programs implemented in the group as well as voluntary departures of employees that have met the TEAPETE retirement conditions. Group personnel stood at 7,655 people, as of 31 March 2006, reduced by 3% (228 people) over the respective period last year.

Other operating expenses increased by 13.4% over the respective quarter in 2005 including a €2.3 million charge for the settlement of certain outstanding legacy issues and also reflecting a smoothing effort of the expenses during the remaining quarters of the year.

Provisions stood at €33.8 million increased by 20.5% over the respective period last year and represent 81 bps over the average loan portfolio.

Income from participation was negative €4.6 million and represents the full write off of Emporiki's participation in the Phosphoric Fertilisers Industry.

FIRST-QUARTER 2006 BALANCE SHEET DISCUSSION

Total loans of the Bank increased to €16 billion as of 31 March 2006 vs. €13.8 billion over the respective date last year, implying a 15.8% increase. Mortgage and consumer loans represent 40% of the loan portfolio vs. 35% last year.

In 1Q06 the annual growth rate of **mortgage loan** balances of the Bank stood at 23.2% resulting in outstanding balance of €4.4 billion. New mortgage loan disbursements stood at €354.4 million increased by 37.2% over the respective quarter last year. In **consumer finance** annual growth rates were 44.6% with new disbursements (€250.4 million, 145.5% increased over the respective quarter in 2005) driving total outstanding balance to €1.9 billion. It's worth noting that Cash4U with prenotations stood at €418.5 million. Credicom continued registering notable growth with balances standing at €375.9 million as the end of the first-quarter of 2006, 3.5 higher than the respective balance of last year. Considering Credicom and branch network originated consumer finance balances Emporiki enhanced its market share in consumer finance.

Loans to **SMEs** increased by 8.8% vs. first quarter of 2005, with its balance standing at €4.8 billion The Bank has managed to attract more than 2,000 new clients, 45.6% more over the respective period last year through its branded offering "Easy Business" ("Easy Open", "Easy Business Premises", "Easy Equipment", "Easy Working Capital").

Non-performing loans stood at 5.6% registering an improvement over September 2005 (5.9%), when the strikes have affected negatively the collection capacity of the bank. Accumulated provisions represent 76.7% of non-performing loans.

Deposits of the Bank stood at €14.8 billion, at similar levels compared to last year. Time deposits increased by 9.3% and sight deposits by 5.9%, offsetting the 1.3% decrease of savings deposits. Total mutual funds under management stood at €2.2 billion close to 1Q05 levels.

Shareholders' equity stood at €1,142.4 million with the tier 1 ratio estimated at 8.4% and total capital adequacy ratio at 8.7%.

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Emporiki Bank Group
Profit & Loss Account

<i>(in € m)</i>	1Q06	1Q05	Δ (%)
Net interest income	175.3	152.9	14.7%
Net fee & commission income	42.6	38.7	10.0%
Dividend income	0.1	0.4	-86.8%
Net trading income	13.6	7.0	93.0%
Net gains from investment securities	19.2	0	
Net income from insurance operations	5.4	11.3	-52.5%
Other operating income	8.5	3.7	130.2%
Operating income	264.6	214.0	23.7%
Personnel expenses	99.3	98.9	0.5%
Other operating expenses	44.7	39.5	13.4%
Depreciation	11.4	11.0	4.1%
Operating expenses	155.5	149.3	4.2%
Loan provisions	33.8	28.1	20.5%
Profit/loss of associates	-4.6	0.6	
EBT	70.7	37.2	90.1%
Tax	18.2	13.3	36.3%
Profit to minorities	-0.4	0.7	
EAT	52.1	24.5	112.5%
EPS	0.39	0.23	69.6%

Loans of Emporiki Bank (parent data)

<i>(€ m)</i>	31.03.2006	31.12.05	30.09.05	30.06.05	31.03.05	Change	
						1Q06/ 1Q05	1Q06/ 4Q06
Business sector	9,166	8,923	8,413	8,317	8,113	13.0%	2.7%
- of which SMEs	4,818	4,765	4,528	4,493	4,429	8.8%	1.1%
Consumer loans	1,889	1,750	1,626	1,548	1,307	44.6%	8.0%
Mortgages	4,396	4,201	3,929	3,791	3,569	23.2%	4.6%
Public entities	304	348	325	380	393	-22.8%	-12.8%
Other loans	222	189	245	221	410	-45.9%	17.3%
Total	15,976	15,411	14,537	14,257	13,791	15.8%	3.7%

Deposits of Emporiki Bank (parent data)

<i>(€ m)</i>	31.03.2006	31.12.05	30.09.05	30.06.05	31.03.05	Change	
						1Q06/ 1Q05	1Q06/ 4Q06
Sight	1,847	2,288	1,905	1,887	1,745	5.9%	-19.3%
Savings	6,931	7,218	7,217	7,315	7,023	-1.3%	-4.0%
Time and other	6,042	5,218	5,677	5,410	5,526	9.3%	15.8%
Repos	8	13	177	336	546	-98.6%	-39.2%
Total	14,828	14,737	14,976	14,948	14,840	-0.08%	0.62%