

STRICTLY PRIVATE AND CONFIDENTIAL

For the attention of:
The Board of Directors
Emporiki Bank of Greece S.A.
11, Sophocleous str.
Athens, 105 64
Greece

7 July 2011

Ladies and Gentlemen,

1 Overview

As part of our engagement as financial adviser to the Board of Directors ("BoD") of Emporiki Bank of Greece S.A. (the "Company" or "Emporiki Bank" or "Target") in relation to the voluntary tender offer launched by Crédit Agricole S.A. (the "Offeror" or "CASA") and announced on 24 May 2011 (the "Tender Offer"), you have requested a report (the "Report") from HSBC France ("HSBC") analysing whether the proposed cash consideration to be received by the shareholders of the Company in the proposed Tender Offer - subject to the terms and conditions stated in the offer document (the "Offer Document"), as approved by the Hellenic Capital Markets Commission ("HCMC") on 24 June 2011 - should lead the BoD to consider, in its justified opinion pursuant to article 15 of Law 3461/2006 (the "Law"), that the financial terms of the Tender Offer are fair to the shareholders of the Company to whom the Tender Offer is made.

HSBC is acting as the Financial Adviser to the BoD of the Company and no one else in the context of the requirements of article 15 of the Law and this Report is provided exclusively to the BoD of Emporiki Bank in order for it to prepare its justified opinion on the Tender Offer and should not be construed as an investment proposition to buy or sell shares in the context of the Tender Offer, or any business or commercial decision to accept or refuse the Tender Offer.

2 Description of the Tender Offer

On 24 May 2011, CASA launched a voluntary tender offer for the acquisition of the remaining shares in Emporiki Bank that it and Sacam International S.A.S. ("Sacam International") did not yet own, for a cash consideration of one Euro and seventy six cents (€1.76) per Emporiki Bank's share, which according to the Offer Document is (i) equal to the highest price paid by the CASA group and Sacam International (as a party acting in concert with CASA) for the acquisition of shares in Emporiki Bank during the six (6) months prior to the 23 May 2011 and (ii) is higher than the volume-weighted average share price of €1.5 over the six (6) months prior to the 23 May 2011. Declarations of acceptance of the Tender Offer ("Declarations of Acceptance") from the shareholders will be accepted from 29 June 2011, 8:00 a.m. (Greek time) until 27 July 2011 ("Acceptance Period").

The Tender Offer is being made in accordance with the Law, as amended and currently in force, and upon the terms contained in the Offer Document.

According to the Offer Document, as at 23 May 2011 CASA held directly four hundred sixty six million, one hundred and forty nine thousand and forty five (466,149,045) shares in Emporiki Bank representing approximately 91% of Emporiki Bank's fully paid-up share capital and voting rights. By virtue of an agreement between CASA and Sacam International, Sacam International is "acting in concert" with CASA pursuant to article 2(e) of the Law for the purposes of the Tender Offer and its successful completion. As at 23 May 2011, Sacam International held directly twenty five million, six hundred and thirteen thousand and ninety five (25,613,095) shares in Emporiki Bank, representing approximately 5% of Emporiki Bank's fully paid-up share capital and voting rights. Therefore, CASA and Sacam International (as a "person acting in concert" with CASA), together hold directly four hundred and ninety one million, seven hundred and sixty two thousand and one hundred and forty (491,762,140) shares in Emporiki Bank representing approximately 96% of the Company's fully paid-up share capital and voting rights as at 23 May 2011.



The Tender Offer is addressed to the remaining shareholders in Emporiki Bank, being the holders of twenty million, four hundred and sixty six thousand and seven hundred forty five (20,466,745) shares (the “Tender Offer Shares”), representing approximately 4% of Emporiki Bank’s fully paid-up share capital and voting rights as at 23 May 2011. According to the Offer Document, CASA intends to acquire the Tender Offer Shares, together with the existing and future rights deriving therefrom, provided that the Tender Offer Shares and such rights are free and clear of all encumbrances, pledges, usufruct, contractual restrictions, liens, claims or other third party rights. According to the Offer Document, CASA has the necessary funds required for the acquisition of all the Tender Offer Shares.

CASA offers to pay one Euro and seventy six cents (€1.76) in cash for each Tender Offer Share for which the Tender Offer is validly accepted (the “Offer Price”) as well as agrees to pay on behalf of the shareholders tendering their shares in the Tender Offer, the 0.08% registration duty payable to the Hellenic Exchanges S.A. Holding, Clearing, Settlement & Registry. Therefore, the shareholders who tender their shares in Emporiki Bank will receive the Offer Price for every share validly accepted after deduction of the applicable tax on the Athens Exchange (“ATHEX”) transactions which is currently 0.20% and is calculated on the value of the off-the-exchange transaction for the transfer of the Tender Offer Shares to CASA.

In relation to the Tender Offer, CASA is advised by Lazard Frères Banque S.A and has authorised Alpha Bank S.A. to act as Tender Agent and accept the Declaration of Acceptance, as per the requirements of article 18 of the Law and as per the guidelines included in the Offer Document.

According to the Offer Document, CASA intends to de-list the shares in Emporiki Bank from the ATHEX. Therefore, following the end of the Acceptance Period, CASA will require the transfer of all the remaining shares in Emporiki Bank to it with the exception of the shares held by Sacam International (“the Squeeze-Out”). Such right may be exercised within three (3) months from the end of the Acceptance Period. The price will also be paid in cash and will be equal to the Offer Price less any applicable tax. Following the end of the Tender Offer and the completion of the Squeeze-Out, CASA will seek to de-list the shares in Emporiki Bank from the ATHEX, pursuant to article 17 of Law 3371/2005 and will convene an extraordinary shareholders’ meeting of Emporiki Bank in order to vote in favour of submitting the relevant delisting application to HCMC.

3 Relationship with HSBC

HSBC confirms that as at this date it has no conflict of interest in advising the BoD of Emporiki Bank with respect to the Tender Offer. It has to be noted that HSBC or other parts of HSBC may offer or may have offered in the past services to Emporiki Bank or CASA and their respective affiliated companies and potentially may have or will receive fees for such services. It is expressly stated that such services are not related to the Tender Offer.

HSBC was not requested to provide and did not provide (i) advice concerning the structure, the terms of the Tender Offer, the specific amount of the consideration or any other aspects of the Tender Offer or (ii) services other than the delivery of this Report. HSBC will receive a fee for rendering this Report.

Moreover, in the ordinary course of their respective businesses, HSBC and its affiliates may actively trade in the debt and equity securities of the Company and or the Offeror, for their own accounts, or for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities.

4 Work performed

In connection with this Report, we have held discussions with members of the senior management of Emporiki Bank (CEO, deputy CEO, CFO, deputy division manager, managers from the control division and risk managers) regarding (a) their assessment of the strategic rationale for, and the potential benefits of, the Tender Offer contemplated in the Offer Document as well as (b) the past and current business operations, financial condition and future prospects of the Company.

We have reviewed, among other things, publicly available information related to the Company, such as: annual and interim reports to stockholders of Emporiki Bank; certain other communications from Emporiki Bank to their respective stockholders (press releases, results presentations, etc.), research documents prepared by equity analysts.

We have also had access to certain information provided by the management of Emporiki Bank.



Moreover, we have also reviewed the reported price and trading activity for the Emporiki Bank shares, compared certain financial and stock market information for the Company with similar information for certain other publicly traded companies and reviewed the financial terms of certain recent business combinations in the financial services industry specifically.

In giving this Report, we have relied, without independent verification, upon the accuracy and completeness of all of the financial, accounting and other information discussed with or reviewed by us and have assumed such accuracy and completeness for the purposes of rendering this Report, and we were not made aware of any other material information required for our analysis. We are not experts in the evaluation of loan and lease portfolios for the purposes of assessing the adequacy of the allowances for losses with respect thereto and have assumed, with your consent, that such allowances for Emporiki Bank are in the aggregate adequate to cover all such losses. In addition, we have not reviewed individual credit files nor have we made an independent evaluation or appraisal of the assets and liabilities (including any derivative or off-balance-sheet assets or liabilities) of the Company or any of its subsidiaries and we have not been furnished with any such evaluation or appraisal. We have assumed that the financial forecasts furnished by the Company have been reasonably prepared on bases reflecting the best available estimates and judgements of the future financial performance of the Company by its senior management team and we have not independently verified these forecasts and we express no opinion on the fairness of such estimates and judgements. Although we have used various assumptions, judgements and estimates in our inquiry, which we consider reasonable and appropriate under the circumstances, no assurances can be given as to the accuracy of any such assumptions, judgements and estimates. Such assumptions, judgements and estimates have been reviewed with the Company prior to the rendering of this Report. We have not conducted any independent legal, tax, accounting or other analysis of the Company or of the Tender Offer and when appropriate we have relied solely upon the judgements of the Company's legal, tax, accountants and other professional advisers who may have given such advice to the Company without knowledge or acceptance that it would be relied upon by us for the purpose of this Report. We have not included the legal and tax effects of any reorganisation or transaction costs that may arise as a result of the Tender Offer in our analysis. In addition, we have not performed any independent analysis of the situation of the individual shareholders of the Company, including with respect to taxation in relation to the Tender Offer and express no opinion thereon. We have assumed that the Tender Offer will be consummated on the terms set forth in the Offer Document. We have also assumed that there has been no material change in the Company's assets and financial condition, results of operations, business or prospects since 31 March 2011, being the date of the most recent financial statements. Finally, we have assumed that all material governmental, regulatory, or other consents and approvals necessary for the consummation of the transaction contemplated by the Offer Document will be obtained without any adverse effect on the Company or its subsidiaries or on the expected benefits of the Tender Offer.

Our views are necessarily based on economic, market, and other conditions as in effect on 23 May 2011, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect our views and that we do not have any obligation to update, revise, or reaffirm the views expressed in this Report.

5 Assumptions and limitations

This Report is addressed to and provided solely for the BoD of the Company for the purpose of assisting it in providing its justified opinion on the Tender Offer pursuant to article 15 of the Law, and shall not confer rights or remedies upon or may not be used or relied on for any other purpose by any holder of securities of the Company or person other than the BoD of the Company.

A person who is not an addressee of this Report shall have no right to enforce any of its terms. This Report and its contents cannot be copied in whole or in part, published or made published in any way, without HSBC's prior written consent except that this Report may be included in its entirety in the justified opinion of the BoD of the Company and be made publicly available together with such justified opinion of the BoD as well as submitted to the relevant competent authority as provided by the Law.

Specifically, this Report does not address the commercial merits of the Tender Offer or the underlying decision by the shareholders of the Company to whom the Tender Offer is addressed, other than CASA and Sacam International, as to whether or not to accept the Tender Offer. Further, this Report does not constitute a recommendation to any shareholder of the Company in respect of the Tender Offer or any other matter. This Report is issued in accordance with the Law and other applicable Greek legislation.



6 Description of Emporiki Bank

Emporiki Bank is incorporated under Greek law and licensed to operate as a credit institution pursuant to Law 3601/2007, as currently in force, with corporate registration number at the Companies' Registry of the Ministry of Development 6064/06/B/86/03 and registered seat at 11, Sofokleous Street, Athens, Greece.

The Company is majority-owned by CASA and, according to the official shareholders' list published on the ATHEX as of 31 May 2011 the key shareholders are as follows:

Shareholders	% Voting Rights ¹
Crédit Agricole S.A.	91%
Sacam International	5%
Free float	4%

Source: Athens Exchange

The share capital of the Company amounts to five hundred and twelve million, two hundred and twenty eight thousand, eight hundred and eighty five Euros (€512,228,885) as at 31 March 2011 and is divided into five hundred and twelve million, two hundred and twenty eight thousand, eight hundred and eighty five (512,228,885) common registered shares with voting rights of nominal value €1 each. The share capital of the Company is fully paid-up. The shares have been listed on ATHEX since 1909 and are traded on the Securities Market under the Low Dispersion and Specific Features Weekly Time Negotiation Segment with a market capitalization of €871m as at 30 June 2011.

6.1 Overview of activities

Emporiki Bank offers a wide spectrum of banking services ranging from retail banking to corporate banking and investment banking. In Greece, services are offered through an extensive network of 327 branches located across the country. In the context of the restructuring plan, the Company has gradually transferred the majority of its non-banking subsidiaries to the respective subsidiaries of the CASA Group.

The following table presents the Company's subsidiaries, which are consolidated in the annual financial statements as of year end 2010.

Company	Country of Incorporation	Direct & indirect % participation as at	
		31/12/2010	31/12/2009
Emporiki Bank-Germany GmbH	Germany	-	100.00
Emporiki Bank-Bulgaria A.D.	Bulgaria	100.00	100.00
Emporiki Bank-Albania S.A.	Albania	100.00	100.00
Emporiki Bank Cyprus Ltd.	Cyprus	96.57	93.71
Emporiki Venture Capital Developed Markets Ltd.	Cyprus	100.00	100.00
Emporiki Venture Capital Emerging Markets Ltd.	Cyprus	100.00	100.00
Emporiki Group Finance p.l.c.	U.K.	100.00	100.00
Emporiki Management	Greece	100.00	100.00
Emporiki Bank-Romania S.A.	Romania	99.62	99.41
Emporiki Development & Real Estate Management	Greece	100.00	100.00
Greek Industry Of Bags	Greece	-	58.71

Source: Annual consolidated financial statements, 31 December 2010

6.2 Brief financial overview

The following table depicts key consolidated financial information for the 3-year period 2008 – 2010 as well as financial information for Q1 2010 / 2011:

¹ Rounded to the nearest percentage point



Profit & Loss account					
€m	2008	2009	2010	2010 – Q1	2011 – Q1
Net Banking Income	756.7	750.9	768.6	188.7	196.6
Total Expenses	(656.7)	(646.7)	(603.2)	(144.3)	(132.7)
Provisions	(493.3)	(658.4)	(1,021.3)	(249.4)	(221.3)
Results after taxes	(491.9)	(583.2)	(873.8)	(209.3)	(160.1)
Balance sheet items					
€m	2008	2009	2010	2011 – Q1	
Total Loans to customers	23,709.8	22,124.2	21,293.5	21,069.9	
Total Deposits from customers	18,364.4	15,493.8	12,245.6	11,745.4	
Total Equity	246.9	1,138.5	943.2	937.3	

Source: Consolidated financial statements

In 2010, Emporiki Bank posted a 2.4% increase in Net Banking Income relative to 2009, while it managed to contain its cost base as total expenses declined by 6.7%, from €647m in 2009 to €603m in 2010. At the same time, Emporiki Bank also had significant provisions on its profit & loss statement reaching €1.02bn in 2010 (cumulative provisions from 2008 until 2010 amounted to €2.2bn). Emporiki Bank posted an after tax loss of €874m in 2010.

During the period 2008 – 2010, Emporiki Bank's loan book decreased from €23.7bn to €21.3bn, while deposits decreased from €18.4bn to €12.2bn. In 2010, Emporiki Bank performed a share capital increase of € 989m and at year end 2010 shareholders' equity amounted to €943.2m including €400m of cash advance for share capital increase from CASA. As at 31 March 2011 the Company's shareholder equity (excluding non-controlling interests) amounted to €937.3m of which €550m comprises a cash advance with respect to a share capital increase from CASA.

As at 31 March 2011 the Company and its group companies employed five thousand seven hundred and twenty four (5,724) employees in total.

7 Financial analysis

7.1 Description of the valuation methodologies used

The relevance of the valuation methodologies is dependent on the individual circumstances of the transaction under analysis, and in particular:

- (i) The nature of the transaction and notably whether it results in obtaining control of the target;
- (ii) The conditions prevailing in the Company's industry, in the wider economy and in the capital markets at the time of the transaction;
- (iii) The financial situation of the Company; and
- (iv) The business model of the Company.

The following valuation methodologies that have been considered for the purpose of this Report are:

- (i) Discounted Dividend Model ("DDM");
- (ii) Share Price Analysis;
- (iii) Trading Comparables;
- (iv) Latest transactions involving Emporiki Bank's stock made by CASA;
- (v) Brokers' Target Price;
- (vi) Economic Value Added; and
- (vii) Comparable Transactions.

In order to arrive at the valuation ranges we have also taken into consideration the fact that the shares which are the subject of the Tender Offer constitute a minority stake (approximately 4% of Emporiki Bank's fully paid-up share capital and voting rights as at 23 May 2011) and that the shares of the Company have shown very limited trading activity due to the current free float.

7.2 Relevant methodologies

HSBC believes that, in the current circumstances, the most accurate and relevant valuation methodologies to be used are i) the DDM, which allows to value a future recovery of the Company and ii) the recent



evolution of Emporiki Bank's share price, in order to take into account the Company valuation as given to the stock by the market.

The DDM values a bank as the sum of (i) the present value of future cash flows generated over a pre-set timeframe and distributable to the shareholders without affecting the necessary equity capital level for maintaining the future expected development and (ii) the "Terminal Value", calculated considering the last normalized cash flow, the cost of equity and the perpetual growth rate.

The Share Price Analysis is based on the analysis of the evolution of the historical trading price of Emporiki Bank stock on the Athens Exchange prior to the announcement of the Tender Offer and over several periods of time in order to assess average trading prices.

7.3 Complementary methodologies with limited relevance

We have also used additional complementary methodologies with a view to confirming the valuation obtained with the DDM and the Share Price Analysis. However, we are of the opinion that, due to significant limitations, these methodologies lack relevance and therefore do not allow a correct assessment of the value of the Company:

- (i) The Trading Comparables method was undertaken to derive the relationships between the current market capitalisation of comparable companies and selected financial aggregates. The relevance of this methodology is limited due to a lack of relevant comparable companies in the complex current economic environment in Greece;
- (ii) The Brokers' Target Price method consists in analysing of the target price and investment recommendation of equity research analysts covering Emporiki Bank stock. However, this method shows limited relevance when the coverage of the stock is limited. As at the date of this Report, Emporiki Bank was covered only by two analysts having published their latest report in March 2011. It is therefore our view that due to lack of analyst coverage we cannot rely firmly on this approach;
- (iii) The latest transaction involving the stock of Emporiki Bank made by CASA during the last six months is a theoretical approach as this methodology is used to set the minimum price that would have to be paid by an offeror to the other shareholders of Emporiki Bank during mandatory offers in order to provide minority shareholders with protection and equality of treatment. CASA launched a voluntary offer on the outstanding shares of Emporiki Bank which are not owned by it and Sacam International and, in this context it is our opinion that this approach lacks relevance in assessing the value of Emporiki Bank;
- (iv) The Economic Value Added method is based on the relation between (i) future estimated profitability sustainable by the bank over the long period, (ii) nominal growth rate of the bank sustainable in the long term and (iii) rate of return requested by investors for investments with similar risk characteristics. This approach does not take into account the value creation during the recovery years (including any need for additional capital).
- (v) Based on our analysis, it is our view that the methodology based upon comparable transactions is of limited relevance as we did not identify an acceptable sample of transactions that were sufficiently comparable to that under review (cash offer, acquisition of a minority stake, current economic environment, etc.).

8 Conclusion

Based on the work performed and on the current market conditions, a reasonable valuation range for Emporiki is comprised between €1.2 and €1.5 per share.

Having concluded its analysis, HSBC believes it can recommend to the BoD of the Company to consider, in its justified opinion that the financial terms of the Tender Offer are fair to the shareholders of the Company to whom the Tender Offer is made.

Yours faithfully,

Philippe Diers
Managing Director, Head of FIG France,
HSBC France

Dimitris Politis
Managing Director, Head of Global Banking,
HSBC Greece