



NBG Group: Q2.15 trading update

- **Q2 Group PPI reaches €421m (+18% qoq) despite continued adverse FX movement in Turkey; Pre Provision Margin at 269bps**
 - Group NII resilient at €750m (-3.7% qoq), despite increased ELA reliance in the domestic business and further depreciation of TL in Q2. Turkish NII up by an impressive 8.3% qoq in TL terms (2.2% in Euro terms)
 - Group total income in Q2 reached €972m up 10.3% qoq supported by trading gains
 - Group operating expenses at €552m (+5.2% qoq), yield a C:I of 57%. In Greece, operating expenses stood at €256m (+1.7% qoq) with personnel expenses down by 0.7% qoq
- **Group 90dpd formation drops sharply to €133m in Q2 vs €476m in Q1; In Greece, formation stood at €41m vs €336m in Q1 reflecting accelerated restructuring flows**
 - Group 90dpd ratio settled at 24.6% in Q2 from 24.3% in Q1. In the domestic business, 90dpd remained almost unchanged qoq at 32.1% from 32.0%, as a result of subdued delinquency flows in the retail segment (€142m vs €377m in Q1.15)
- **Despite deposit outflows continuing in Q2, NBG retains the lower L:D ratio in the Greek sector**
 - Group deposits decreased by 7.8% q-o-q to €55.7bn on sustained deposit outflows in Greece, due to uncertainty throughout Q2 peaking in June. Still, domestic outflows slowed to €3.6bn from €4.8bn in Q1. Following the imposition of capital controls and the gradual and ongoing restoration of confidence, deposit flows returned to positive territory in Q3
 - Eurosystem funding increased to €27.6bn at the end of June (ELA: €17.6bn) from €23.6bn in March, the lowest among Greek banks. At the end of Q3, Eurosystem funding dropped to €25.6bn (ELA: €15.6bn), with the cash value of excess collateral at €8.0bn
 - Group gross loan balances eased by 0.9% qoq to €73.3bn, with domestic loans remaining broadly unchanged at €45.8bn. In Turkey, loans grew by 4.3% qoq reflecting a positive credit environment

Athens October 21, 2015



		Q2.15	Q1.15	qoq Δ	H1.15	H1.14	yoy Δ
Profit & Loss (€m)							
NII		750	779	-3.7%	1,529	1,511	1.2%
Net fees & Insurance income		156	163	-4.3%	320	303	5.6%
Non-core income		66	(61)	<i>n.m.</i>	6	24	-75.0%
Total operating income		972	881	10.3%	1,854	1,838	0.8%
Operating expenses		(552)	(524)	5.2%	(1,076)	(1,010)	6.6%
Pre-provision income		421	357	17.9%	777	828	-6.1%
Balance Sheet (€m)							
Gross loans	- Group	73,278	73,945	-0.9%	73,278	70,417	4.1%
	-Domestic	45,796	46,039	-0.5%	45,796	45,509	0.6%
Deposits	- Group	55,681	60,416	-7.8%	55,681	65,446	-14.9%
	-Domestic	35,481	39,043	-9.1%	35,481	45,955	-22.8%
Asset Quality							
90dpd ratio (%)	-Group	24.6%	24.3%	0.3 pp	24.6%	23.2%	1.4 pp
	-Domestic	32.1%	32.0%	0.2 pp	32.1%	29.3%	2.8 pp
90dpd formation (€m)	-Group	133	477	-72.1%	610	684	-10.8%
	-Domestic	41	336	-87.9%	377	574	-34.3%
Liquidity (€bn)							
Eurosystem funding		27.6	23.6	16.8%	27.6	11.0	>100%
o/w ELA		17.6	13.9	26.6%	17.6	-	<i>n.m.</i>

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