Eurobank EFG

First Quarter 2012 Financial Results

- **Bridge recapitalization of €4bn from the Hellenic Financial Stability Fund brings the Total Capital Adequacy Ratio to 9.0% and improves liquidity**
- **Pre Provision Income rises by 9% against 4Q2011 to €275m, mainly due to trading gains**
- **Net Operating Result negative by €77m, impacted primarily by the deep economic recession in Greece. Total Loss of €236m, including additional Greek sovereign exposure valuation loss of €159m**
- **Operating Expenses further down by 5% y-o-y and almost 20% since the start of the crisis**
- **New Loans Past Due over 90 days increase by 15% versus 4Q2011and Bad Debt Provisions rise to €365m, due to worsening conditions mostly in Greece**
- **Moderate decrease in Deposits by €868m in 1Q2012**
- **Marginal Profits in International Operations on increased funding costs**

"Greece is experiencing a severe fiscal and economic crisis, that is testing the limits of society and corporations. Restoring stability, within the context of the Eurozone, and implementing a new program of adjustments, reforms and economic revival are necessary for the Greek economy to gradually regain its credibility and enter a period of recovery, exiting the crisis. The completion of the first phase of the recapitalization of Greek banks with the contribution of €18bn through EFSF bonds, strengthens the banks' capital and liquidity position and underlines the commitment of our European partners to support the Greek economy.

As our financial results demonstrate, based on the strenuous efforts of our employees and the trust of our clients, our Group, continues to generate pre – provision revenues, prudently manage its liquidity and contain operating cost.

Demonstrating appropriate understanding for the adversity of current circumstances, we continue to support our clients, honouring the relationship we have built over the years. In this context, we proceed to restructure loans as appropriate and to support, to the extent feasible, dynamic, and extravert Greek companies.

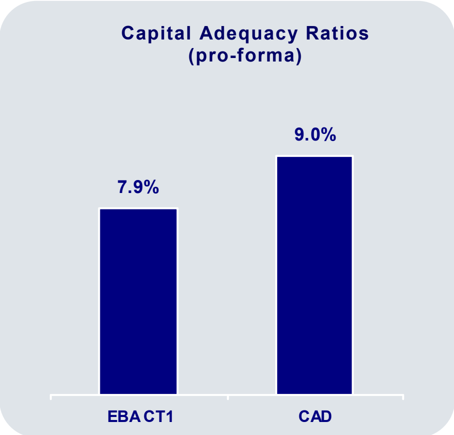
In 2012, we have also successfully completed a series of specific initiatives to organically strengthen our capital base, such as the sale of our subsidiary in Poland and the more efficient management of assets and liabilities, while our agreement to sell our subsidiary in Turkey is in the process of being implemented.

Our goal is to continue strengthening Eurobank's position in the context of the recapitalization effort and, to actively contribute to the recovery of the Greek economy."

Nicholas Nanopoulos – CEO

Analysis of 1Q2012 Financial Results

The ongoing recession of the Greek economy for the 5th year and the negative consequences from the widening European debt crisis strongly affected the operating results of Eurobank EFG in 1Q2012. In spite of remarkable reduction in expenses and better risk pricing, elevated funding costs and higher bad debt provisions burdened bottom-line results of the Bank in 1Q2012, a loss of €77m. Including the additional Greek sovereign exposure valuation loss of €159m, the total loss reached €236m.

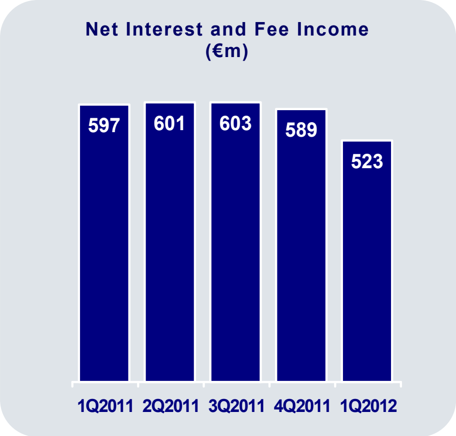


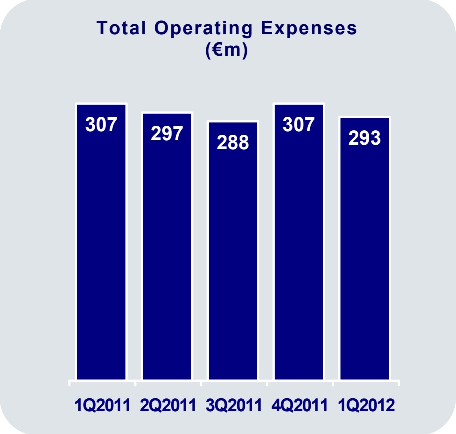
After the €4bn bridge recapitalization of the Bank from the Hellenic Financial Stability Fund, completed a few days ago, the **Total Capital Adequacy Ratio** and the **EBA Core Tier I Ratio** reached 9.0% and 7.9% on a pro-forma basis respectively at the end of 1Q2012. At the same time, Eurobank EFG continues its efforts to enhance capital organically with initiatives, such as the effective management of assets and liabilities and the reduction of its operating expenses. The ongoing liability management added €250m of Core Tier I Capital in 1Q2012 and additional asset-liability initiatives added another €100m in 2Q2012. The completion of the sale of Polbank EFG in April of the current year corresponds to the capital equivalent of €450m, whereas the sale of Eurobank Tekfen, expected to be completed in 3Q2012, will enhance the Core Tier I Ratio by the capital equivalent of almost €300m.

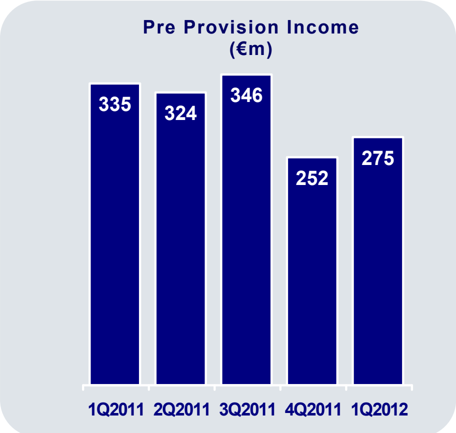
Liquidity conditions remained tight during 1Q2012, as deposit outflows continued in the domestic banking system. Nevertheless, Eurobank EFG total **Customer Deposits** registered a moderate decrease of €868m against 4Q2011 to €31.6bn in 1Q2012. Contrary to the developments in Greece, deposits in subsidiary banks abroad increased by €495m in 1Q2012 and reached €9.0bn. The Bank maintains adequate liquidity, as it is using Eurosystem facilities for funding, while it maintains Eurosystem eligible liquidity reserves of €7.5bn, including the €4bn received from the HFSF. Furthermore, the sale of Polbank EFG immediately released liquidity of around €1.5bn, and an additional €1.4bn will be released when the put option is exercised within the next months. In addition, the sale of Eurobank Tekfen, which is expected to be completed in 3Q2012, will improve liquidity by around €800m.

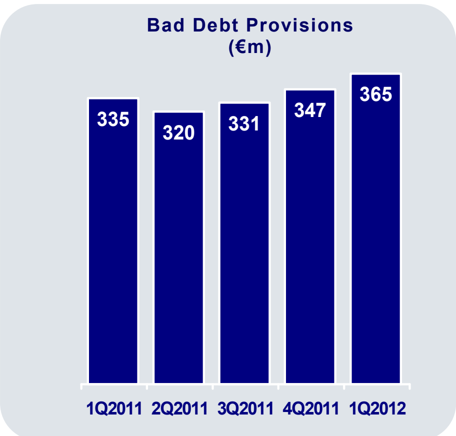
Selective deleveraging continued in the first three months of the current year, with Loan Balances declining by 1.9% in the quarter to €50.5bn. This development along with the moderate reduction in deposits resulted in a €400m improvement in the commercial gap in 1Q2012.

At an operational level, **Net Interest Income** receded by 11.2% against 4Q2011 and amounted to €451m, mainly driven by higher funding costs, the significant reduction in Euribor rates and ongoing balance sheet deleveraging. Total net interest margin fell by 14 basis points to 2.40% in 1Q2012.









Given the recession in the Greek economy, **Total Fee and Commission Income** remained resilient and reached €72m in 1Q2012, from €82m in 4Q2011, impacted mainly by lower lending fees.

Lower interest and commission income led **Core Operating Income** down by 11.3% compared to 4Q2011 to €523m.

To the contrary, **Income from Trading and Other Sources** registered a substantial recovery and stood at €45m in the first three months of the current year. This positive result reflects the prudent management of the Bank's securities portfolios amid an extremely adverse environment.

Thus, **Total Operating Income** rose by 1.5% versus 4Q2011, reaching €568m in 1Q2012.

Effective cost control continued in 1Q2012, as **Total Operating Costs** were cut by 4.6% y-o-y. In more detail, expenses fell by 5.3% in Greece and 3.3% abroad during the same period. This performance implies that the overall cost reduction amounts to almost 20% since the start of the crisis, which is the best among domestic peers.

Higher operating income combined with lower expenses drove **Pre Provision Income** up by 8.9% versus 4Q2011 to €275m in 1Q2012. This development reflects the ability of the Bank to deliver positive operating results amid harsh conditions.

New loans past due over 90 days increased by 15% in 1Q2012, mainly reflecting the continued uncertainty and tight liquidity conditions for households and businesses in Greece. The 90+ ratio grew to 17.2% and the non performing loans ratio stood at 13.7% of total loans, driving **Bad Debt Provisions** higher by 5.1% to €365m in 1Q2012.

Results from International Operations were marginally positive, due to high funding costs, with net profit totaling €1.2m in 1Q2012. It is worth noting that since the beginning of the crisis, international operations' growth has been self funded, as deposits have increased more than loans. The commercial gap dropped below €1bn in 1Q2012, as deposits grew by €495m, while loans remained roughly unchanged, resulting in a loans to deposits ratio less than 110%.

Eurobank EFG Group Financial Figures

Major financial figures	1Q2012	4Q2011	Δ %	1Q2011	Δ %
Net Interest Income	€451m	€508m	-11.2%	€503m	-10.5%
Net Fees & Commissions	€72m	€82m	-12.0%	€94m	-23.4%
Total Operating Income	€568m	€559m	1.5%	€643m	-11.6%
Total Operating Expenses	€293m	€307m	-4.5%	€307m	-4.6%
Pre Provision Income	€275m	€252m	8.9%	€335m	-18.1%
Impairment Losses	€365m	€347m	5.1%	€335m	9.0%
Net Operating Income	-€77m	-€118m		€74m	
Net Income after impairment of GGBs	-€236m	-€4,933m		€74m	

Group Gross Loans and Customer Deposits	1Q2012	4Q2011	1Q2011
Consumer Credit	€6,882m	€7,048m	€7,755m
Mortgages	€14,108m	€14,028m	€13,428m
Small Business Loans	€7,866m	€7,929m	€8,151m
Loans to medium and large companies	€21,719m	€22,486m	€22,994m
Total Gross Loans	€50,515m	€51,491m	€52,328m
Total Deposits	€31,591m	€32,459m	€40,431m

Group Financial Ratios	1Q2012	4Q2011	1Q2011
Net Interest Margin	2.40%	2.56%	2.54%
Cost to Income Ratio	51.6%	54.9%	47.8%
Non performing loans	13.7%	12.1%	9.2%
Loans past due over 90 days	17.2%	15.3%	11.4%
NPLs Coverage Ratio	53.5%	54.6%	50.0%
Provisions to avg. net loans	3.07%	2.85%	2.65%
EBA Core Tier I	7.9%*	9.8%**	10.1%
Total CAD	9.0%*	12.0%**	12.4%

* pro-forma HFSH €4bn
** Excluding PSI & other one-off results

Athens, May 31st, 2012

Eurobank EFG

EFG EUROBANK ERGASIAS S.A.
Reg. No. 6068/06/B/86/07

CONSOLIDATED BALANCE SHEET

	In € million	
	31 Mar 2012	31 Dec 2011
ASSETS		
Cash and balances with central banks	**1,889**	3,286
Loans and advances to banks	**6,830**	6,988
Financial instruments at fair value through profit or loss	**549**	503
Derivative financial instruments	**1,740**	1,818
Loans and advances to customers	**45,375**	48,094
Investment securities	**10,154**	11,383
Property, plant and equipment	**1,272**	1,304
Intangible assets	**453**	465
Other assets	**3,303**	2,981
Assets of disposal group classified as held for sale	**2,022**	-
Total assets	**73,587**	76,822
LIABILITIES		
Secured borrowing from banks	**33,756**	34,888
Other deposits from banks	**912**	1,043
Derivative financial instruments	**2,797**	3,013
Due to customers	**30,505**	32,459
Debt issued and other borrowed funds	**1,938**	2,671
Other liabilities	**1,834**	1,873
Liabilities of disposal group classified as held for sale	**1,363**	-
Total liabilities	**73,105**	75,947
EQUITY		
Ordinary share capital	**1,226**	1,226
Share premium and other reserves	**(2,384)**	(2,324)
Preference shares	**950**	950
Preferred securities	**420**	745
Non controlling interest	**270**	278
Total	**482**	875
Total equity and liabilities	**73,587**	76,822

CONSOLIDATED INCOME STATEMENT

	In € million	
	1 Jan - 31 Mar 2012	1 Jan - 31 Mar 2011
Net interest income	**426**	489
Net banking fee and commission income	**55**	70
Net insurance income	**5**	11
Income from non banking services	**8**	7
Net trading income	**65**	6
Gains less losses from investment securities	**(23)**	(91)
Operating income	**536**	492
Operating expenses	**(273)**	(288)
Profit from operations before impairment losses on loans and advances and Greek sovereign debt	**263**	204
Impairment losses on loans and advances	**(360)**	(336)
Impairment losses on Greek sovereign debt	**(199)**	-
Share of results of associates and joint ventures	**(1)**	(0)
Profit/(loss) before tax	**(297)**	(132)
Income tax	**58**	26
Profit/(loss) for the period from continuing operations	**(239)**	(106)
Profit/(loss) for the period from discontinued operations	**6**	184
Net profit/(loss) for the period	**(233)**	78
Net profit for the period attributable to non controlling interest	**3**	4
Net profit/(loss) for the period attributable to shareholders	**(236)**	74

Athens, 31 May 2012