

# 3 month Financial Results

## Q1 2021 GROUP FINANCIAL RESULTS

- Net Interest Income increased by 20% yoy
- Further reduction of personnel expenses by 2% yoy
- Increase of deposits by 12.3% yoy
- New financing and refinancing doubled, amounting to €75 mln vs the comparative period
- 7.7% of the performing loan portfolio (before provisions) relate to covid-19 exposures
- NPE ratio less than 1% on a pro forma basis. Without taking into account the securitizations Astir 1&2 and Omega, NPE ratio stands at 44.2% and NPE Cash Coverage Ratio at 43.6%
- Development according to plan of the capital adequacy recovery program (Capital Plan). During the current period, the Bank finalizes all actions concerning the implementation of the enhancement of the regulatory capital based on the relevant program, which is expected to be approved by the competent supervisory authorities in the near future.

## Management Statement

*2021 began positively with expectations of strong growth and return to normality. The acceleration of mass vaccination is the tool against the pandemic that will allow the relaunch of the economy and the return to a new reality. Funds from the European recovery instrument Next Generation EU, that are expected to be disbursed in 2021, in conjunction with ensuring favorable financial conditions, are estimated to confirm expectations for recovery in the European Union (EU) and Greece from the second semester of 2021 onwards.*

*With prospects looking positive and according to its Business Plan which is smoothly implemented,, Attica Bank focuses on supporting the relaunch of the economy and to help its clients regain their position in the market. In this context, the Bank has set at the core of its new business plan the exploitation of new business opportunities arising from the creation of modern bank products aimed at funding its clients' environmental strategy as well as the completion of its digital transformation and its repositioning in the market both on a digital level and via its branches whose operational model shall be modified in order to meet modern needs.*

*The publication of first quarter results marks the Bank's transition and focusing of its efforts on a course of growth through implementing its new three-year-long business plan.*

*In particular, during the first quarter, Attica Bank recorded a significant performance in all operational result lines. Net interest income increased by 19.7% compared to the relevant comparative period of 2020 due to both the improvement of interest rate income from loan disbursements, which increased by 4%, and the low cost of funding the Bank's operations. Furthermore, net fee and commission income increased marginally by 2.5% with the greater improvement being achieved due to the increase of loans, which amounted to 126%.*

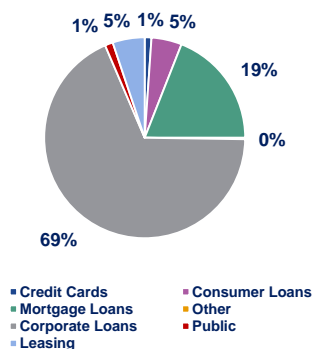
*Moreover, new financing and refinancing for the period amount to €75 million and loan to deposits ratio after provisions amounts to 57%. Furthermore, Attica Bank continued improving its liquidity and displaying a significant increase as regards to domestic activities in the banking system since the balance of deposits increased by 12.3% on an annual basis.*

*On 27.04.2021, the Bank approved "Omega" securitization including the receivables of the current securitization, known as "Artemis Project", as well as all the Bank's NPLs on 31.12.2020. Following the investor selection, Attica Bank entered the phase of implementing its business plan and reducing to zero all Non Performing Exposures. With "Omega" transaction, Attica Bank's consecutive securitizations amounting to €3 bln that started in December 2016 will be completed. After the successful completion of "Omega" and Astir 1 and 2 transactions, Attica Bank's NPL ratio will be, at a pro forma level, equal to less than 1% and below the European average.*

*Having dealt effectively with the problems of the past, Attica Bank's Management, shareholders and employees are working hard and are committed to responsibly implement the Bank's strategic planning in order to play a distinctive and supportive role in the real economy's growth.*

## Balance Sheet Highlights

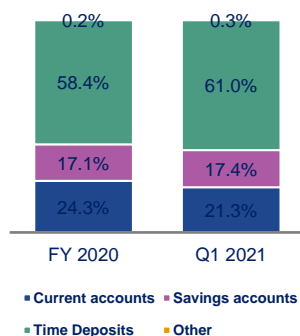
### Loans Increase

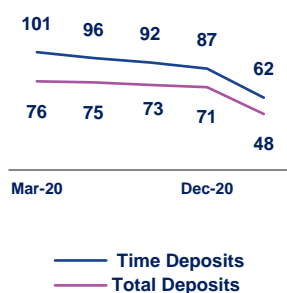


### Strong liquidity and funding capacity

- In Q1 2021, Attica Bank managed to support businesses and households, in unprecedented conditions of uncertainty and financial instability due to the coronavirus pandemic. The Bank participated in all state-guaranteed sponsored programs for the benefit of its customers and at the same time increased funding in order to support the real economy.
- Gross Loans amounted to €2.0 bln, substantially increased by 1.4% compared to 31.12.2020. New financing and refinancing stood at c. €75 mln, out of which €70.9 mln concern corporate and €4.5 mln retail loans. Average ticket for corporate loans amounted to €419.4k and €9.9k for retail loans.
- Since 2016, the Bank has paid to the BoG/ECB the amount of €1.1 bln cumulatively for the repayment of ELA that corresponds to the 1/3 of its total assets and has increased its deposits, since December 2016, by 51%.
- Eurosystem funding increased in Q1 2021 and stood at €300mln from €155mln in FY 2020, while at the same time, funding cost decreased.
- As at 31.03.21, deposits' balances amounted to €2.85 bln, increased by c. €310 mln and by 12.3% yoy, while currently, customer deposits already exceed €2.96 bln, reflecting the positive developments in the domestic market.
- The increase of deposits consists of inflows of €185 mln from individuals and €80 mln from corporate entities in a yearly basis.
- Current and savings accounts stood at €1,102 mln and time deposits at €1,740 mln.

### Increase of deposits by +12.3% yoy with lower cost





## Capital Restoration Plan

- At the same time, the average cost of deposits decreased by 0.30 bps compared to FY 2020. The significant improvement in liquidity has made the Group more focused on cost management, in an effort to strike a balance between attracting deposits and reducing interest expenses. The new cooperation with Raisin, a deposit platform for citizens of the European Union, through which the inflows increased by €80 mln during a quarter, also contributed significantly.
- As a result, gross loans to deposits ratio stood at 70.7%.
- In April 2021, the Bank proceeded with a new securitization “Omega”, which includes the loans/credits of the existing securitization under the name “Artemis” and almost the total portfolio of the non-performing exposures of the Bank as at 31.12.2020. Attica Bank intends to include the aforementioned securitization in the State Guarantee Program “HAPS II”. Upon the successful inclusion of the senior note into this program, the capital adequacy ratios (CET1 and CAD) are estimated to increase by more than two percentage points on a pro-forma level.
- On 14.05.2021, following the announcement of 27.04.2021, the Bank has informed investors that it received a binding offer for the acquisition of the Mezzanine Note and the Junior Note as well as a majority percentage of the share capital of “Thea Artemis SA Management of Loans and Credit Claims”, which was accepted in its context by the Bank. With the conclusion of the investor, the Bank's Business Plan starts to unfold regarding the zeroing of its non-performing exposures.
- In relation to other capital enhancement actions, Attica Bank has recruited advisors concerning the legal and technical part of Omega, Astir 1 and 2 securitizations. For Astir 1 and 2 securitizations, an international house has already been appointed to determine credit rating of senior notes.

## Group's Efficiency

### **Steady increase of net interest income**

- Net Interest Income increased by 19.7% in the first quarter 2021 mainly due to the reduction of financing costs. The financing cost presented a remarkable reduction by 18.4% on a yearly basis, mainly due to the significant cost containment of deposits that absorbed the related costs from new disbursements in Q1 2021.

### **Resilient Net Commission Income**

- Fee and Commission Income amounted for Q1 2021 to €2.9 mln, a resilient outcome, given the constraints of the economic activity due to covid-19 pandemic. The main contributors to the aforementioned resilience were the new loan production as well as the income from Bancassurance products in the framework of cooperation with Interamerican.

- More specifically, Attica Bank in the context of its business strategy with Interamerican Group has brought significant positive results for Attica Bank in the first five months of 2021. It is noted that the active contracts of Anytime concerning auto insurances have exceeded 3,700, while the total active contracts concerning the Bancassurance sector have reached 2,600.

- Furthermore, it is worth noted that in March 2021, Attica Bank proceeded with the repayment of Pillar II guarantees, which will result to a significant annual saving for the Bank that will amount to €3.5 mln for 2021 (commission for the guarantee of the Greek State).

- At the same time, although Attica Bank proceeded to the recruitment of new employees in key positions, personnel expenses displayed a marginal decrease of 2.1%.

### **Cost Base**

- In addition and following the announcement of the Voluntary Exit Plan of 13.5.2021, the first phase of this program has already been completed with the submission of 49 applications and the annual savings is estimated at about € 2.1 mln.

## Digital Transformation Plan

**Significant Increase in  
digital payments as a result  
of Digital Transformation  
Plan**

- The registered e-banking users increased by 36% on an annual basis. Furthermore, the new active customers of digital services (internet & mobile banking) of Attica Bank presented a remarkable increase of 31% in Q1 2021 compared to Q1 2020.
- The percentage of transactions made by individuals through Attica Bank's digital channels (e-banking & m-banking) increased by 35% y-o-y. Specifically, the transactions through mobile banking displayed an annual increase of 110%.

## Summary of Financial Data

All amounts in EUR Thousands				
Profit & Loss Statement	Mar-21	Mar-20	Δ EUR	Δ %
Net Interest Income	14,169	11,834	2,335	19.7%
Net Fee & Commission Income	752	871	(119)	(13.7%)
Total Operating Income	10,094	15,943	(5,849)	(36.7%)
Total Expenses	(15,788)	(15,610)	178	1.1%
Pre Provision Income	(5,695)	333	(6,028)	
Total Provisions	(2,324)	(11,117)	8,793	
Results from associates	(189)	(298)	109	
Profit / (Loss) before taxes	(8,208)	(11,083)	2,875	
Tax	2,371	(1,464)	3,835	
Profit / (Loss) after taxes	(5,837)	(12,546)	6,709	

All amounts in EUR Thousands				
Balance Sheet Figures	Mar-21	Dec-20	Δ EUR	Δ %
Gross Loans & Advances to customers	2,015,600	1,986,943	28,657	1.44%
Net Loans & Advances to customers	1,627,186	1,600,946	26,240	1.64%
Financial Assets	989,829	981,061	8,768	0.89%
Tangible. Intangible Assets. Investment Property	163,782	162,208	1,574	0.97%
Deferred Tax Assets	423,495	421,357	2,138	0.51%
Other Assets	443,272	413,978	29,294	7.08%
Total Assets	3,647,565	3,579,549	68,016	1.90%
Deposits from Banks	422,797	401,177	21,620	5.39%
Deposits from customers	2,851,646	2,801,439	50,207	1.79%
Other Liabilities	171,646	170,243	1,403	0.82%
Total Liabilities	3,446,089	3,372,859	73,230	2.17%
Total Equity	201,476	206,689	(5,213)	(2.52%)
Total Liabilities & Equity	3,647,565	3,579,549	68,016	1.90%

**Note:** The Q1 2021 Financial Statements will be available on the Bank's website <https://www.atticabank.gr/en/> on 16.06.2021.