

PRESS RELEASE
CONSOLIDATED Q1 2009 RESULTS of EMPORIKI BANK GROUP

Q1 2009 results reflect the deepening of economic crisis and the worsening trends in deposit spreads

Cautious provisioning policy pursued

Capital increase for 850M EUR successfully completed

- **Emporiki Bank's Loan portfolio remained stable, at the levels of Q4 08, at 23.4 Bn EUR**, pushing the annual growth rate down to 15%, while Deposits maintained a YoY small increase of 1% at 17.3 Bn EUR in Q1 2009. The deposit mix has been evolving progressively towards a more stable structure with a significant growth of 6% of the saving accounts, compared to December 2008.
- **Group Net Banking Income** has declined by 18.4% at 158.9M EUR mainly due to a 28.8% drop in NII. NII was negatively impacted by the high cost of term deposits in the Greek market -with excessive spreads over Euribor- and the high proportion of Non Performing Loans (7.6% of the loans do not accrue interest). Emporiki adjusted its deposit policy during Q1 2009, limiting the acceptance of highly remunerated term deposits, favouring other types of products and turning partially to other sources of funding. This policy, combined with repricing of existing credit lines as well as increased margins on new loans, did not yet affect positively the quarterly Net Banking Income.
- **Operating expenses** are under strict control with a reduction of 2.7% YoY at 157M EUR. Staff expenses rose only by 3.1% YoY and other operating expenses reduced by 15.4% to 39.1M EUR.
- **Provisioning policy** kept tight with total loan loss provisions amounting to 175.5M EUR. The NPLS increase by 300M EUR during Q1 2009, mainly driven by SMEs and SBLs, suffering from the effects of the economic contraction. Quality of the corporate portfolio has remained stable, within a context of crisis, whereas trend on retail remained on the same lines as in Q4 2008. Provisions on Defaulted Loans reached 47% at end-March 09 corresponding to a 78% coverage on NPLs at group level.
- Consequently, Group Results after tax and minority rights for the quarter reported losses of 168.7M EUR.

Increased stake of Crédit Agricole group

- The 850 M EUR Share Capital Increase has been successfully completed with the full amount subscribed, significantly reinforcing the capital structure of the bank.
- Crédit Agricole SA confirms its support to Emporiki by increasing its stake to 82.48% through its participation in the share capital increase.
- Emporiki is in the process of finalising an update of its Business plan, initially published in 2007, to reflect more adequately the current adverse conditions and the new management's strategic orientation. Emporiki will disclose its new Business plan on June 25, 2009.

Q12009 ACTIVITY REPORT
LOANS & DEPOSITS Q12009 (Bank solo)

<i>(€ mn)</i>	Q12009	Q12008	Ch (%)
Total Loans* (Bank + Credicom)	24,459	21,302	14.8%
Mortgages (incl. mortgages to professionals)	7,874	7,576	3.9%
Consumer credit (Bank + Credicom)	3,608	3,413	5.7%
Business sector	12,977	10,313	25.8%
<i>- of which SBs & SMEs</i>	<i>6,160</i>	<i>5,237</i>	<i>17.6%</i>
Total Deposits (Bank only)	17,326	17,234	0.5%

*2008 figures are on a proforma basis for write-offs performed in 2008

Q1 2009 P/L STATEMENT (GROUP) **
Key figures

<i>(€ mn)</i>	Q12009	Q12008	Ch (%)
Net interest income	121.4	170.6	-28.8%
Fee and commission income	30.2	37.5	-19.2%
Other income	7.4	-13.3	-155.2%
Net banking income	159.0	194.7	-18.4%
Staff expenses	-109.9	-106.6	3.1%
Depreciation	-7.8	-8.3	-5.8%
Other operating expenses	-39.1	-46.2	-15.4%
Provisions	-175.5	-45.9	282.5%
Total Expenses	-332.4	-207.0	60.5%
Results from Continued Operations	-173.4	-12.3	-
Share of Profit (Loss) of Associates	-0.9	0.0	-
Results before taxes	-174.3	-12.3	-
Income tax expense	5.6	-2.9	-293.1%
Results after taxes & minority rights	-168.7	-15.2	-

**2008 figures are on a proforma basis

RATIOS

	Q12009	Q12008	Ch
Cost to income	98.7%	82.2%	+15.9%
Loans / Deposits (Bank only)	135%	118%	+17.0%

ANALYSIS OF Q12009 BALANCE SHEET

During Q1 2009 the annual YoY growth rate of **mortgage loans** of the Bank stood at almost 4%, resulting in outstanding balances of 7,874M EUR. New mortgage loan disbursements stood at almost 100M EUR, affected by the slow down of the real estate market in Greece.

In **consumer credit (including Credicom)** annual growth rate stood at 5.7%, driving total outstanding balances to over 3,600M EUR. Credicom continued its stable growth with balances standing at 1,123M EUR in March 31, 2009, increased by over 10% since the first quarter of 2008.

Loans to **SBLs** and **SMEs** increased by 17.6% YoY with balances standing at 6,160M EUR, enhanced significantly with the launch of the Business Centers' network since the last quarter of 2007.

Deposits of the Bank increased by almost 1.0% YoY, to 17,326M EUR.

Group Equity in Q1 2009 stood at 50M EUR, while the completion of the share capital increase will reinforce the capital base of the Bank and the Group.

ANALYSIS OF Q12009 RESULTS

Net banking income: 159.0M EUR, -18.4%

- **Net interest income** was 121.4M EUR, down by 28.8%, due to intensified competition in time deposits since Q4 2008, as well as the increase in the proportion of the loans, which do not accrue interest.
- **Net fee and commission income** decreased by 19.2% to 30.2M EUR due to low activity of funds under management and the cost of the received financial guarantees.
- **Other operating income** amounted to 7.4M EUR vs. losses of - 13.3M EUR in the first quarter of 2008, which had been affected by the negative mark to market valuations of the trading portfolios.

Total expenses, excluding provisions, decreased by 2.7% to 156.9M EUR, as the result of the continuing tight cost control policy and some one-off adjustments.

- **Staff expenses** increased only by 3.1% to 109.9M EUR, much lower than the full effect of the 2008 Employees Collective Agreement.
- **Other operating expenses**, including depreciation, decreased by 14% to 46.9M EUR, a result of the strict control and the one-off positive impact of the adjustment made in Q1 2009 for the valuation fees of prior years, which amounted to almost 6M EUR.

Provisions reached to 175.5M EUR, higher than anticipated, following the significant increase in the risk of the Small Business and SME loan portfolios due to the current adverse conditions.

Income tax contributed to the results by 5.6M EUR, limited by 12.8M EUR due to impairment of the period deferred tax asset.



➔ Investor Inquiries:
Tatiana Linoxilaki, I.R. Officer
+30 210 3673 969
linoxylaki.t@emporiki.gr

Press Inquiries:
Christina Dimoudi, Press Officer
+30 210 328 2706
dimoudi.c@emporiki.gr