

PRESS RELEASE

CONSOLIDATED H1 2011 FINANCIAL RESULTS OF EMPORIKI BANK GROUP

**Efficient cost control measures and sustained revenue growth rate
led to significant increase of the operational performance
in the first half of 2011**

**Group Net Banking Income increased 2.6% y-o-y
despite adverse economic conditions**

Athens, July 29, 2011 – Emporiki Bank released its consolidated financial results for the first half of 2011 earlier today, demonstrating a significant 183.3% y-o-y improvement in its Gross Operating Income, which rose to €113.1 million, versus €39.9 million in the first half of 2010, as a result of a significant reduction in its operating expenses and a sustained revenue growth rate despite overall slowdown of demand.

Indeed, Emporiki Bank managed to keep an overall positive trend to the Group Net Banking Income, which rose by 2.6% y-o-y to €377.9 million in the first half of 2011 and increased its market share both in loans and deposits (data for the first five months of 2011), within a context of adverse economic conditions on deposit rates, low customer demand for new loans and income restraints on individuals and enterprises. This development has been achieved by the continuous monitoring of the yield of loans and the cost of deposits, the slightly positive Group's trading income and the combination of new innovative products and efficient commercial activity.

Emporiki Bank achieved a further reduction in its Group Operating Expenses, which amounted to €264.8 million, corresponding to 19.4% y-o-y decrease, following a continued multi level expenditure rationalisation. Excluding transformation costs, the reduction in operating expenses reached 8.2% y-o-y and the cost-to-income ratio for the first six months of the year dropped from 76% in 2010 to 68% in 2011.

The participation of Emporiki Bank to the support plan of Greece results in an estimated €71.4 million impairment of its Greek government bond portfolio, which affected the Cost of Risk. Thus, the Cost of Risk for the first half of 2011 reached €569.8mIn. Excluding this one-off effect, it came 12.1% lower y-o-y to €498.4 million, being positively affected by the significant improvements in the credit approval and collection processes. This is also evident in the quality of the new loans portfolio, which is steadily improving. However, on a q-o-q basis and due to the economic conditions that prevailed in the country, Emporiki demonstrated higher cost of risk by 25% (excluding Greek Government Bonds depreciation) in the second quarter of 2011, which is mainly related to the old loan portfolio. In this difficult environment, Emporiki Bank Group keeps applying a very strict provisioning policy. The cost of risk is expected to be reduced in 2011 compared to 2010, however remaining at higher levels than those expected until recently. Nevertheless, Emporiki, with the strength of Crédit Agricole, is able to continue financing the Greek households, professionals and businesses, with a low cost of risk on new loans, despite adverse economic conditions.

Group Net Losses increased to €611.1 million for the first half of 2011 from €535.2 million in 2010, including the Greek Government Bonds depreciation. As a conservative approach, and taking into consideration the adverse market conditions, Emporiki Bank decided to depreciate the Deferred Tax Assets in the amount of € 148 million out of the total amount of € 278 million.

As regards the figures of the second quarter of 2011, Emporiki Bank's Net Banking Income suffered from a slowdown of its operations because of the low demand on loans and declined by 8%; its Net Losses reached €231.5 million excluding Deferred Tax Assets and Greek Government Bonds depreciation (€450.9 million including these two effects). Nevertheless, operating expenses remained stable q-o-q with lower recurring G&A, staff and other expenses. Excluding transformation costs, the reduction in operating expenses was 4% q-o-q.

Within the second quarter of the year, Emporiki Bank continued enhancing its commercial performance, with ongoing launches of innovative products, designed with the expertise of its parent group Credit Agricole to meet the real needs of its customers, in the current difficult economic environment.

Loan portfolio volumes remained stable at around €22.6 billion on a quarterly basis and decreased by 1.8% on an annual basis in a context of particularly low demand. The application of effective and centralized credit approval procedures has maintained the quality of the Bank's new loans' portfolio with the cost of risk on new loans sustained at low level. The commercial performance of Emporiki Bank, combined with its successful advertising campaigns, has led to an increase of 19.7% in the new loan disbursements to individuals in June versus May, which is indicative of a rising trend.

Deposits stood at €11 billion at Bank level, down by 5.4% since the beginning of the year, reflecting the persistent liquidity difficulties of the Greek market. However, including innovative products launched, the overall deposits from the customers were kept stable in the second quarter.

In the context of a volatile and adverse economic environment, which impacted on the financial results of the second quarter, Emporiki Bank remains focused on the implementation of its Restructuring & Development plan, adjusting it carefully whenever deemed necessary in order to reach breakeven financial results the soonest possible. While preserving a strict provisioning policy, the Bank will continue to address the liquidity needs of Greek households, professionals and businesses and at the same time maintain the increasing trend as regards its market share in deposits, by offering innovative and competitive products.

BUSINESS VOLUMES - JUNE 2011
Emporiki Bank solo

<i>(€ Million)</i>	June 2011	June 2010	Y-o-Y (%)	Mar. 2011	Dec. 2010
Total Loans* (Bank solo)	22.585	23.005	-1.8%	22.624	22.628
Mortgages (incl. mortgages to professionals)	7.403	7.593	-2.5%	7.451	7.506
Consumer credit	2.260	2.340	-3.4%	2.278	2.292
Business sector	12.922	13.072	-1.1%	12.895	12.830
Total Deposits (Bank solo)	10.980	12.875	-14.7%	11.136	11.612

* 2010 figures are on a proforma basis for write-offs

H1 2011 INCOME STATEMENT **
Emporiki Group

***2010 figures are on a proforma basis*

<i>(€ Million)</i>	H1 2011	H1 2010	Y-o-Y (%)	Q2' 11	Q1' 11	Q2' 10
Net interest income	312.7	315.2	-0.8%	152.2	160.5	160.8
Fee and commission income	58.8	59.0	-0.5%	27.4	31.3	29.5
Other income	6.5	-5.9	+209%	1.7	4.8	-10.7
Net banking income	377.9	368.4	2.6%	181.3	196.6	179.6
Staff expenses	-170.6	-190.3	-10.4%	-83.6	-87.0	-94.4
Depreciation	-11.9	-13.1	-9.3%	-5.5	-6.4	-6.3
Other operating expenses	-74.4	-76.6	-2.9%	-36.6	-37.8	-39.3
Transformation costs	-8.0	-48.4	-83.5%	-6.5	-1.5	-44.2
Total Expenses	-264.8	-328.4	-19.4%	-132.1	-132.7	-184.2
Gross Operating Income	113.1	39.9	183.3%	49.2	63.9	-4.5
Impairment losses & other provisions	-569.8	-567.0	0.5%	-348.5	-221.3	-317.6
Operating Results	-456.7	-527.1	+13.4%	-299.3	-157.4	-322.1
Share of Profit (Loss) of Associates	-0.1	-0.1	-52.6%	-0.1	0	-0.1
Results before taxes	-456.7	-527.2	+13.4%	-299.4	-157.4	-322.2
Income tax expense	-154.3	-8.0	N/A	-151.6	-2.8	-3.8

Results after taxes	-611.1	-535.2	-14.2%	-450.9	-160.1	-325.9
Attributable to non-controlling interests	-0.5	-0.1		0.1	-0.6	-0.1
Results after taxes & non-controlling interests	-610.6	-535.1	-14.1%	-451.0	-159.5	-325.8
Cost to income (global)	70.1%	89.2%	-19.1%	72.9%	67.5%	102.5%
Cost to income (excl. trans. costs)	68.0%	76.0%	-8.1%	69.3%	66.7%	77.9%

BUSINESS VOLUMES OVERVIEW

Total **Loans**¹ at the end of June 2011 amounted to €22.6 billion, presenting a slight decrease of 1.8% (€0.4 billion) on a y-o-y basis, affected by the overall slow down of credit activities in Greece. Loans to households decreased y-o-y by 2.7% to €9.7 billion while Business loans decreased y-o-y by 1.1% to €12.9 billion. Despite the adverse financial conditions, total loans remained very close to the December 2010 and March 2011 levels leading to an improvement of market shares and confirming Emporiki's commitment to support the Greek Economy.

Customer Deposits fell slightly (€0.15 billion) comparing to March 2011, presenting better performance than the market and leading to market shares improvement. In addition, if customers' placements in "innovative" types of products are taken into account, total customers' funds under management were stabilized during Q2 2011. Comparing to June 2010, customer deposits amounted to €11 billion (y-o-y decrease of 14.7%), as a result of the prevailing market and Greek economy conditions.

Group Equity at the end of June 2011 stood at €775 million.

H1 2011 GROUP RESULTS OVERVIEW

Net Banking Income: €377.9 million, +2.6% y-o-y.

- **Net Interest Income** was €312.7 million, slightly reduced y-o-y (by 0.8%) due to the negative effects of the adverse environment to loans quality and cost of customer and interbank funding. On a q-o-q basis, Net Interest Income (€152.2 million) decreased by 5.1%, reflecting the further deterioration of the economic and market conditions during the second quarter of 2011.
- **Net Fee Income** remained at prior year levels, despite low commercial activity and amounted to €58.8 million. On a q-o-q basis, reported Net Fee Income for Q2 2011 is lower by almost €4 million, mainly due to seasonality factors, positively affecting the first quarter of the year.
- **Other operating income** for H1 2011 amounted to gains of €6.5 million, comparing to losses of €5.9 million booked in H1 2010, which had been affected by mark to market valuations of the trading portfolio. On a q-o-q basis, Q2 2011 other operating income appears lower, mainly due to the international subsidiaries' contribution.

Total recurring expenses, excluding transformation costs and provisions, decreased by over 8% compared to June 2010 and amounted to €256.8 million, following cost containment measures.

- **Staff expenses** decreased y-o-y by 10.4% to €170.6 million, reflecting the impact of the decrease in the group's headcount. On a q-o-q basis, staff costs presented a decrease of almost 4%.

¹ Emporiki Bank solo - Gross Loans to customers, excl. advances and accrued interest

- **Other recurring operating expenses**, including depreciation, decreased by 3.8% comparing to H1 2010, reflecting strict cost control initiatives and amounted to €86.3 million. On a q-o-q basis, other recurring operating expenses (€42 million) presented a decrease of 5%.
- **Transformation costs** amounted to €8 million, compared to €48.4 million in H1 2010, as a consequence of the high number of staff departures that took place at the end of June 2010.

Gross Operating Income: €113.1 million, up by 183.3% compared to €39.9 million in June 2010, as a result of the improvement in trading results and mainly due to the tight control of operating expenses. On a q-o-q basis, gross operating income presented a decrease of over 20%, driven from the lag in Net Banking Income.

Total Impairment Losses and Other provisions for H1 2011 amounted to €498.4 million, excluding the €71.4 million depreciation of the Greek Government Bonds portfolio, and remained high as a result of the persistently challenging economic and market conditions, as well as the strict provisioning policy and the reinforcement of the coverage ratio of old loans portfolio. It is noted that H1 2011 Impairment and other provisions (excluding the Greek Government Bonds depreciation) decreased by 12% on a y-o-y basis positively affected by the significant improvements in the credit approval and collection processes.

Emporiki Bank Group

Emporiki Bank, member of the French group of Crédit Agricole, retail bank leader in France and one of the largest banking groups in the world with 160,000 employees, 54 million customers and 11,500 branches in 70 countries, has taken a significant hand in the Greek economy for more than 100 years, as a reliable partner of Greek households and businesses.

Emporiki Bank Group, with approximately 5,800 employees, has 327 branches and 11 business centers throughout Greece, along with a growing network of branches operated by its subsidiaries in Cyprus, Albania, Romania and Bulgaria.

Emporiki Bank, via its wide branch network, which is being upgraded according to the high standards of a new, modern retail branch model, and having the significant know-how and support of its parent company, offers a wide range of innovative products and services covering the current savings, financing and investment needs of its customers in Greece and abroad, where both Emporiki and Crédit Agricole are present.

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