

2Q2014 Financial Results

- **Strong capital and liquidity position: Common Equity Tier I ratio (CET1) at 17.8% and loans to deposits at 103.4%.**
- **Pre-provision income ongoing recovery by 14.4% q-o-q to €222m.**
- **Operating expenses down by 10.7% in 1H2014 on a comparable basis.**
- **Quarterly 90dpd formation in Greece decreased by 50%, the lowest level since 4Q2008.**
- **Accumulated credit loss provisions strengthened to €8.4bn and 90dpd loans coverage ratio increased to 51.1%.**
- **Net income before non-recurring charges at -€186m versus -€189m in 1Q2014.**
- **Disposal of 13.5% of Eurobank Properties at a price above book value (€119m consideration).**

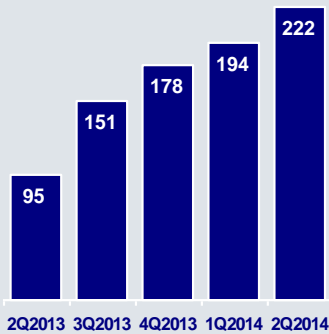
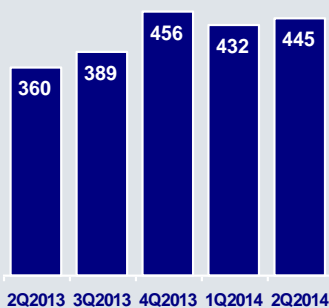
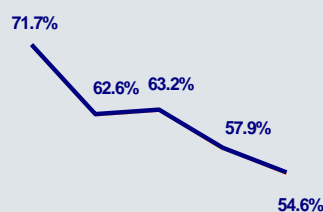
“The qualitative improvement in Eurobank’s second quarter 2014 results confirms that the strategic planning for the transformation of the Bank’s business model is implemented vigorously and is already bearing fruits.

The loans to deposits ratio declined to 103% and the quarterly formation of new NPLs decreased by 50% in Greece. Pre-provision income recorded a notable increase, income from fees and interest recovered and expenses were reduced by more than 10% on an annual basis.

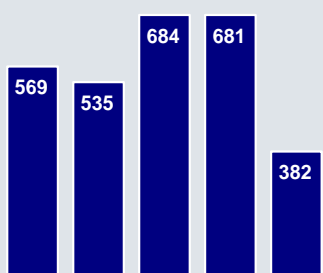
The improving prospects of the Greek economy and the recovered investor confidence created an environment conducive for a number of initiatives, such as our return in the international debt capital markets for medium-term liquidity and the sale of a stake in Eurobank Properties.

The Common Equity Tier I ratio reached 17.8% and is the highest in Greece. The above mentioned combined with the ongoing economic recovery allow us to be optimistic for the near future.”

Christos Megalou – CEO

**Pre-Provision Income
(€m)**

**Net Interest and Commission Income
(€m)**

Cost to Income


2Q2013 3Q2013 4Q2013 1Q2014 2Q2014

**Gross 90dpd formation
(€m)**


2Q2013 3Q2013 4Q2013 1Q2014 2Q2014

Financial Results Analysis

The improving operational performance of Eurobank was reflected in the expansion of **pre-provision income** to €222m, from €194m in 1Q2014 and €95m in 2Q2013. The recovery in interest and commission income, the expansion of other income and the ongoing containment of operating costs were the main contributing factors to this positive development. In more detail:

Net interest income rose by 2.2% q-o-q to €375m in 2Q2014, from €367m in 1Q2014, mainly due to the continued de-escalation of the cost of deposits in Greece and eurosystem funding. Net interest income expanded by 1.9% to €274m in Greece and by 3.0% to €102m in international operations. Net interest margin improved also to 2.0% in 2Q2014, from 1.9% in 1Q2014.

Total fees and commissions also registered a notable increase of 8.3% q-o-q to €70m in 2Q2014, mainly driven by asset management, capital markets, rental and branch network fees. Total fees and commissions accounted for 0.37% of total assets in 2Q2014, versus 0.34% in 1Q2014.

Net interest and commission income expanded by 3.1% to €445m in 2Q2014, from €432m in the previous quarter. **Other income** recorded a notable increase of 52.9% to €45m, stemming from portfolio gains in bonds and equities.

Total operating income rose by 6.3% q-o-q and stood at €490m during the same period, from €461m in 1Q2014. Total revenues expanded in Greece to €354m, from €327m in 1Q2014, contributing 72.3% to total income, and increased slightly by 1.3% to €136m in international operations.

Operating expenses remained almost flat q-o-q (at €268m) but receded by 10.7% y-o-y on a comparable basis. In more detail, costs were down by 12.4% in 1H2014 in Greece to €396m and 5.6% in international operations to €138m. The cost to income ratio improved to 54.6% in 2Q2014, from 71.7% in 2Q2013.

Credit provisions reached €455m in 2Q2014, from €479m the previous quarter, strengthening the accumulated balance sheet provisions to €8.4bn. Therefore, the 90 days past due loans (90dpd) coverage ratio increased by 80 basis points q-o-q to 51.1% at the end of 2Q2014.

New 90dpd formation recorded a substantial reduction of 50.1% in Greece to €299m in 2Q2014, from €599m in 1Q2014, as a result of the Bank's remedial management initiatives. New formation including international business declined

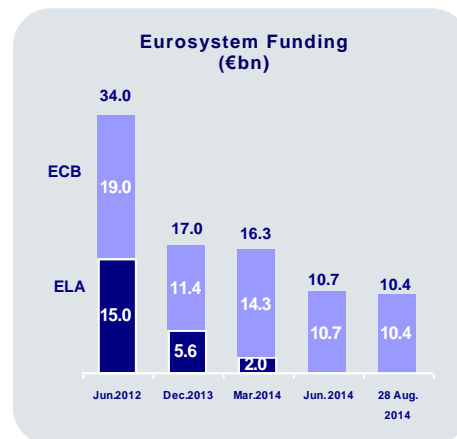


to €382m, from €681m in 1Q2014, the lowest level since 4Q2008. The **90dpd ratio** reached 31.8%, from 30.9% at the end of March 2014.

Gross customer loans amounted to €51.8bn, with loans to businesses and households standing at €26.1bn and €25.6bn respectively.

Deposits expanded by €1.4bn and amounted to €41.9bn in 2Q2014, from €40.5bn in 1Q2014. The **loans to deposits ratio** declined further to 103.4%, from 109.3% at the end of March 2014.

Eurosystem funding decreased by 36.2% (€5.9bn) from 1Q2014 to date.



During the second quarter 2014, the Bank continued to execute its restructuring plan, which has been approved by the Greek and European authorities. In this context, it disposed of 13.5% stake in Eurobank Properties for a total consideration of €119m., while it reached an agreement in August to sell its operations in Ukraine. Accounting for these actions, the **Common Equity Tier I capital** (CET1- Basel III) amounted to €6.5bn or 17.8% of risk weighted assets in 2Q2014.

The **net income before non-recurring charges** was -€186m in 2Q2014, against -€189m in 1Q2014.

Eurobank Financial Results

Major Financial Figures¹	2Q2014	1Q2014	Change	4Q2013²	3Q2013³	2Q2013
Net Interest Income	€375m	€367m	2.2%	€386m	€320m	€294m
Net Fee & Commission Income	€70m	€65m	8.3%	€70m	€69m	€66m
Total Operating Income	€490m	€461m	6.3%	€484m	€404m	€335m
Total Operating Expenses	€268m	€267m	0.4%	€306m	€253m	€240m
Pre-Provision Income	€222m	€194m	14.4%	€178m	€151m	€95m
Credit Loss Provisions	€455m	€479m	-5.1%	€647m	€417m	€419m
Net Income before non-recurring charges	-€186m	-€189m		-€338m	-€205m	-€243m
Net Result after non-recurring charges	-€301m	-€207m		-€913m	-€285m	-€331m

Balance Sheet Items	2Q2014	1Q2014
Consumer Loans	€6,983m	€7,132m
Mortgages	€18,597m	€18,682m
Small Business Loans	€7,263m	€7,309m
Large Corporates & SMEs	€18,883m	€19,260m
Total Gross Loans	€51,785m	€52,442m
Total Customer Deposits	€41,926m	€40,525m
Total Assets	€74,773m	€75,995m

Financial Ratios	2Q2014	1Q2014
Net Interest Margin	2.00%	1.93%
Cost to Income	54.6%	57.9%
90 Days Past Due Loans (90dpd)	31.8%	30.9%
90dpd Coverage	51.1%	50.3%
Provisions to average Net Loans	4.15%	4.29%
Common Equity Tier I (CET1)	17.8% ⁴	17.7% ⁵

¹ Ukraine reclassified as held for sale as of 1Q2014. Previous quarters restated accordingly for comparability purposes.

² Includes TT & Proton for 3 months.

³ Includes TT & Proton for 1 month.

⁴ Pro-forma for the disposal of Ukrainian operations.

⁵ Pro-forma for the €2,864m share capital increase completed in April 2014.

CONSOLIDATED BALANCE SHEET

	In € million	
	30 Jun 2014	31 Dec 2013
ASSETS		
Cash and balances with central banks	2,098	1,986
Loans and advances to banks	2,472	2,567
Financial instruments at fair value through profit or loss	328	375
Derivative financial instruments	1,675	1,264
Loans and advances to customers	43,357	45,610
Investment securities	17,036	18,716
Property, plant and equipment	743	770
Investment property	871	728
Intangible assets	249	266
Deferred tax asset	3,322	3,063
Other assets	2,277	2,241
Assets of disposal group classified as held for sale	345	-
Total assets	74,773	77,586
LIABILITIES		
Due to central banks	10,596	16,907
Due to other banks	10,057	10,192
Derivative financial instruments	2,003	1,558
Due to customers	41,926	41,535
Debt issued and other borrowed funds	920	789
Other liabilities	1,900	2,082
Liabilities of disposal group classified as held for sale	217	-
Total liabilities	67,619	73,063
EQUITY		
Ordinary share capital	4,412	1,641
Share premium and other reserves	1,060	1,574
Preference shares	950	950
Total equity attributable to shareholders of the Bank	6,422	4,165
Preferred securities	77	77
Non controlling interests	655	281
Total equity	7,154	4,523
Total equity and liabilities	74,773	77,586

CONSOLIDATED INCOME STATEMENT

	In € million	
	1 Jan - 30 Jun 2014	1 Jan - 30 Jun 2013
Net interest income	743	564
Net banking fee and commission income	95	94
Net insurance income	17	17
Income from non banking services	22	18
Dividend income	2	2
Net trading income	13	(41)
Gains less losses from investment securities	55	31
Net other operating income	4	(15)
Operating income	951	670
Operating expenses	(535)	(480)
Profit from operations before impairments and non recurring income/(expenses)	416	190
Impairment losses on loans and advances	(934)	(837)
Other impairment losses	(64)	46
Other non recurring income/(expenses)	92	(80)
Share of results of associated undertakings and joint ventures	0	(1)
Profit/(loss) before tax	(490)	(682)
Income tax	137	174
Non recurring tax adjustments	82	579
Net profit/(loss) from continuing operations	(271)	71
Net profit/(loss) from discontinued operations	(227)	(21)
Net profit/(loss)	(498)	50
Net profit/(loss) attributable to non controlling interests	10	6
Net profit/(loss) attributable to shareholders	(508)	44

Note:

The consolidated income statement for the first half of 2014 includes the results of New TT Hellenic Postbank group and New Proton Bank, which are incorporated in the Eurobank group's financial statements from 1 September 2013 prospectively.