March 12, 2020

2019 Financial Results & Business Update 2020-2022

- **Net profit[1] up 26.8% y-o-y to €257m in 2019**
- **Core pre-provision income at €830m**
- **NPE stock down €3.7bn y-o-y**
- **NPE ratio down 780bps to 29.2%**
- **Negative NPE formation by €858m in 2019**
- **Provisions over NPEs up 210bps y-o-y to 55.3%**
- **Performing loans l-f-l up €1.7bn[2] and deposits up €5.8bn y-o-y**
- **Loans to Deposits ratio improves from 92.6% in 2018 to 83.2% in 2019**
- **CET1 at 16.7% and CAD at 19.2%, +250bps versus 2018**
- **Business Update 2020-2022[3]**
  - ✓ **ROTBV[4] ~9% in 2020 and ~10% in 2022**
  - ✓ **EPS[4] ~€0.12 in 2020 and ~€0.16 in 2022**
  - ✓ **NPE ratio ~13.5% in 2020 and ~5% in 2022**
  - ✓ **CAD ~ 16.5% in 2022**

[1] Adjusted net profit.
[2] Adjusted in FY19 for €(1.1)bn securitized notes, €(0.6)bn from Piraeus Bank Bulgaria, €0.1bn Grivalia loans repayment and €0.2bn PF/PE from Pillar transaction.
[3] Projections have not incorporated any effect from the coronavirus outbreak.
[4] Adjusted net profit.

"2019 has been a milestone year for the bank as we have delivered on our accelerated NPE reduction plan. During the last 3 years, Eurobank has addressed all key legacy issues by (a) increasing our total capital adequacy ratio by close to 400bps, (b) reducing the NPE stock from 46% to 16%, approximately and (c) enhancing our liquidity position after an increase in deposits of circa €13 billion, of which €9 billion in Greece.

With respect to our Transformation plan, the last major step came with our binding agreement with doValue for the sale of our licensed servicer FPS and the Cairo transaction, the securitization of a €7.5 billion multi-asset-class portfolio – the first to have opted-in for the Hercules APS. The carve-out process of FPS, which includes about 500 Eurobank employees moving to FPS, is imminent, ensuring a seamless transition.

With a healthy business model and having dealt with the burden of the NPE stock, we concentrate all our efforts into strengthening our business, financing solid projects, attracting new clients, both businesses and individuals, to enhance our income base. A series of business initiatives proved timely, well-targeted and are bearing fruit. We led the market into reviving mortgages in Greece, financing SMEs and we were instrumental in securing financing for the milestone Hellinikon project, while retaining and expanding our strategic presence in key sectors, including tourism, "green" energy, infrastructure and shipping. Furthermore, we are strengthening and expanding our franchise to the core markets in the region.

Our medium-term target is a ROTE close to 10%. Our NPEs, already by far the lowest in Greece at 15.9%, should reach single-digit in 2021, as per our initial guidance and further drop to 5% in 2022.

Overall, we are pleased that we have been able to deliver on our 2019 Transformation plan. Profitability and business growth are becoming our key focus going forward. The Greek economy is on a solid footing and, importantly, during the last few years the banking system has become more robust and better equipped to withstand challenges. At present, the impact from the recent coronavirus outbreak cannot be assessed with any precision. It may be significant but our baseline assumption is that it will be temporary. Eurobank stands ready to support its clients, businesses and individuals, who will be affected by the coronavirus crisis. We are also ready to implement whatever measures governments, the European institutions, our supervisors and the institutional bodies of our sector will determine.

As concerns eventually subside, we expect economic activity in Greece to accelerate again and growth to remain solid over the longer period in Bulgaria and Cyprus. In such an environment, the Bank is in a strong position to enter a growth phase and create value for its shareholders and customers."

Fokion Karavias, CEO

March 12, 2020

2019 Financial Results

2019 was a milestone year for Eurobank, as the merger with Grivalia and the transformation plan for the accelerated reduction of NPEs were concluded. Together with the clean-up of its balance sheet, the Bank generated robust organic profitability and strengthened its **net profit**[5] by 26.8% y-o-y to €257m. In more detail:

- **Net interest income** reached €1,377m in 2019 against €1,416m in 2018, while the net interest margin receded by 23 basis points to 2.24%.

- **Net fee and commission income** were up by 13.6% y-o-y to €354m, mainly due to rental income, fees from the Branch Network activities and asset management business.

- **Core income** and **total operating income** remained flat y-o-y to €1,731m (+0.2%) and €1,844m (+0.6%) respectively in 2019.

- **Operating** expenses, on a like for like basis[6], decreased by 1.7% y-o-y in Greece and were broadly flat at a Group level (+0.7%) in 2019. The cost to income ratio was 48.9% in 2019.

- **Core pre-provision income** declined by 2.7% y-o-y to €830m and **pre-provision income** receded by 1.6% y-o-y to €943m.

- The **stock of NPEs** was down by €3.7bn against 2018, while **provisions over** NPEs increased by 210 basis points y-o-y to 55.3%. The **NPE ratio** decreased by 7.8 percentage points y-o-y to 29.2% at the end of 2019. Pro-forma for the €7.5bn Cairo securitization, the NPE ratio drops to 15.9%. The **NPE formation** was negative by €858m in 2019, of which €839m in Greece and €19m in International business.

- **Loan loss provisions** fell by 8.3% in 2019 to €624m and accounted for 170 basis points of the average net loans compared to 189 basis points in 2018.

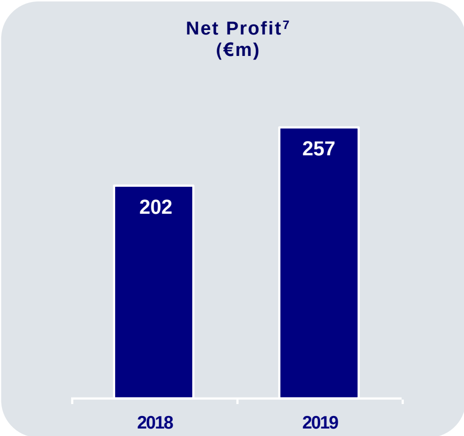
- **International operations** remained profitable in 2019, as net profit[7] rose by 16.0% to €168m. Specifically, core pre-provision income grew by 11.0% y-o-y to €270m and pre-provision income expanded by 22.8% y-o-y to €297m.

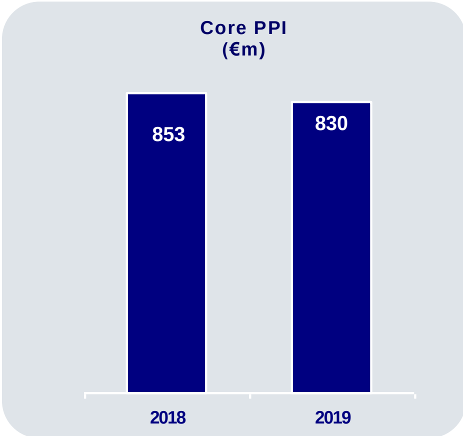
- Post the merger with Grivalia and the internal capital generation due to organic profitability, **CET1** increased to 16.7% and **total CAD** to 19.2% in 2019, up by 250bps y-

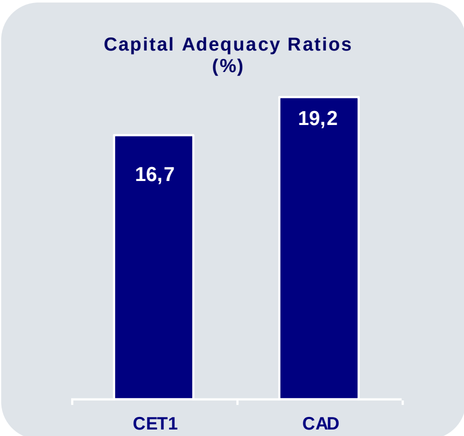
[5] Adjusted net profit.
[6] Excluding €20.9m expenses of Grivalia and Piraeus Bank Bulgaria.
[7] Adjusted net profit.

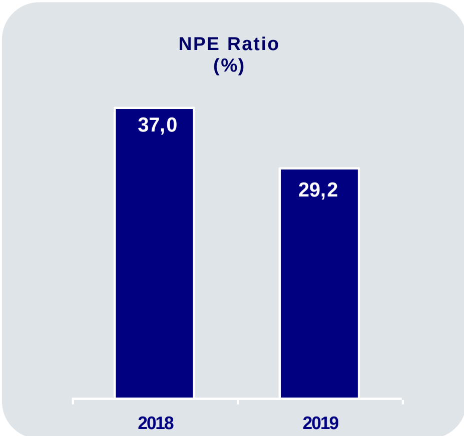
o-y. The fully-loaded Basel III CET 1 stood at 14.6%. Risk weighted assets reached €41.4bn.

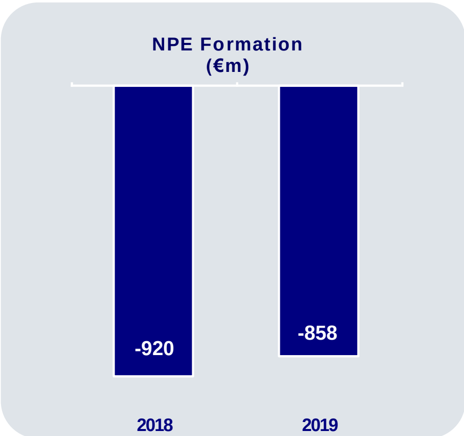
- **Performing loans** grew l-f-l by €1.7bn[8] y-o-y and **Customer deposits** increased by €5.8bn in 2019, including €1.1bn from the acquisition of Piraeus Bank Bulgaria. The **loans to deposits ratio** substantially improved to 83.2%, from 92.6% in 2018.

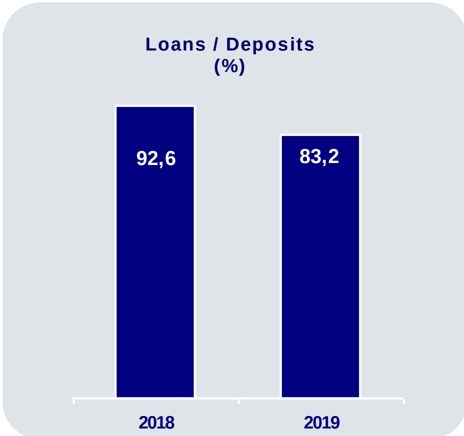












[8] Adjusted in 2019 for €(1.1)bn securitized notes, €(0.6)bn from Piraeus Bank Bulgaria, €0.1bn Grivalia loans repayment and €0.2bn PF/PE from Pillar transaction.

Business Update 2020-2022[9]

Following the execution of the 2019 transformation plan, profitability becomes the key priority for Eurobank going forward. For 2020 we are targeting a return on tangible book value[8] of circa 9% and circa 10% for 2022. Credit expansion is expected to be a main driver of the Bank's business growth, as performing loan balances are estimated to increase by €3.5bn in Greece and €2.1bn in International operations for the period 2020-2022. Fee and commission income is also anticipated to grow substantially, driven by the expansion of Retail, Corporate, Wealth Management, Private Banking and Investment Property Businesses. The main profitability driver will be lower credit provisions, with the cost of risk expected to decline to circa 75 basis points in 2022, from 170 basis points in 2019. Total capital adequacy ratio is expected at around 16.5% in 2022. At the same time, the clean-up of the balance sheet will continue, so that the NPE ratio recedes to circa 5% at the end of 2022. The new strategic goals for 2020-2022 are as follows:

	2019	2020	2022
Return on Tangible Book Value (ROTBV) [10]	4.6%	~9%	~10%
EPS[10]	€0.07	~€0.12	~€0.16
TBV/S[10]	€1.70/€1.31[11]	~€1.44	~€1.70
Cost / Income	48.9%	~48%	~45%
Cost of Risk	1.70%	~0.90%	~0.75%
NPEs ratio	15.9%[12]	~13.5%	~5%
FLB3 CET1	14.6%	~12.0%	~14%
Total CAD	19.2%	~15.8%	~16.5%

[9] Projections have not incorporated any effect from the coronavirus outbreak.
[10] Adjusted net profit.
[11] Pro-forma for Cairo & FPS transactions.
[12] Pro-forma for Cairo.

Eurobank Financial Figures

Key Financial Results[13]	2019	2018	Change
Net Interest Income	€1,377m	€1,416m	(2.7%)
Net Fee & Commission Income	€354m	€311m	13.6%
Total Operating Income	€1,844m	€1,832m	0.6%
Total Operating Expenses	€901m	€874m	3.1%
Core Pre-Provision Income	€830m	€853m	(2.7%)
Pre-Provision Income	€943m	€958m	(1.6%)
Loan Loss Provisions	€624m	€680m	(8.3%)
Adjusted Net Profit	€257m	€202m	26.8%
Net Income after tax	€127m	€93m	36.2%

Balance Sheet Highlights	2019	2018
Consumer Loans	€3,836m	€3,987m
Mortgages	€13,974m	€16,253m
Small Business Loans	€6,480m	€6,420m
Large Corporates & SMEs	€19,034m	€18,290m
Senior Notes	€1,062m	-
Total Gross Loans	€44,464m	€45,032m
Total Customer Deposits	€44,841m	€39,083m
Total Assets	€64,761m	€57,997m

Financial Ratios	2019	2018
Net Interest Margin	2.24%	2.47%
Cost to Income	48.9%	47.7%
Non-Performing Exposures (NPEs)	29.2%	37.0%
Provisions / NPEs	55.3%	53.2%
Provisions to average Net Loans (Cost of Risk)	1.70%	1.89%
Common Equity Tier 1 (CET1)	16.7%	14.2%
Total Capital Adequacy (CAD)	19.2%	16.7%

[13] The comparative information has been restated due to change in accounting policy for investment property.

Glossary - Definition of Alternative Performance Measures (APMs) and other selected financial measures/ ratios

- **Commission income**: The total of Net banking fee and commission income and Income from non-banking services of the reported period.
- **Other Income**: The total of net trading income, gains less losses from investment securities and other income/ (expenses) of the reported period.
- **Core Pre-provision Income (Core PPI)**: The total of net interest income, net banking fee and commission income and income from non-banking services minus the operating expenses of the reported period.
- **Pre-provision Income (PPI)**: Profit from operations before impairments, provisions and restructuring costs as disclosed in the financial statements for the reported period.
- **Adjusted Net Profit:** Net profit from continuing operations before restructuring costs, goodwill impairment and gains/losses related to the transformation plan, net of tax.
- **Net Interest Margin (NIM)**: The net interest income of the reported period, annualized and divided by the average balance of continued operations' total assets (the arithmetic average of total assets, excluding discontinued operations, at the end of the reported period and at the end of the previous period.
- **Cost to Income ratio**: Total operating expenses divided by total operating income.
- **NPEs ratio**: Non Performing Exposures (NPEs) at amortized cost divided by gross loans and advances to customers at amortized cost at the end of the reported period.
- **Provisions/NPEs ratio**: Impairment allowance for loans and advances to customers, including impairment allowance for credit related commitments (off balance sheet items) divided by NPEs at amortized cost at the end of the reported period.
- **NPEs formation**: Net increase/decrease of NPEs in the reported period excluding the impact of write offs, sales and other movements.
- **90dpd ratio**: Gross loans at amortized cost more than 90 days past due divided by gross loans and advances to customers at amortized cost at the end of the reported period.
- **Provisions/90dpd loans**: Impairment allowance for loans and advances to customers, including impairment allowance for credit related commitments (off balance sheet items) divided by gross loans at amortized cost more than 90 days past due at the end of the reported period.
- **90dpd formation**: Net increase/decrease of 90 days past due gross loans at amortized cost in the reported period excluding the impact of write offs, sales and other movements.
- **Cost of Risk**: Impairment losses on loans and advances charged in the reported period, annualized and divided by the average balance of loans and advances to customers at amortized cost (the arithmetic average of loans and advances to customers at amortized cost, including those that have been classified as held for sale, at the end of the reported period and at the end of the previous period).
- **Loans to Deposits**: Loans and advances to customers at amortized cost divided by due to customers at the end of the reported period.
- **Non Performing Exposures (NPEs)**: Non Performing Exposures (in compliance with EBA Guidelines) are the Group's material exposures which are more than 90 days past-due or for which the debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past due amount or the number of days past due. The NPEs, as reported herein, refer to the gross loans at amortized cost, except for those that have been classified as held for sale.
- **Risk-weighted assets (RWAs)**: Risk-weighted assets are the Group's assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013, taking into account credit, market and operational risk.

- **Total Capital Adequacy ratio (CAD)**: Total regulatory capital as defined by Regulations (EU) No 575/2013 and No 2395/2017 based on the transitional rules for the reported period, divided by total Risk Weighted Assets (RWA).

- **Phased in Common Equity Tier I (CET1)**: Common Equity Tier I regulatory capital as defined by Regulations No 575/2013 and No2395/2017 based on the transitional rules for the reported period, divided by total Risk Weighted Assets (RWAs).

- **Fully loaded Common Equity Tier I (FLB3 CET1)**: Common Equity Tier I regulatory capital as defined by Regulations No 575/2013 and No 2395/2017 without the application of the relevant transitional rules, divided by total Risk Weighted Assets (RWAs).

- **Tangible Book Value (TBV)**: Total equity excluding preference shares, preferred securities and non controlling interests minus intangible assets.

- **Tangible Book Value/Share (TBV/S):** Tangible book value divided by outstanding number of shares as at period end excluding own shares.

- **Return on tangible Equity (ROTBV)**: Net profit from continuing operations before deducting restructuring costs, after tax and goodwill impairment loss divided by tangible book value.

- **Basic Earnings per share (EPS)**: Net profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

EUROBANK ERGASIAS S.A.
General Commercial Registry No: 000223001000

CONSOLIDATED BALANCE SHEET

	In € million	
	31 Dec 2019	31 Dec 2018
ASSETS		
Cash and balances with central banks	**4,679**	1,924
Due from credit institutions	**3,007**	2,307
Derivative financial instruments	**2,262**	1,871
Loans and advances to customers	**37,365**	36,232
Investment securities	**7,951**	7,772
Property, plant and equipment	**746**	353
Investment property	**1,184**	331
Goodwill and other intangible assets	**378**	183
Deferred tax assets	**4,766**	4,914
Other assets	**2,423**	2,110
Total assets	**64,761**	57,997
LIABILITIES		
Due to central banks	**1,900**	2,050
Due to credit institutions	**5,022**	6,376
Derivative financial instruments	**2,726**	1,893
Due to customers	**44,841**	39,083
Debt securities in issue	**2,406**	2,707
Other liabilities	**1,199**	845
Total liabilities	**58,094**	52,954
EQUITY		
Share capital	**852**	655
Share premium, reserves and retained earnings	**5,813**	4,346
Preferred securities	**2**	42
Total equity	**6,667**	5,043
Total equity and liabilities	**64,761**	57,997

CONSOLIDATED INCOME STATEMENT

	In € million	
	1 Jan - 31 Dec 2019	1 Jan - 31 Dec 2018
Net interest income	**1,377**	1,416
Net banking fee and commission income	**294**	298
Income from non banking services	**60**	13
Net trading income/(loss)	**(20)**	37
Gains less losses from investment securities	**78**	83
Other income/(expenses)	**55**	(15)
Operating income	**1,844**	1,832
Operating expenses	**(901)**	(874)
Profit from operations before impairments, provisions and restructuring costs	**943**	958
Impairment losses relating to loans and advances to customers	**(624)**	(680)
Impairment losses on goodwill	**(62)**	-
Other impairment losses and provisions	**(32)**	(9)
Restructuring costs	**(88)**	(62)
Share of results of associates and joint ventures	**23**	29
Profit before tax	**160**	236
Income tax	**(31)**	(78)
Net profit from continuing operations	**129**	158
Net profit/(loss) from discontinued operations	**(2)**	(65)
Net profit attributable to shareholders	**127**	93

Notes:

1. The comparative information has been restated due to change in accounting policy for investment property.
2. The consolidated financial statements for the year ended 31 December 2019 have incorporated the results of Grivalia group and Piraeus Bank Bulgaria A.D. as of 1 April and 1 June 2019, respectively.
3. The Annual Financial Report for the year ended 31 December 2019 will be published by 16 March 2020.