

Attica Bank

Financial Results

FY 2017



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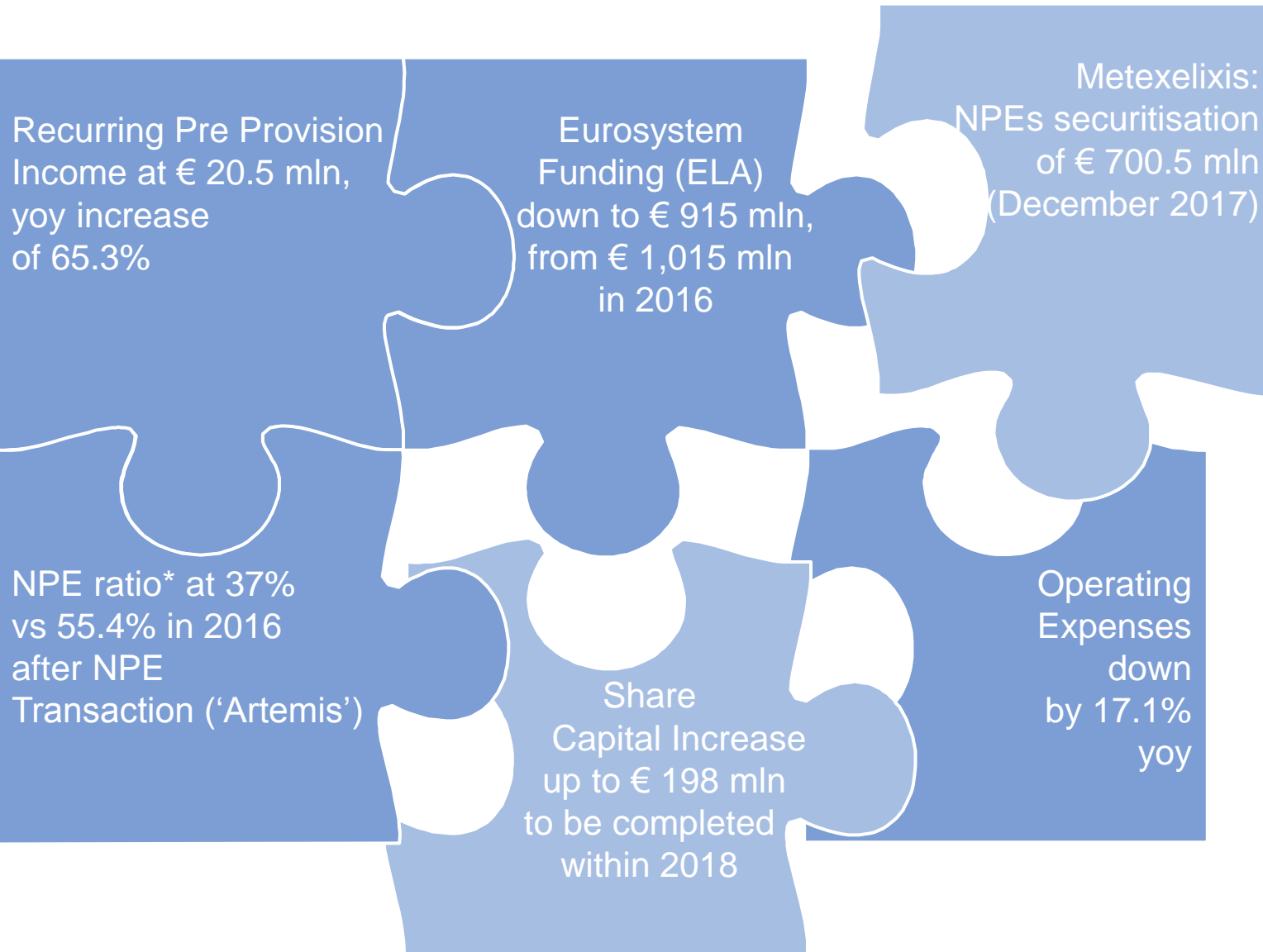
ASSET QUALITY

FUNDING

CAPITAL

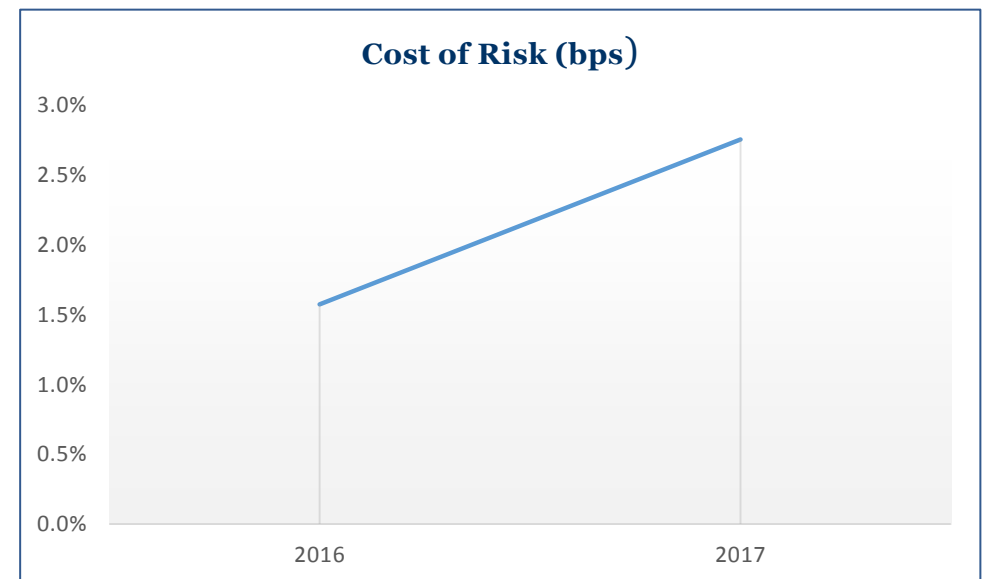
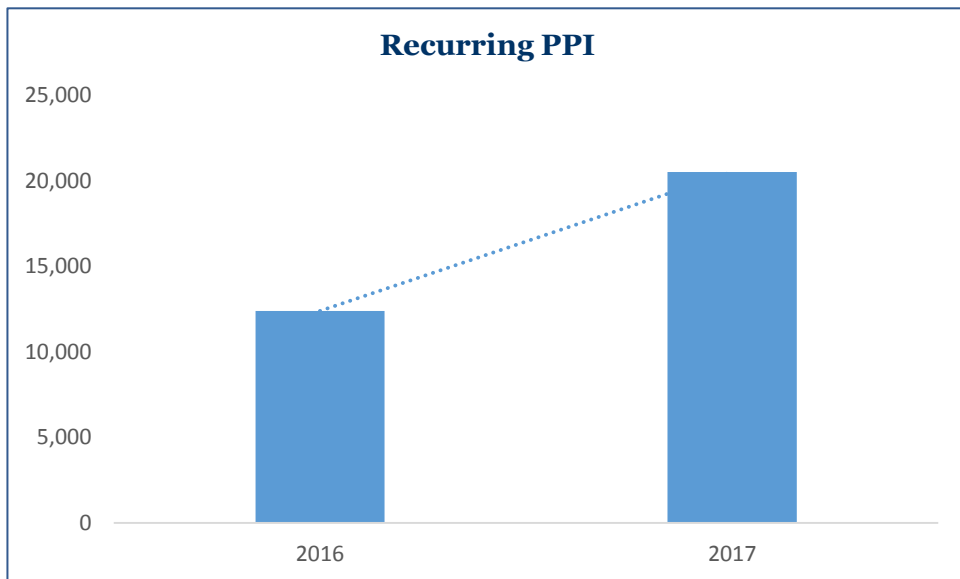
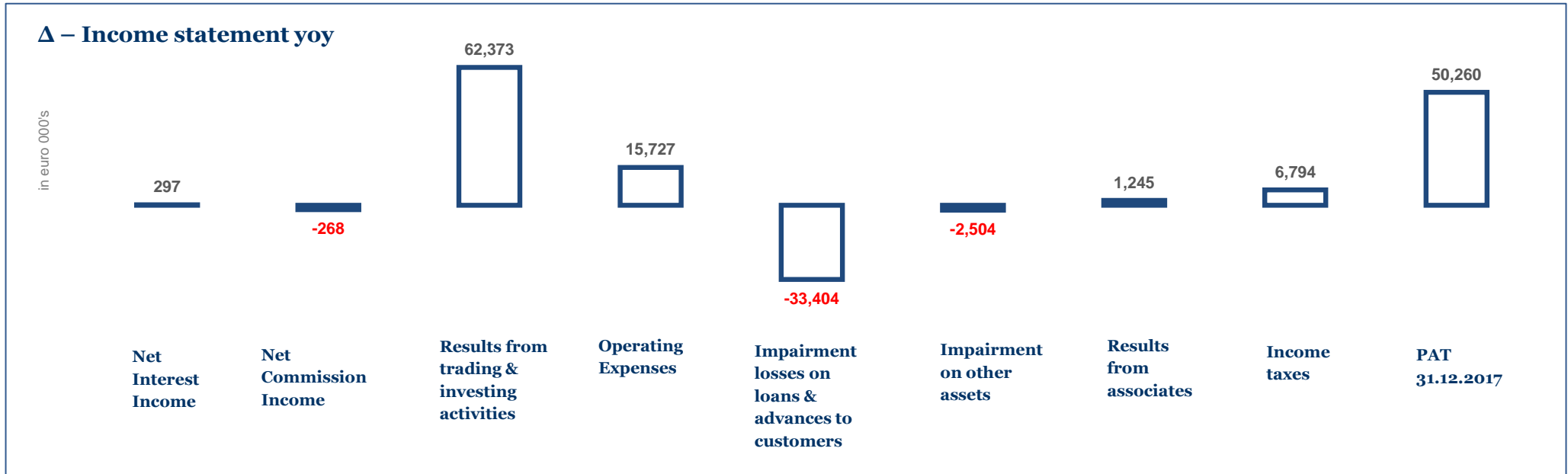
APPENDIX

Highlights



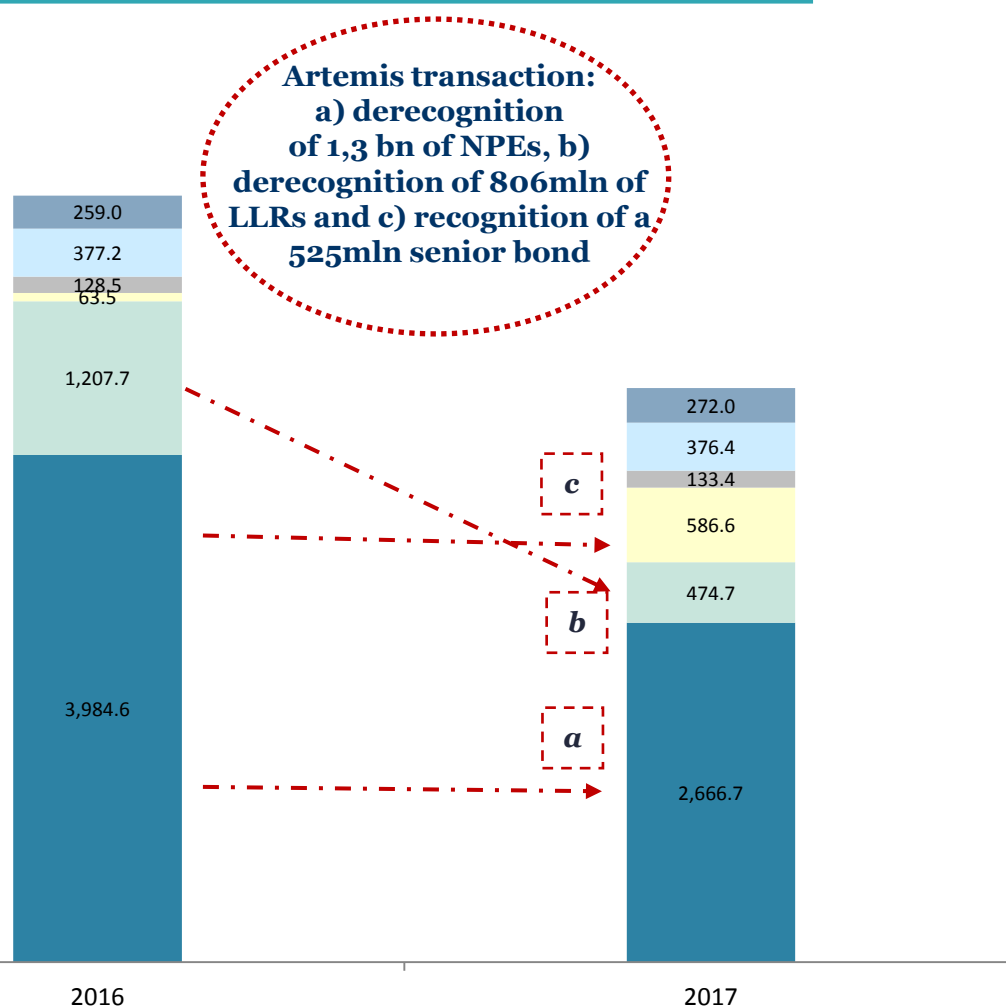
* Includes on and off balance sheet items

Performance Highlights - Profit after tax, recurring PPI and cost of risk



All amounts in EUR thousands

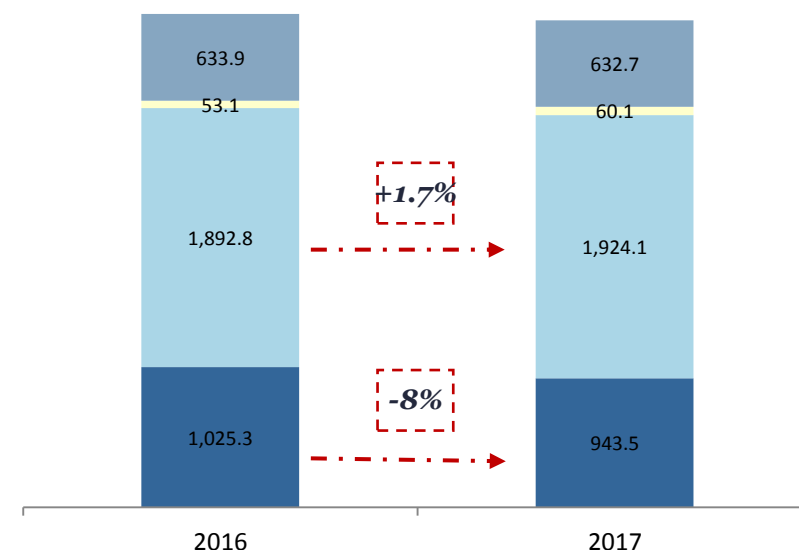
Assets breakdown (€ mln)



- Loans and advances to customers (gross)
- Trading & investment book
- Deferred tax assets
- Provisions
- Tangible & Intangible assets
- Other assets

- **Gross loans: down by 33.1% y-o-y**
- **LLRs: down by 60.7% y-o-y**
- **Trading & investment book: increase due to the Senior Bond of €525 mln**
- **Customer deposits: +1.7% y-o-y**
- **Eurosystem funding (ELA): -9.9% y-o-y**

Liabilities breakdown (€ mln)



- Due to Financial Institutions
- Due to customers
- Other
- Total Equity

Highlights – selected Balance Sheet and P&L items (consolidated accounts)

amounts in (€ mln)	31.12.2017	31.12.2016	Change %
Gross Loans *	2,666.7*	3,984.6	(33.1%)
Loan Loss Reserves (LLR) *	(474.7)	(1,207.7)	(60.7%)
Deposits	1,924.1	1,892.8	1.7%
Total Assets *	3,560.4	3,605.1	(1.2%)

Cash coverage of Gross Loans amounts to 17.8% in 2017 in relation to 30.3% in 2016 and is mainly due to the NPEs transaction within 2017.

Increase of deposits by 1.7% compared to 2016. Consistent deposits increase in H2 2017.

Equity			
amounts in (€ mln)	31.12.2017	31.12.2016	Change %
Net Interest Income	87.0	86.7	0.3%
Net Fee and Commission Income	10.6	10.9	(2.5%)
Other Income	(2.5)	2.7	(191.3%)
Total Operating Income *	166.6	104.2	59.9%
Personnel Expenses	38.6	53.3	(27.6%)
Total Operating Expenses (excluding provisions for operational risks)	91.1	104.3	(12.7)
Pre Provision Income	90.5	12.4	630.9%
Credit risk charges	73.5	40.1	83.3%
Profit / (loss) after taxes	0.4	(49.8)	

Total operating income increased in 2017 by c.60% in regards to 2016, mainly from the gain of € 70 mln as a result of the NPE transaction of 1,331 mln.

Personnel expenses decreased by 27.6% yoy mainly due to salaries reductions

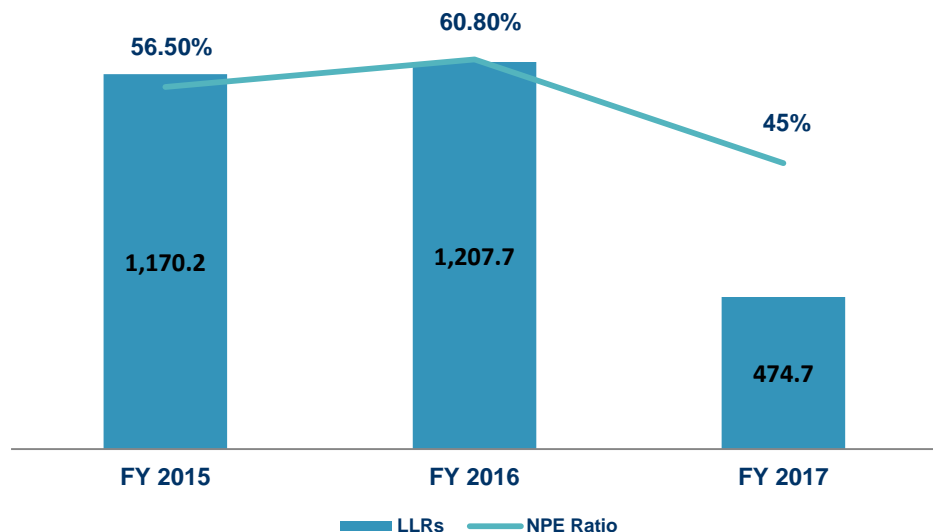
Positive bottom line as at Dec-17. Recurring Pre Provision Income at 21mln vs 12mln as of Dec-16.

* Following the securitization of NPLs in August 2017, a gross amount of € 1.3 bn has been derecognized. The respective derecognized LLRs amount to € 806 mln. Furthermore, the Bank has recorded a profit of € 70 mln from the sale of the Junior Note. For more details on the structure of the transaction, please refer to the appendix.

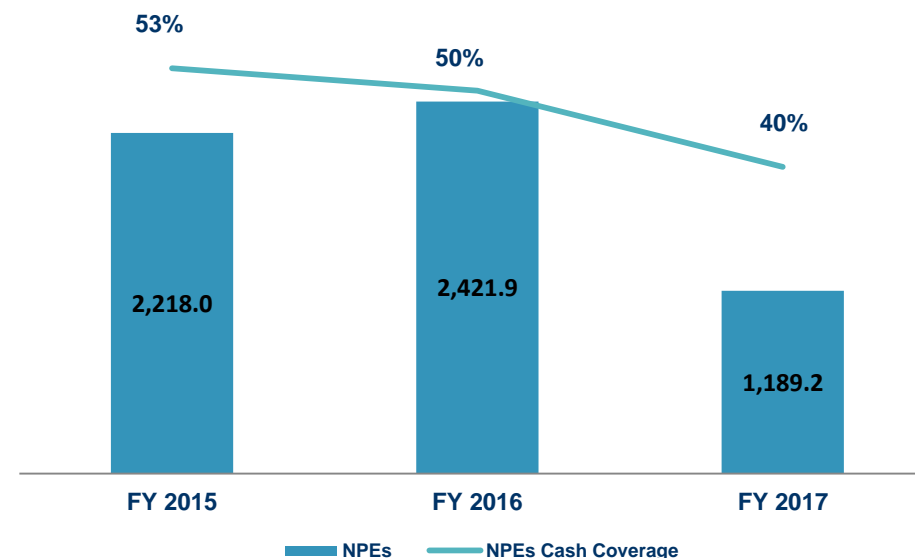
Asset Quality

NPEs have decreased significantly in FY 2017 due to the securitization transaction of Q3 2017

LLRs (€m) and NPE ratio* (%)



Stock of NPEs (€m) and NPE Cash Coverage (%)



Evolution of NPE Portfolio collateral and cash coverage

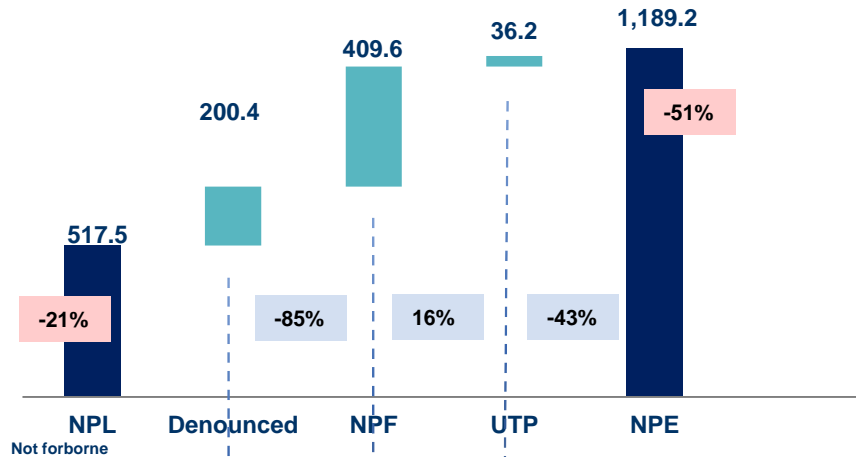
	FY 2016	FY 2017
NPE	2,421.9	1,189.2
Collateral Value	1,226.5	710.5
Cash Coverage	1,207.7	474.7
NPE total coverage	100.5%	99.7%

* Includes only on balance sheet items for comparability purposes

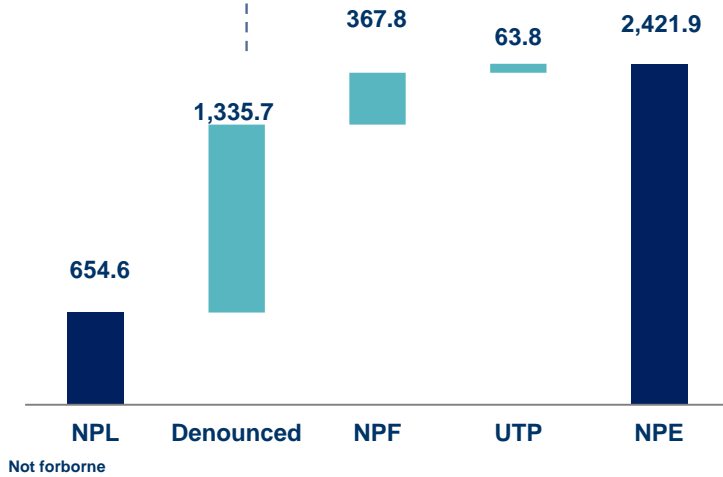
The financial figures for 2017 include the effect of the securitization transaction which was completed on August 7th 2017.

90dpd bridge to NPEs

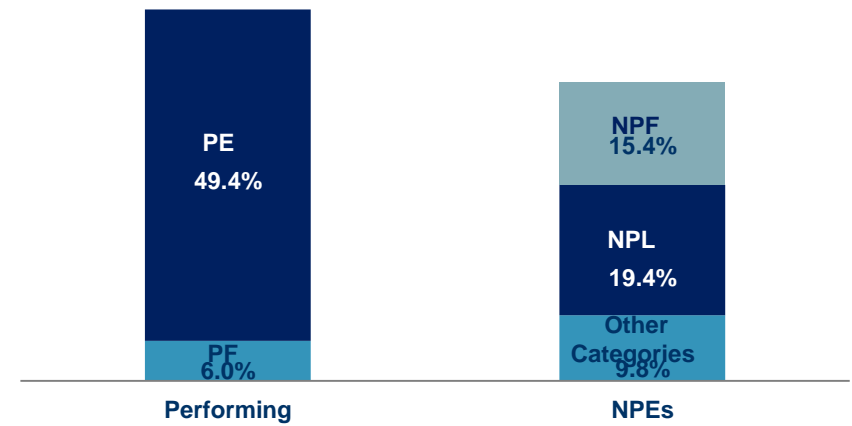
31.12.2017



31.12.2016



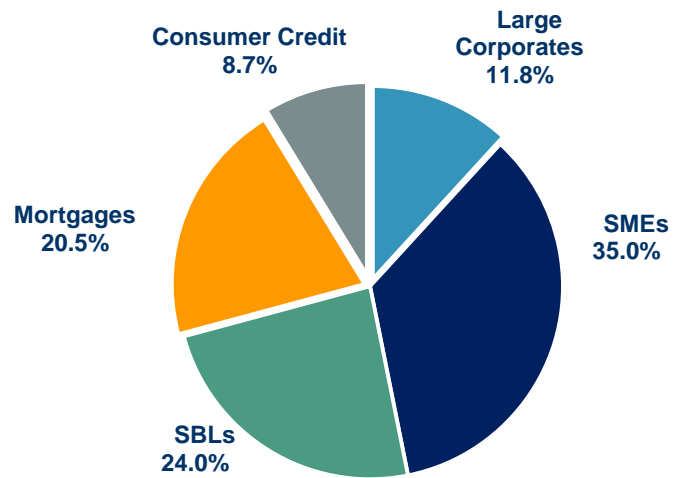
Forbearance for Performing Loans & NPEs, 31.12.2017



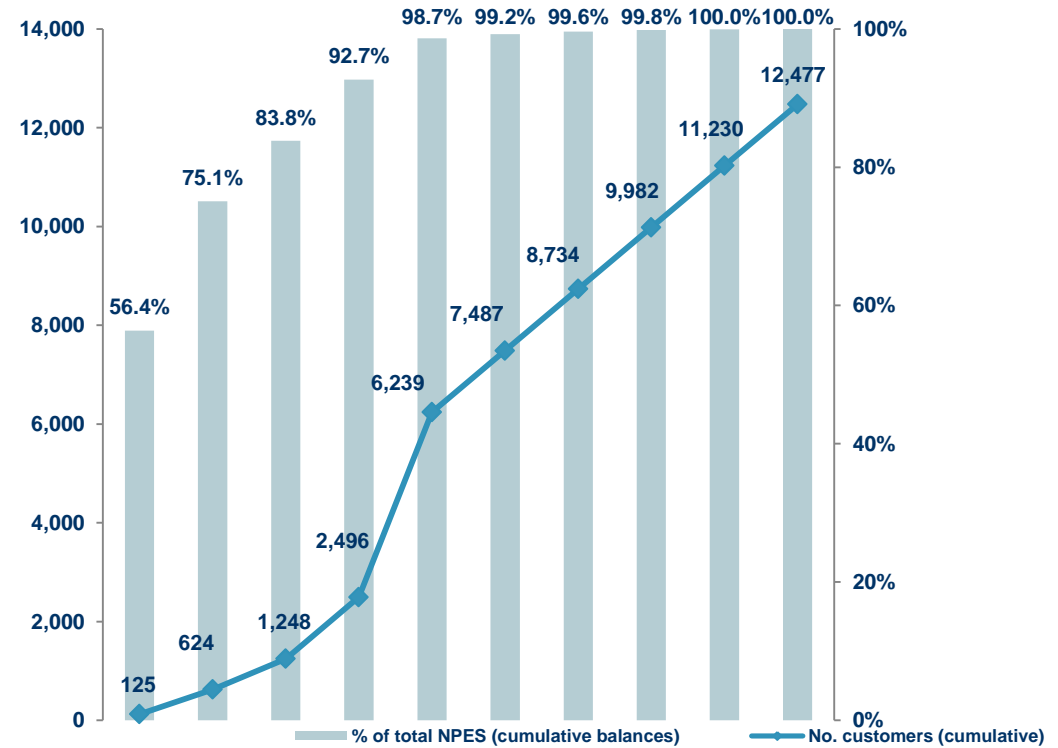
The financial figures for 2017 include the effect of the securitization transaction which was completed on August 7th 2017.

NPEs of SMEs and SBLs account for 59% of total NPEs

Breakdown of NPEs by type, 31.12.2017



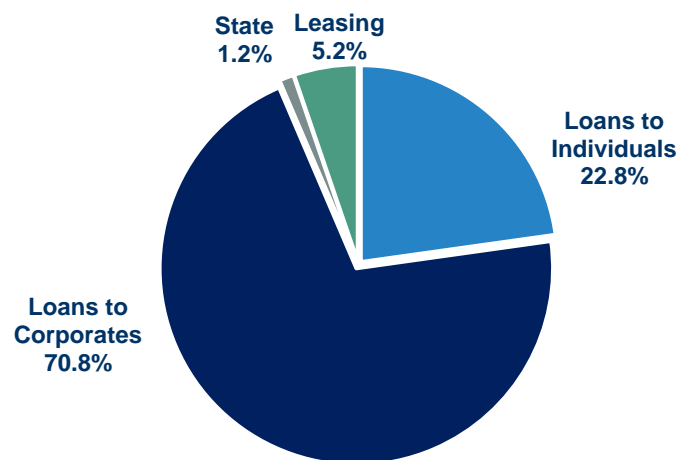
Concentration of NPEs - 31.12.2017



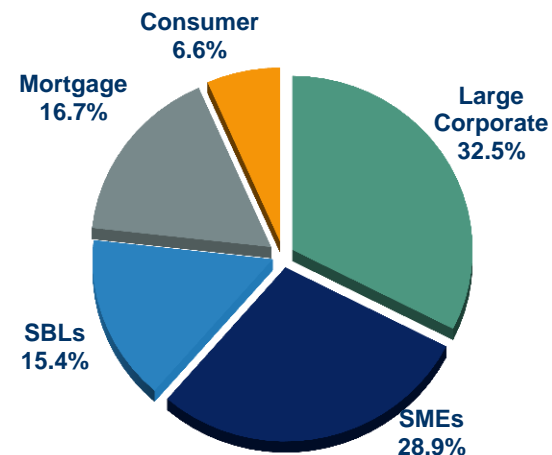
The financial figures for 2017 include the effect of the securitization transaction which was completed on August 7th 2017.

The Bank's current loan structure is skewed towards corporate lending

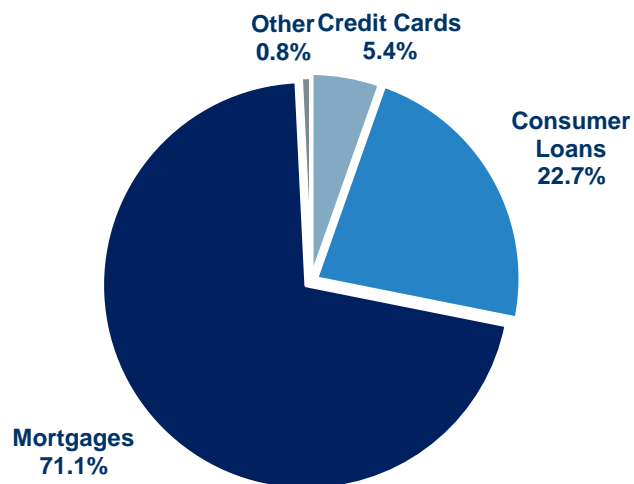
Loans before provisions by type of product
(Total as at 31.12.2017: € 2.67 bn)



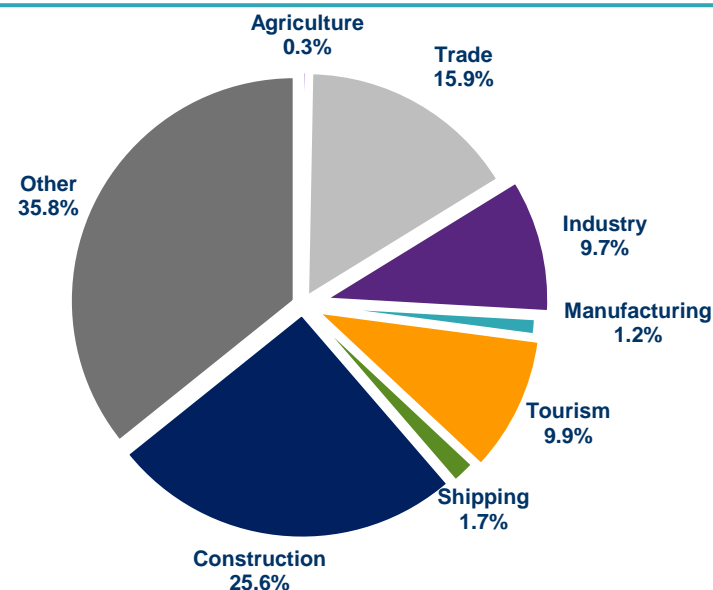
Gross Loans
(Total as at 31.12.2017: € 2.67 bn)



Loans to Individuals by Type
(Total as at 31.12.2017: EUR 0.61 bn)



Loans to Businesses by Sector
(Total as at 31.12.2017: € 1.9 bn)

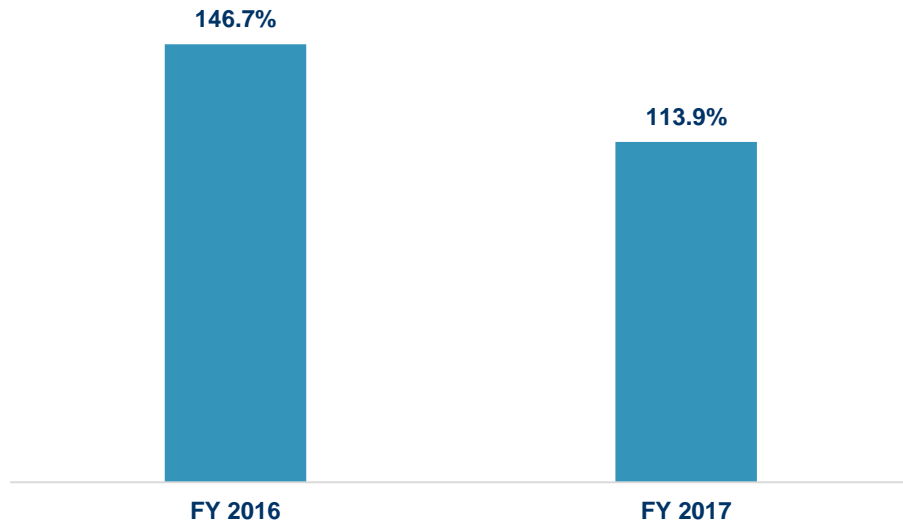


Funding

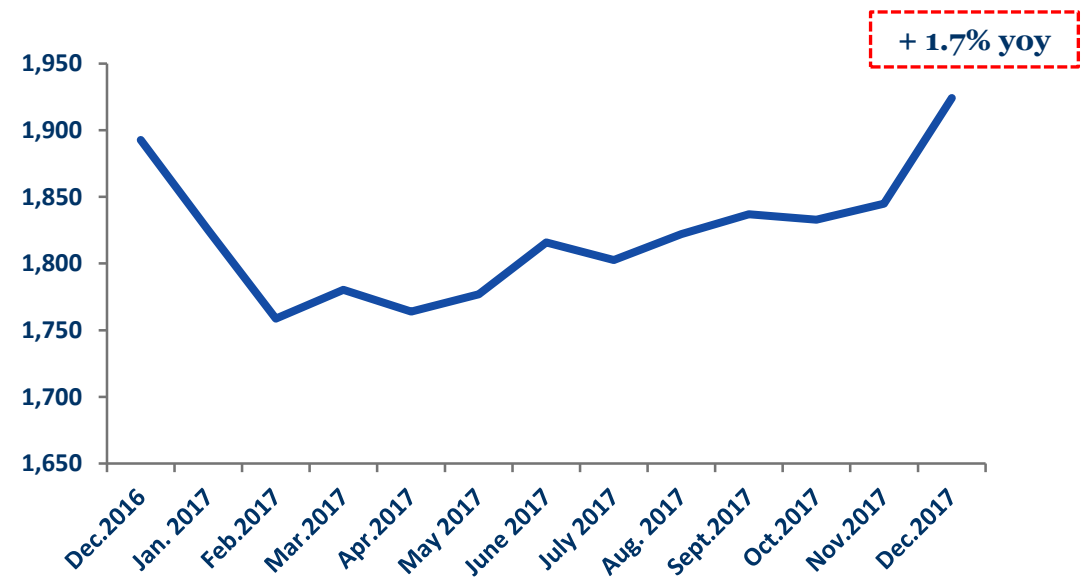
Comments

- ▶ At the end of 2017, the Bank's deposits balances increased by approximately 1.7% compared to 31.12.2016.
- ▶ As at December 31st 2017, deposits stood at approximately € 1.92 bn.
- ▶ Capital controls are further relaxing starting from end of February 2018.

Net loans to Deposits ratio (%)



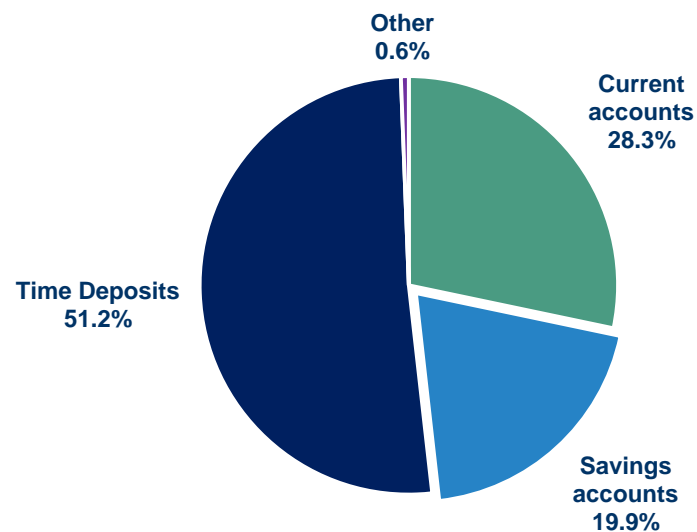
Deposits Balances 31.12.2016 - 31.12.2017



Composition of Deposits

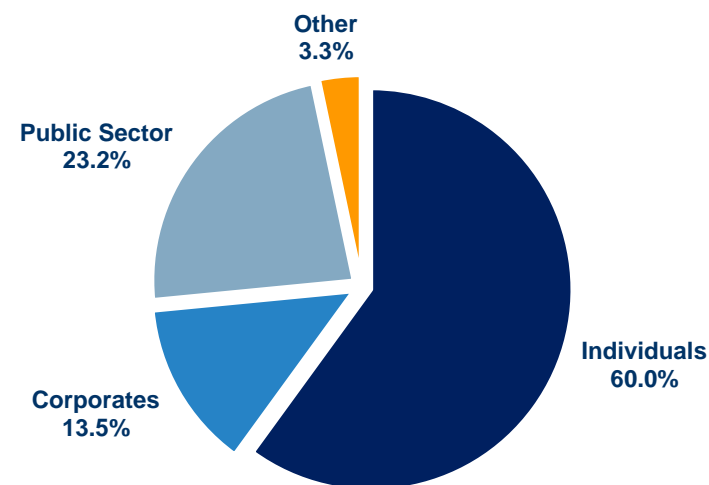
Breakdown of deposits by type of product

(Total as at 31.12.2017: ~ € 1.9 bn)

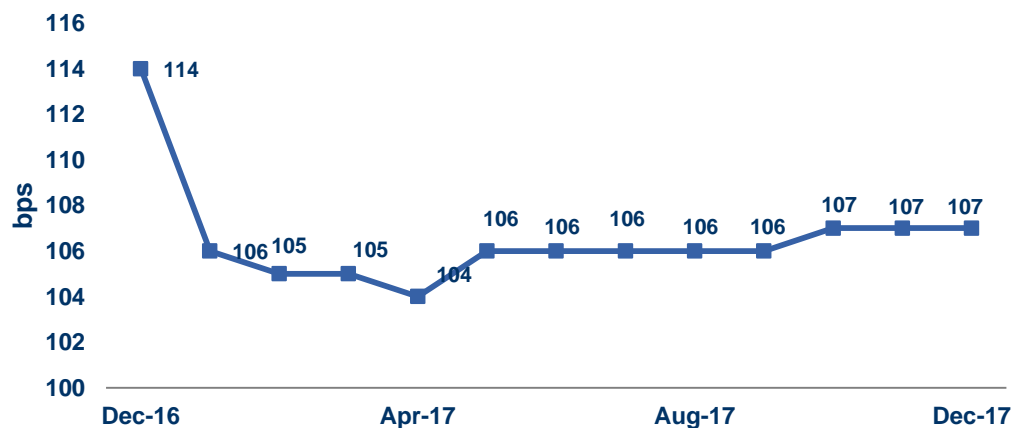


Breakdown of deposits by type of customer

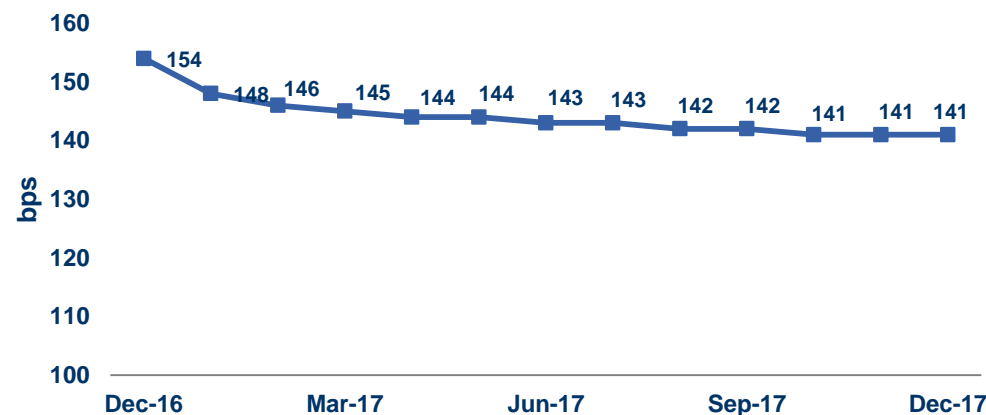
(Total as at 31.12.2017: ~ € 1.9 bn)



Cost of Deposits: Total Deposits (stock)



Cost of deposits: Term deposits (stock)



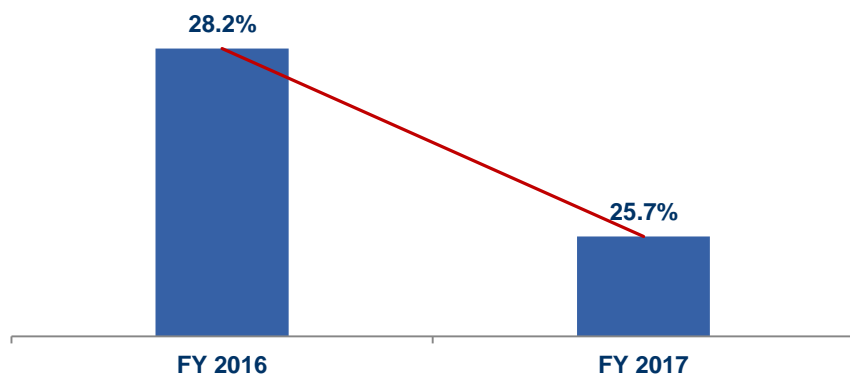
Eurosystem Funding; the Bank is still significantly dependent on ELA, but the exposure is declining

Comments

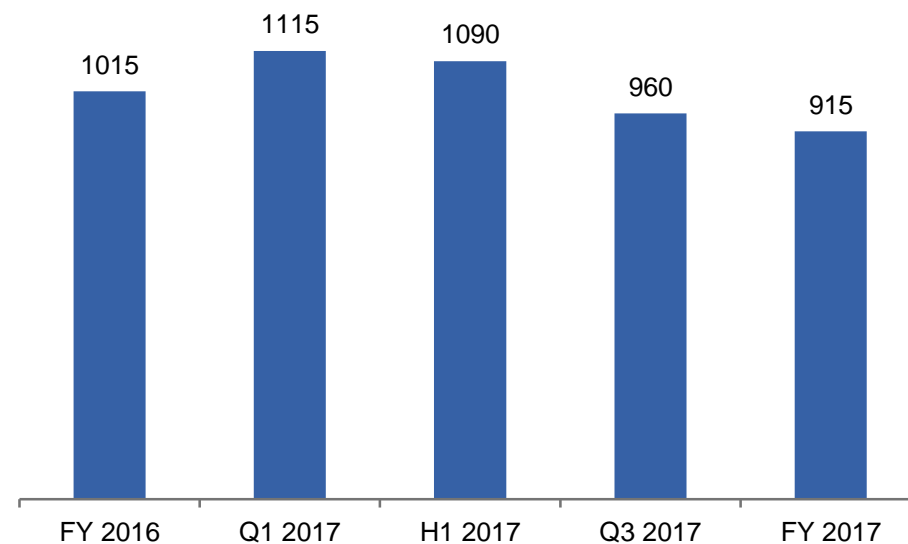
- ▶ As at 31.12.2017, Eurosystem funding (ELA) amounted to € 915 million.
- ▶ Eurosystem funding as a percentage of total assets reached 25.7%.

Evolution of Eurosystem funding (% of total assets)

FY 2016 – FY 2017



Eurosystem funding (ELA) 2016-2017 (€ mln)

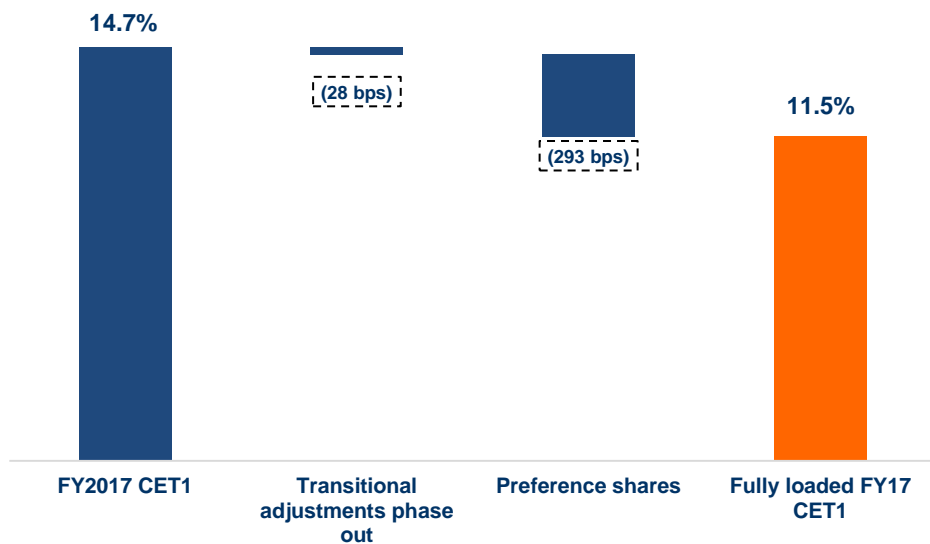


Capital

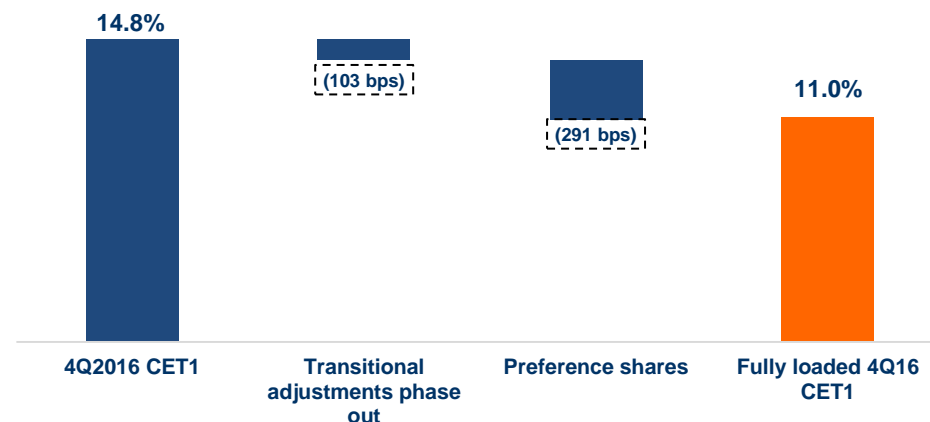
Capital position; the Share Capital Increase proceeds will repay the Pref.Shares of c.€100mln.

CET 1 Formation, 31.12.2017

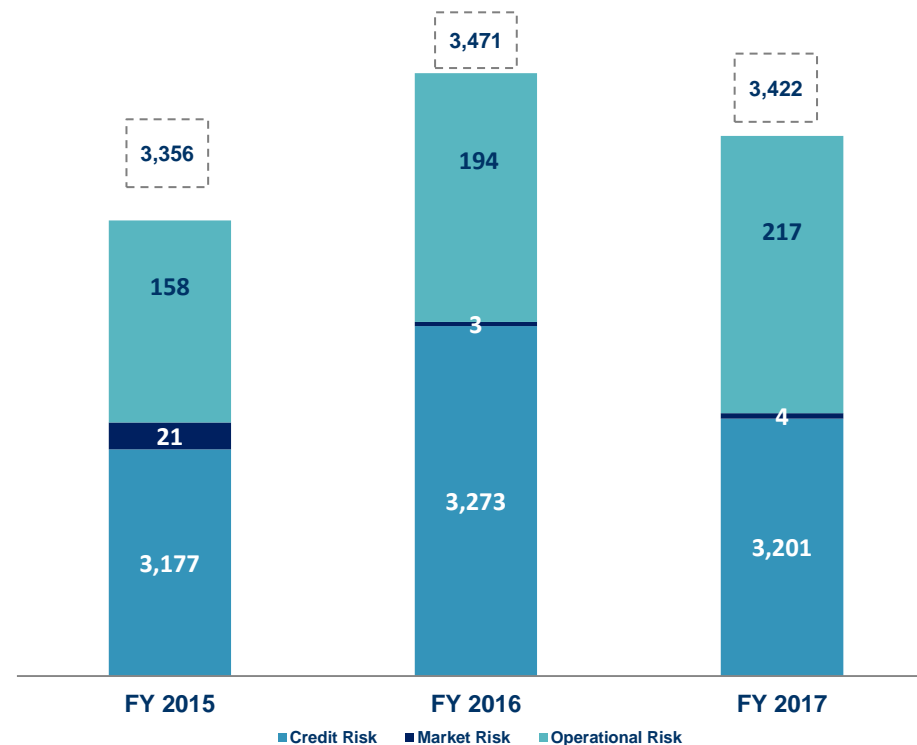
➤ IFRS 9 impact estimated at 80-100mln (before taxes) or 57-71mln after tax, based on preliminary calculations.



CET 1 Formation, 31.12.2016



Risk Weighted Assets (€m) – 31.12.2017



The financial figures above include the effect of the securitization transaction which was completed on August 7th 2017.

The Group's CET ratio stood at 14.7% as at 31.12.2017 (11.5% on a fully loaded basis). CET1 ratio will be restored following the S.C.I. of up to € 198mln, which is expected to be concluded by the end of May 2018.

Appendix

Group P&L and balance sheet

Amounts in €mln

	FY 2017	FY 2016	Change %
ASSETS			
Cash and balances with central bank	38.5	43.4	(11.3%)
Due from other financial institutions	2.7	4.9	(44.7%)
Derivative financial instruments - assets	0.2	0.1	127.6%
Financial instruments at fair value through P&L	3.5	2.6	35.3%
Net loans and advances to customers	2,192.1	2,777.0	(21.1%)
Financial assets available for sale	573.1	50.7	1029.6%
Investments held to maturity	9.9	10.1	(2.1%)
Investments in associates	6.8	9.9	(31.8%)
Property, plant & equipment	28.7	28.6	0.4%
Investment property	58.0	56.4	3.0%
Intangible assets	46.7	43.5	7.2%
Deferred tax assets	376.4	377.2	(0.2%)
Other assets	223.8	200.8	11.5%
Total assets	3,560.4	3,605.1	(1.2%)
LIABILITIES			
Due to financial institutions	943.5	1,025.3	(8.0%)
Due to customers	1,924.1	1,892.8	1.7%
Derivative Financial Instruments	0.1	0.2	(48.2%)
Defined benefit obligations	14.3	6.6	116.0%
Other provisions	27.5	28.3	(3.0%)
Deferred tax liabilities	0.0	0.0	
Other liabilities	18.2	18.0	1.2%
Total liabilities	2,927.7	2,971.2	(1.5%)
EQUITY			
Share capital (common Shares)	701.8	701.8	-
Share capital (preference Shares)	100.2	100.2	-
Reserves	246.6	246.1	0.2%
Retained earnings	(415.9)	(415.4)	0.1%
Equity attributable to parent owners	632.7	632.6	
Non controlling interests	-	1.3	-
Total equity	632.7	633.9	(0.2%)
TOTAL LIABILITIES & EQUITY	3,560.4	3,605.1	(1.2%)

Amounts in €mln

	FY 2017	FY 2016	Change %
Interest and similar income	137.3	143.1	-4.0%
Less: Interest expense and similar charges	-50.3	-56.4	-10.8%
Net interest income	87.0	86.7	0.3%
Fee and commission income	20.5	16.1	27.1%
Less: Fee and commission expense	-9.8	-5.2	88.8%
Net fee & commission income	10.6	10.9	-2.5%
Profit / (loss) from trading portfolio	1.3	3.3	-59.8%
Profit / (loss) from investment portfolio	70.2	0.6	11476.1%
Income from securities	71.5	3.9	1722.1%
Other Income	-2.5	2.7	-191.3%
Total Operating income	166.6	104.2	59.9%
Personnel expenses	-38.6	-53.3	-27.6%
General operating expenses	-46.0	-44.8	2.6%
Depreciation	-6.5	-6.2	4.9%
Provisions for credit risks	-73.5	-40.1	83.3%
Total operating expenses	164.5	144.4	14.0%
Income from investment in associates	-1.0	-2.2	-56.6%
Profit / loss before taxes	1.1	-42.3	102.7%
Less: Income tax	-0.7	-7.5	-90.6%
Profit / loss for the period	0.4	-49.8	100.9%

Group results by segment

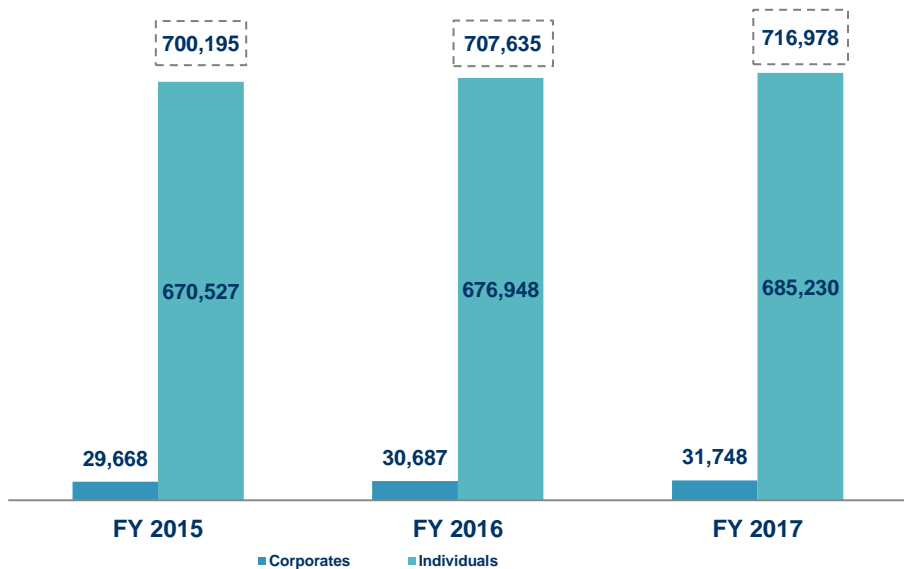
Amounts in €m	FY 2017			FY 2016			Total		
	Retail	Business Banking	Investment Banking & Treasury	Retail	Business Banking	Investment Banking & Treasury	FY 2017	FY 2016	Change %
Operating Income	16.3	138.9	11.4	6.9	90.8	6.6	166.6	104.3	59.77%
- Net interest income	(2.5)	100.8	(11.4)	(1.6)	98.5	(10.2)	87.0	86.7	0.34%
- Net fee and commission income	2.2	11.5	(3.0)	1.2	9.7	0.0	10.6	11.0	(3.03)%
- Income from trading & other income	12.1	41.6	15.3	1.1	1.4	4.1	69.0	6.6	939.63%
- Adjustment between segments	4.4	(15.0)	10.6	6.2	(18.8)	12.7	0.0	0.0	-
Income from investments in associates	(0.2)	(0.6)	(0.2)	(0.4)	(1.7)	(0.1)	(1.0)	(2.1)	(54.70%)
Profit / (loss) before taxes	(20.1)	28.8	(7.6)	(18.2)	(28.3)	4.1	1.1	(42.3)	(102.68)
Taxes							(0.7)	(7.5)	(90.61%)
Profit / (loss) after taxes							0.4	(49.8)	(100.86)
Provisions for credit risks and securities impairment	(19.5)	(54.0)	0.0	(6.5)	(33.5)	0.0	(73.5)	(40.0)	83.75%
Depreciation	(1.2)	(4.0)	(1.4)	(1.2)	(4.9)	(0.1)	(6.5)	(6.2)	4.93%
Total Assets	530.8	1,817.8	1,211.8	682.8	2,788.7	139.5	3,560.4	3,611.1	(1.40%)
Total Liabilities	(1,762.9)	(1,164.6)	(0.1)	(1,801.9)	(1,175.1)	(0.2)	(2,927.7)	(2,977.2)	(1.66%)

Key financial ratios, FY 2017 – FY 2016

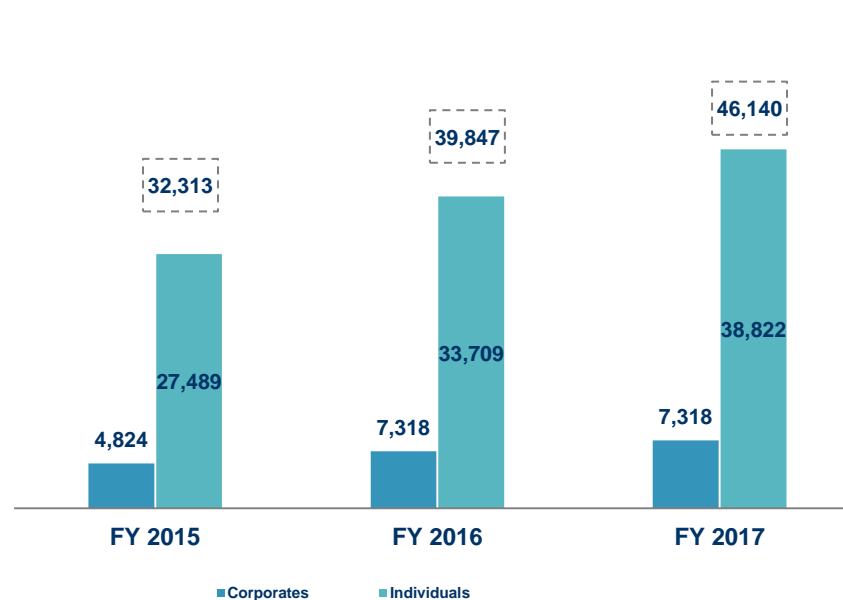
BALANCE SHEET STRUCTURE	FY 2017	FY 2016
Due to Customers / Loans and Advances to customers (after provisions)	87.8%	68.2%
Due to customers / Total Assets	53.9%	52.4%
Loans and Advances to customers (after provisions) / Total Assets	61.4%	76.9%
Total Equity / Total Assets	17.7%	17.6%
Total Equity / Due to Customers	32.9%	33.5%
EFFICIENCY		
Profit before taxes / Average Equity (RoAE)	0.2%	(6.4%)
Profit before taxes / Average Total Assets (RoAA)	0.0%	(1.2%)
Total Operating Expenses less provisions for credit risks / Total Assets	2.6%	2.9%
NPE Ratio	44.6%	60.8%
Provisions / NPEs	40.0%	49.9%
CAPITAL		
CET I Ratio	14.7%	14.8%
Total Capital Adequacy Ratio	14.7%	14.8%

Strengthening Distribution Channels

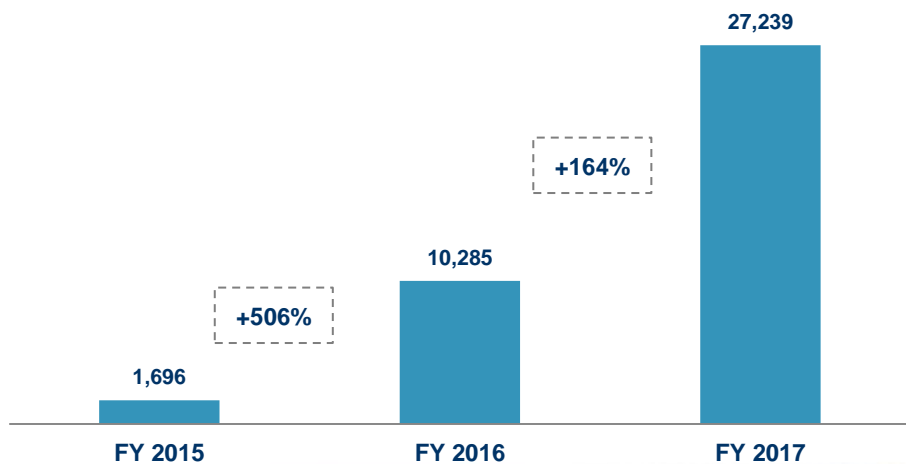
Number of customers FY 2015 – FY 2017



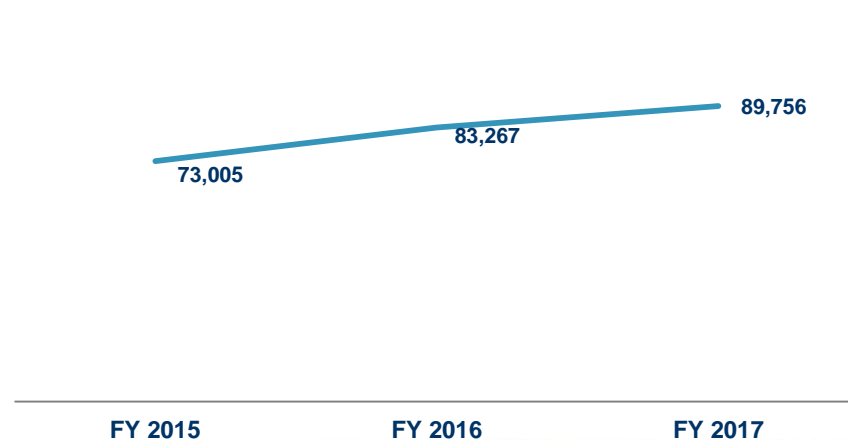
E-Banking Users FY 2015 – FY 2017



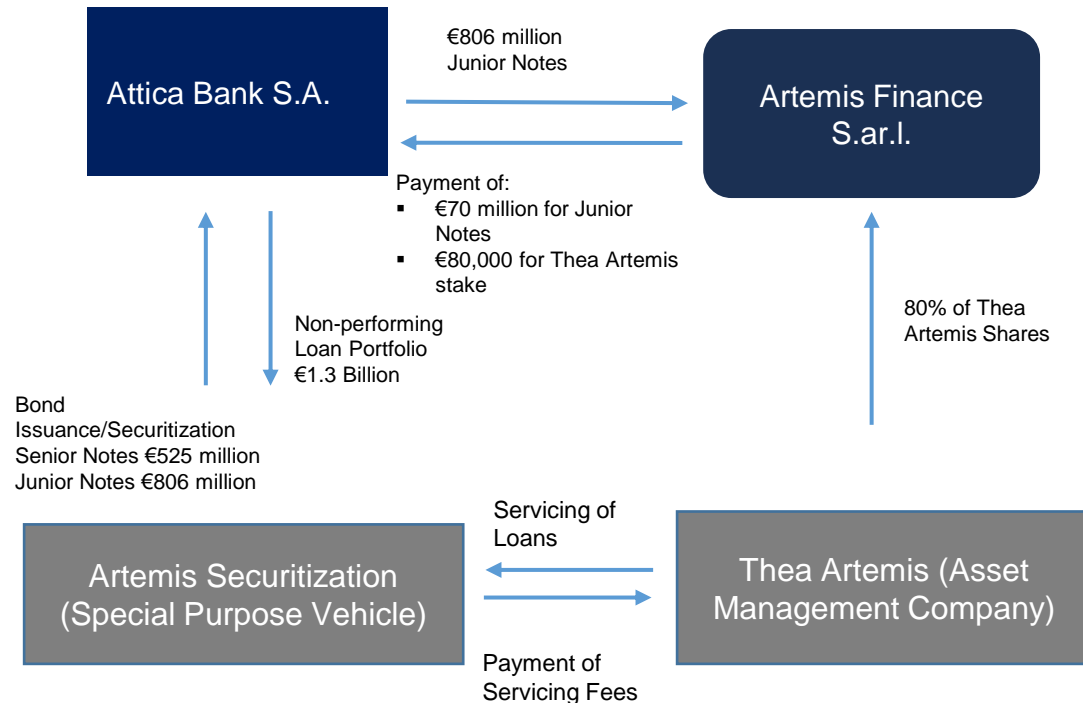
Evolution of POS FY 2015 – FY 2017



Evolution of Debit Cards FY 2015 - FY 2017



A ground-breaking solution to NPE management



- On May 15th 2017 the General Meeting of Shareholders of the Attica Bank finalized the terms of a transaction involving the securitization of denounced loans in co-operation with an international investor (Aldridge)
- The Bank has established an NPL Asset Management Company (Thea Artemis), in accordance with the provisions of the respective Greek legislation (Law 4354/2015).
- In July the Bank proceeded with the securitization and the transfer of the 1.3 billion non-performing loan portfolio to Artemis Securitization, a special purpose vehicle (SPV). The SPV issued the following two bonds:
 - A Series A Bond with face value of EUR 525.0 million (Senior Note)
 - A Series B Bond with face value of EUR 806.2 million (Junior Note)
- The SPV signed a 10-year Service Level Agreement (SLA) with Thea Artemis.
- The investor has acquired 80% of Thea Artemis by paying an amount equal to the nominal value of its participation in the total equity required for the AMC.
- The Bank sold the Junior Note to the Investor recording a gain of 70 million euros and covering the remaining amount of the adverse scenario of the 2015 stress test. At the same time, the Bank retained the right to collect by priority any amount from the management of the loans of the senior bond which has a nominal value of 525.0 million euros.