

**PRESS RELEASE****Athens, 15.03.2018****ATTICA BANK****FY 2017 FINANCIAL RESULTS**

- **Profit before taxes 1.1 mln euros. Profit after taxes 0.4 mln euros**
- **Own Equity 632.7 mln euros**
- **Reduction in total operating expenses by 17.1% y-o-y**
- **Common Equity Tier 1 Ratio (CET1) 15%**
- **NPE Ratio<sup>1</sup> 37%**
- **NPE Coverage Ratio 40%**

**With regard to the FY 2017 financial results and figures of Attica Bank, the Management of the Bank made the following statement:**

*«The return to profitability in FY 2017 confirms the constant efforts of the management of the Bank since September 2016. Moreover, the Balance Sheet of the Group was further strengthened with the formation of additional loan loss reserves. The results and figures of Attica Bank for the FY 2017 reflect the continuity of the internal reorganization actions and, in connection with the Bank's increased extroversion and the implementation of modern management principles, indicate positive prospects for the successful outcome of Attica Bank's strategic planning.*

*These prospects are further strengthened given the stabilization of the Greek economy as evidenced by the improvement of key macroeconomic and fiscal indicators.*

*Within this economic environment, during 2017, the Bank kept following its strategic planning by continuing the administrative and organizational changes that are being implemented since 2016, improving the structure of its figures.*

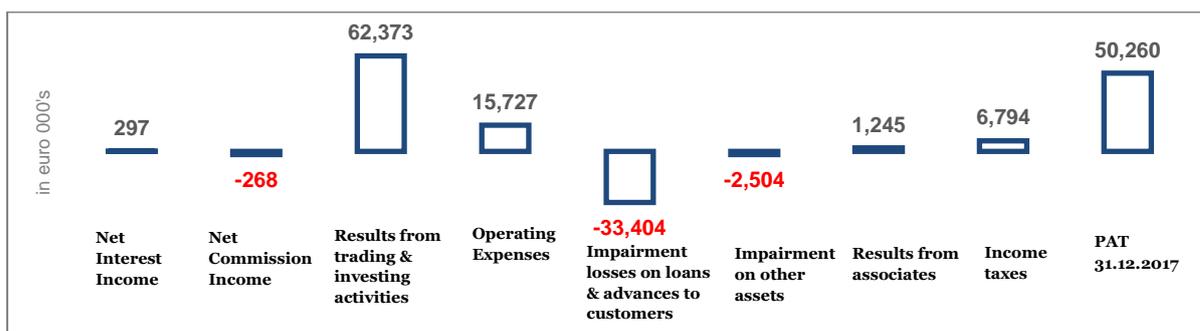
*The Group's liquidity presents an increasing trend, while the CET 1 ratio stands at high levels, amounting to 15%.*

*The Attica Bank Group following the successful completion of the sale of the non-performing loans in August 2017, continues the efforts of strengthening its capital base and within this context, the Extraordinary General Meeting decided a Share Capital Increase up to the amount of 198 million euros. The Share Capital Increase aims at the repayment of the preference shares amounting to 100.2 million euros, the strengthening of the Bank's solvency with the remaining amount, so that the Bank is in place to continue the necessary investments and promptly respond to the need to finance the growth of the Greek economy and in particular small and medium-sized enterprises, with final goal the increase of its profitability and internal capital generation in favor of its shareholders".*

<sup>1</sup> NPE Ratio includes off-balance sheet items.

## KEY FINANCIAL FIGURES & RESULTS

- The recurring earnings before provisions and taxes amounted to 20.5 million euros (excluding the extraordinary income of 70 million euros from the transfer of non-performing loans), versus 12.4 million euros for the comparative period, increased by 65.6%.
- The after-tax result was a profit of 0.4 million euros compared to a loss of 49.8 million euros y-o-y.
- The total comprehensive income after tax consisted of a profit of 1.04 million euros against a loss of 46.3 million euros in FY 2016.
- In summary, the changes in the profit and loss accounts for 2016 and 2017 are displayed in the diagramm below:



*\*positive changes represent increases in profit after tax and vice versa*

- The Group's Net Equity stood at 632.7 million euros.
- The Group's Total Assets amounted to 3.6 billion euros.
- The provisions for impairment losses on loans and advances to customers for the period ended in 31.12.2017, stood at 73.5 million euros, while provisions for impairment on other assets amounted to 14.9 million euros, with the total of provisions rising to 88.4 million euros. For the comparative period, the respective amount stood at 52.5 million euros, comprising of an amount of 40 million euros of impairment losses on loans and advances to customers and an amount of 12.5 million euros of provisions for other risks. The loan loss reserves amount to 474.7 million euros, following the write off of loan loss reserves of 806.2 million euros relating to the portfolio of non-performing loans of 1.331 billion euros, that was transferred and derecognized in August 2017.
- NPE ratio stands at 37% (2016: 55.4%) and NPE cash coverage ratio amounts to 40% (2016: 49.9%) before taking into account any collaterals.
- Personnel expenses decreased by c. 14.7 million euros and amounted to c. 38.5 million euros (2016: 53.2 million euros), displaying a decrease of 20.6%, not taking into account the amount of 4.75 million euros, relating to the non-recurring expense of the voluntary exit plan of 2016.
- Operating Expenses reduced by 17.1% y-o-y.
- Fee and commission income stood at 20.5 million euros against 16.1 million euros for 2016, increased by 27.1%, while net fee and commission income amounted to 10.6 million euros (2016: 10.9 million euros). The decrease in net commission income reflects the Group's operations in commercial and electronic services (POS, Visa, etc.), the benefits of which are expected to be recovered by the Group in future periods.
- Deposits amounted to 1.92 billion euros, up by 1.7% compared to 31.12.2016. The ELA funding amounted to 915 million euros, down by 100 million euros compared to 31.12.2016.
- Gross Loans, following the completion of the transfer of non-performing loans of 1.33 billion euros, stood at 2.7 billion euros. Net Loans amounted to 2.2 billion euros as at 31.12.2017 against 2.8 billion euros for the comparative period of 2016, reflecting the deleveraging strategy and clean-up of the loan portfolio of the Bank.
- With regards to the impact of IFRS 9, the Bank will make use of the transitory arrangements of Regulation (EU) 2017/2395. The impact of IFRS 9 on the Bank's opening equity as at

1.1.2018 and also considering the fact that the whole process is at a near completion stage, is estimated at a range of 80 mln euros to 100 mln euros, before the effect of deferred taxation.

**ATTICA BANK S.A.**

**Note:** The FY Financial Statements according to IFRS, will be available on the Bank's website [www.atticabank.gr](http://www.atticabank.gr) on 15.03.2018.

All amounts in EUR thousands

	Group Dec-17	Group Dec-16	Δ EUR	Δ %
<b>Income Statement</b>				
<b>Net Interest Income</b>	86,992	86,695	297	0.3%
<b>Net Commission Income</b>	10,626	10,894	(268)	-2.5%
<b>Operating income</b>	166,629	104,227	62,402	59.9%
<b>Total expenses</b>	-76,116	-91,843	15,727	-17.1%
<b>Pre Provision Income</b>	<b>90,513</b>	<b>12,384</b>	<b>78,129</b>	<b>630.9%</b>
Provisions for risks	-88,425	-52,517	(35,908)	68.4%
Results from associates	-953	-2,198	1,245	-56.6%
<b>Profit before taxes</b>	<b>1,134</b>	<b>-42,331</b>	<b>43,465</b>	<b>102.7%</b>
Income tax	-704	-7,498	6,794	-90.6%
<b>Profit after taxes</b>	<b>431</b>	<b>-49,829</b>	<b>50,259</b>	<b>100.9%</b>

	Group Dec- 2017	Group Dec- 2016	Δ EUR	Δ %
<b>Assets</b>				
<b>Gross Loans &amp; Advances to Customers</b>	2,666,741	3,984,617	(1,317,876)	-33.1%
<b>Net Loans &amp; Advances to Customers</b>	2,192,074	2,776,959	(584,885)	-21.1%
<b>Securities portfolio available for sale</b>	573,147	50,737	522,410	1029.6%
<b>Tangible, Intangible assets</b>	133,431	128,479	4,952	3.9%
<b>Deferred tax assets</b>	376,402	377,243	(841)	-0.2%
<b>Other assets</b>	285,317	271,733	13,584	5.0%
<b>Total assets</b>	<b>3,560,371</b>	<b>3,605,149</b>	<b>(44,778)</b>	<b>-1.2%</b>
<b>Liabilities</b>				
<b>Deposits from banks</b>	943,451	1,025,342	(81,891)	-8.0%
<b>Deposits from customers</b>	1,924,131	1,892,750	31,381	1.7%
<b>Other liabilities</b>	60,084	53,151	6,933	13.0%
<b>Total liabilities</b>	<b>2,927,667</b>	<b>2,971,244</b>	<b>(43,576)</b>	<b>-1.5%</b>
<b>Total Equity</b>	<b>632,705</b>	<b>633,905</b>	<b>(1,200)</b>	<b>-0.2%</b>
<b>Total liabilities &amp; Equity</b>	<b>3,560,371</b>	<b>3,605,149</b>	<b>(44,778)</b>	<b>-1.2%</b>