

Q3 2018 FINANCIAL RESULTS

- Own Equity: **583.9 mln euros**
- Increase of deposits: **15%** compared to **30.09.2017** and **9.8%** compared to **31.12.2017**
- Further reduction of ELA funding in Q3 2018 and cumulative reduction of more than **460 mln euros** within one year
- NPE ratio¹: **44.82%**
- NPE coverage ratio: **43.25%**

With regard to the Q3 2018 financial results and figures of Attica Bank, the Management of the Bank made the following statement:

«During Q3 2018, Attica Bank Group followed its strategic planning by continuing to implement administrative and organizational changes, aiming at a business and functional model oriented at profitable growth, internal capital generation and increase of its operational efficiency.

The Group continued to improve its liquidity as the deposits' balances showed significant improvement while in parallel ELA funding further decreased. The improvement of the Bank's liquidity reflects the complete restoration of customer's confidence in the Group.

In the meantime, the second transaction of the securitization of non-performing exposures of 700.5 mln euros, that will further strengthen the Group's capital base, is about to be completed while it marks the substantial clean-up of the portfolio. Attica Bank Group with a strong capital base, a plan and modern structure, will continue so as to improve its profitability and its internal capital generation in favor of its shareholders".

Key points of the Balance Sheet

- Gross loans amounted to 2.6 billion euros, of which 700.5 mln euros regarding the securitized portfolio of non-performing loans. Net loans amounted to 2.0 billion euros as at 30.09.2018, versus 2.2 billion euros as at 31.12.2017. It should be noted that on 26.10.2018 the sale procedure for the Junior Note of a nominal value of 357 mln euros was completed, related to the Metexelixis transaction, and the Bank de-recognized a portfolio of non-performing exposures with a nominal value of about 701 mln euros. The price for the Bank amounts to 47 mln euros and is expected to be reflected in the income statement of the last quarter of 2018.
- The accumulated provisions for impairment losses on loans and advances to customers stood at 578.6 mln euros, taking into account the first implementation of IFRS 9 amounting to 98.2 mln euros. For Q3 2018, the provisions for impairment losses on loans and advances to customers amounted to 8.8 mln euros, while provisions for impairment on off balance sheet items and on other assets were reversed by 16.1 mln euros, with the total of provisions rising to 24.9 mln euros. The corresponding amount for the Q3 2017 stood at 62.7 mln euros, comprising solely of provisions for impairment losses on loans and advances to customers.
- NPE ratio stands at 44.82% (2017: 37%) and NPE cash coverage ratio amounts to 43.25% (2017: 40%) without taking into account any collaterals.
- Deposits amounted to 2.1 billion euros, up by 9.8% compared to 31.12.2017 and by 15% compared to 30.09.2017
- Loans to Deposits ratio improved to 122.8% as at 30.09.2018 on a consolidated basis, versus 144.5% as at 30.09.2017.
- ELA funding amounted to 500 mln euros as at 30.09.2018, down by 460 mln euros y-o-y and by 165 mln euros during the third quarter of 2018.

Group's efficiency

- Profit before taxes and provisions amounted to 10.0 mln euros, versus profit before taxes and provisions amounted to 85.8 mln euros for the comparative period, which includes the price from the first securitization transaction of 70 mln euros. The financial results of Q3 2018 are mostly affected by the lower contribution of net interest and net commission income.
- Personnel expenses increased by 5.3% for the period under consideration compared to the comparative period. In order to display better the personnel expenses, accrued bonuses and annual vacation allowances of 1,476 thn euros corresponding to Q3 2018, have been allocated, as well as 1,909 thn euros for the comparative period. Taking all the above into consideration, the percentage decrease of the current versus the comparative period amounts to 11.5%.
- General Operating expenses before provisions display a marginal decrease compared to the comparative period. If the budget for the provision of impairment of other assets is included, the total general operating expenses display a decrease of 23.6% compared to Q3 2017.

Financial Data Summary

All amounts in EUR thousands

Income Statement	Q3 2018	Q3 2017	Δ EUR	Δ %
Net Interest Income	56,069	59,335	-3,266	-5.50%
Net Commission Income	4,389	9,689	-5,300	-54.70%
Operating income	62,592	139,220	-76,628	-55.04%
Total expenses	-52,630	-53,377	747	-1.40%
Pre Provision Income	9,962	8,399	-75,881	-88.40%
Provisions for risks	-27,498	-72,738	45,239	-62.20%
Staff retirement compensation	-17,214	0	-17,214	-
Results from associates	-3,154	-904	-2,250	-248.77%
Profit before taxes	-37,904	12,201	-50,106	-410.66%
Income tax	1,183	-4,753	5,935	-124.89%
Profit after taxes	-36,722	7,449	-44,170	-593.01%

Balance Sheet	Q3 2018	Q3 2017	Δ EUR	Δ %
Gross Loans & Advances to Customers	2,593,750	2,666,741	-72,991	-2.74%
Net Loans & Advances to Customers	2,015,100	2,192,074	-176,974	-8.07%
Financial Assets at fair value through other comprehensive income (FVOCI)	549,571	-	-	-
Financial Assets available for sale	-	573,147	-	-
Tangible, Intangible assets	139,966	133,431	6,535	4.90%
Deferred tax assets	417,580	376,402	41,178	10.94%
Other assets	297,919	285,317	12,602	4.42%
Total assets	3,420,135	3,560,371	-140,236	-3.94%
Deposits from banks	637,563	943,451	-305,887	-32.42%
Deposits from customers	2,112,776	1,924,131	188,645	9.80%
Other liabilities	85,908	60,085	25,824	42.98%
Total liabilities	2,836,248	2,927,667	-91,419	-3.12%
Total Equity	583,887	632,705	-48,818	-7.72%
Total liabilities & Equity	3,420,135	3,560,371	-140,236	-3.94%

Note: The Financial Statements of Q3 2018, will be available on the Bank's website <https://www.atticabank.gr/en/> on 21.12.2018.