

**Athens, 26/09/2019****H1 2019 Financial Results**

- **Increase of deposits by 16% yoy**
- **Net Loans / Deposits Ratio amounted to 64.9%, marginally decreased to 31.12.2018 and significantly lower compared to 30.06.2018 (99.2%).**
- **Reduction of total operating expenses by 8.9% yoy**
- **NPE Cash Coverage Ratio: 32.8%**
- **Total Capital Adequacy Ratio: 15.2%**

## **Management Statement**

Attica Bank's financial results for the first semester of 2019 remain positive and is a confirmation of the continuous effort of the Bank for transformation.

The Group, during the first semester of 2019, continued to improve its liquidity, as deposit balances increased by 16% compared to the comparative period of 2018. This led to a decrease in the loans to deposits ratio from 99.2% to 64.9% in one year.

With regard to new loans' balances, the first semester of 2019 new financing and refinancing amounted to approximately € 64 million showing that Attica Bank continues to expand its market position.

In terms of profitability, operating costs decreased by 9% annually on a recurring basis. The constant decline in operating costs as well as significant gains from financial transactions offset the lower revenues during the second quarter. The Bank successfully completed its balance sheet restoration and is ready to move into a period of substantial growth.

The Bank has completely restored the depositors' confidence and continues to work so as to increase the loans' portfolio base. The acceleration of economic activity, the measures for tax relief and the lifting of capital controls are expected to boost domestic demand and therefore demand for capital.

The Board of Directors has set the objectives for increasing the size of the Bank combined with the complete restoration of its Balance Sheet and the transformation of its operation.

### **Key Points of the Balance Sheet**

- Group's Total Assets amounted to 3.4 billion euros.
- Gross loans amounted to 1.8 billion euros while net loans amounted to 1.6 billion euros remaining at almost the same level as at 31.12.2018. New financing and refinancing for the period amounted to approximately 64 million euros.
- The accumulated provisions for impairment losses on loans and advances to customers stood at 266 million euros. For H1 2019, the total provisions amounted to 14.9 million euros comprising of provisions for impairment losses on loans and advances to customers amounted to 13.2 million euros and for FVTOCI financial assets portfolio of 8.2 million euros, while provisions for impairment on off balance sheet items and on other assets were reversed by 6.5 million euros. The corresponding amount for the comparative period stood at 21 million euros, comprising of provisions for impairment losses on loans and advances to customers and off-balance sheet items amounted to 21.4 million euros and of provision reversal for debt securities amounted to 0.4 million euros.
- NPE ratio stands at 37.2% (2018: 33.5%) and NPE cash coverage ratio amounted to 32.8% (2018: 34%) without taking into account any collaterals.
- Deposits amounted to 2.4 billion euros, up by 16% compared to 30.06.2018.
- Loans to Deposits ratio (after provisions) stood at 64.9% for the Group marginally lower compared to 31.12.2018 and significantly decreased compared to 30.06.2018 (99.2%). Loans to Deposits ratio (before provisions) for the Group amounted to 76.1% as at 30.06.2019 and appears to be marginally lower compared to comparative period (2018: 80.9%).

*All amounts in EUR thousands*

	<u>H1 2019</u>	<u>FY 2018</u>	<u>Δ EUR</u>	<u>Δ %</u>
Gross Loans & Advances to Customers	1,816,609	1,845,138	(28,529)	(1.5%)
Net Loans & Advances to Customers	1,550,419	1,592,144	(41,725)	(2.6%)
Financial Assets at fair value through other comprehensive income (FVOCI)	863,353	909,288	(45,935)	(5.1%)
Tangible, Intangible Assets, Investment Property	159,763	139,922	19,841	14.2%
Deferred Tax Assets	431,026	420,357	10,669	2.5%
Other Assets	347,003	288,795	58,208	20.2%
<b>Total Assets</b>	<b>3,351,564</b>	<b>3,350,505</b>	<b>1,059</b>	<b>0.03%</b>
Deposits form banks	311,926	424,649	(112,723)	(26.6%)
Deposits from customers	2,388,628	2,281,875	106,753	4.7%
Other Liabilities	163,249	153,085	10,164	6.6%
<b>Total Liabilities</b>	<b>2,863,802</b>	<b>2,859,609</b>	<b>4,193</b>	<b>0.2%</b>
<b>Total Equity</b>	<b>487,762</b>	<b>490,897</b>	<b>(3,135)</b>	<b>(0.7%)</b>
<b>Total Liabilities &amp; Equity</b>	<b>3,351,564</b>	<b>3,350,505</b>	<b>1,059</b>	<b>0.03%</b>

### Group's Efficiency

- Profit before taxes and provisions amounted to 6,840 million euros, remaining at almost the same levels for the comparative period (30.06.2018:6,815).
- Profit from Investment Portfolio amounted to a total of 6.6 million euros in the first semester of 2019, positively influenced by the gain raised from the sale of the Greek Government Bonds (including the relevant revolving result in the capital reserves).
- Personnel expenses decreased by 9% for the period under consideration compared to the comparative period.
- General Operating expenses display a decrease of 36% compared to the comparative period. If the expenses for rentals for the comparative period under IFRS 16 is excluded, the operating expenses display a decrease of 22%.

*All amounts in EUR thousands*

	<u>H1 2019</u>	<u>H1 2018</u>	<u>Δ EUR</u>	<u>Δ %</u>
<b>Net Interest Income</b>	<b>23,076</b>	<b>38,426</b>	<b>(15,350)</b>	<b>(39.9%)</b>
<b>Net Commission Income</b>	<b>1,918</b>	<b>3,384</b>	<b>(1,466)</b>	<b>(43.3%)</b>
<b>Total Operating Income</b>	<b>39,917</b>	<b>43,092</b>	<b>(3,175)</b>	<b>(7.4%)</b>
<b>Total Expenses</b>	<b>(33,077)</b>	<b>(36,277)</b>	<b>(3,200)</b>	<b>(8.8%)</b>
<b>Pre Provision Income</b>	<b>6,840</b>	<b>6,815</b>	<b>25</b>	<b>0.4%</b>
Provisions for risks	(15,782)	(21,486)	(5,704)	(26.5%)
Allowance for Voluntary Retirement Scheme	0	(17,214)	(17,214)	-
Results from associates	270	(2,910)	3,180	109.3%
<b>Profit / (Loss) before taxes</b>	<b>(8,672)</b>	<b>(34,795)</b>	<b>(26,123)</b>	<b>(75.1%)</b>
Income Tax	9,186	(1,074)		
<b>Profit / (Loss) after taxes</b>	<b>515</b>	<b>(35,870)</b>		

### ATTICA BANK S.A.

**Note:** The H1 2019 Financial Statements will be available on the Bank's website, [www.atticabank.gr](http://www.atticabank.gr) on 26.09.2019.

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