Athens, May 9, 2006

1Q 2006 FINANCIAL RESULTS

- **Strong increase in Net Profit by 45% to €157m.**
- **Robust Expansion of Total Loans by 24.6% and FUM by 27.8%**
- **Rising Efficiency - Cost / income ratio receding to 45.2%**
- **ROE improving further to 22.8%**

The Eurobank EFG Group successfully expanded its activities in the Greek market and the countries of New Europe (Southeastern and Central Europe) and delivered strong financial results in the first quarter of 2006. The **consolidated net profit** increased by **45%** to €157.3m. at the end of March 2006. Reflecting the rising profitability, the **Return on average Assets** (after tax) reached **1.39%** the first three months of 2006, from 1.29% in the respective period of 2005, while the **Return on average Equity** improved to **22.8%**, from 20.2% last year.

The substantial increase in profitability was based on the accelerated business growth in Retail and Wholesale lending, Asset Management and Capital Markets. At the end of the first quarter 2006, Total Assets grew significantly by 32.2% and reached to €46.4bn.

Summary Figures	1Q 2006	1Q 2005	Δ%
Total Operating Income (€m)	537.1	428.2	25.4%
Net Profit (€m.)	157.3	108.5	44.9%
ROA after tax	1.39%	1.29%	10 bps
ROE after tax and minorities	22.8%	20.2%	262 bps
Cost-Income	45.2%	47.4%	220 bps

Loans and Funds under Management

Consolidated Total Loans recorded a strong growth of 24.6% y-o-y, reaching **€28.7bn.** Household Lending **(consumer and mortgage loans)** expanded by 29.6% to €13.7bn. and Business Lending rose by 20.3% to €15.0bn. The quality of the loan book remained solid, as the total **NPL ratio** stood at 3%, which is among the lowest ratios in the Greek banking sector. Accumulated provisions cover 91.2% of non-performing loans, which offers safety against future credit risks.

The Asset Management business had also strong performance, as **Customer Funds under Management** expanded by **27.8%** to €40.0 bn. In more detail, Total Deposits registered an increase of 13.8% to €20.7bn., whereas mutual funds[1] rose substantially by 36.1% to €7.5bn. The Private Banking business development was particularly strong, with client funds under management (FUM) rising 25.8% to €6.9bn. Life Insurance FUM more than doubled (up 143%) and reached to €766m at he end of the quarter.

Analysis of Revenues

The robust expansion of the loan portfolio drove **Net Interest Income** up **20.3%** to €371m. At the same time, the net interest margin (net interest income over avg. total assets) remained above 3%.

The growing Loans and Funds under Management, in conjunction with the Capital Markets (Treasury & Equity Brokerage) business resulted in a **20.8%** increase in **Total Net Fees and Commissions** to €120.7m. In particular, net fees from banking activities expanded by 18.6% to €105.2m., while net fees from insurance activities and rental income grew by 37.9% to €15.5m.

Core Revenues (net interest income and total commission income) advanced by **20.4%** to €491.8m, accounting for 91.6% of Eurobank's total Operating Income at the end of the first quarter 2006.

Non-core revenues moved upwards as well, due to the successful capital management in Treasury positions, positive returns in capital markets and one-off items and amounted to €45.4m. in total, versus €19.8m. in the first three months of 2005.

As a consequence of the robust increase in core and non-core income, **Total Revenues** surged **25.4%** to €537.1m. at the end of March 2006.

Efficiency

Apart from the substantial rise in Group Total Revenues, there was a noteworthy improvement in the efficiency of Eurobank. The **Cost-to-Income ratio** for the Greek operations fell for the first time below 40% at **39.4%**, from 44.4% in the first quarter of 2005. Including operations in New Europe, the efficiency ratio receded to **45.2%** at the end of March 2006, from 47.4% in the same period last year. This performance is particularly impressive, as it was achieved at a time that the Group invests to expand the branch network, upgrade infrastructure and develop a wide range of products and services offered in Greece and New Europe.

Excluding money market funds

Returns and Capital Structure

At the end of March 2006, the **Return on average Assets** (after tax) reached **1.39%**, from 1.29% in the first quarter of 2005, while the **Return on average Equity** (after tax and minorities) improved significantly to **22.8%**, from 20.2% the respective period of 2005.

Furthermore, Eurobank remains strongly capitalized, with the **Total BIS Ratio** standing at 12.9% and the **Tier I** Ratio reaching 10.4% at the end of 2005. Shareholders´ Equity amounted to €2.6bn.

Developments in New Europe

The business development in New Europe continued unabated in the last quarter. In **Serbia**, Eurobank acquired the remaining 37.7% of Nacionalna Stedionica Banka (NSB) from the government, and now controls fully the bank. Subject to regulatory approvals, the acquisition paves the way for the merger of NSB with EFG Eurobank A.D. Beograd. The merger will create one of the largest and most innovative banks in Serbia, operating a combined network of ca. 100 branches and offering comprehensive service to local businesses and individuals.

In **Poland**, only six months after the strategic decision to set up a banking operation in the country, Polbank EFG has already rolled out a network of 20 branches, offering consumer credit services, credit cards, mortgage lending and small business banking products. The network is expected to reach 50 branches by the end of June 2006.

In **Bulgaria and Romania** operations advanced at a rapid pace, resulting in market share gains for Eurobank.

In the first quarter of 2006, the contribution of subsidiary banks in New Europe to Group total revenues amounted to 12.5%.

A decision of strategic importance is also the agreement to buy 70% of the Turkish bank **Tekfenbank**. This transaction is in line with Eurobank's policy to enter new countries with selective investments and aim to add shareholder value through organic expansion. Tekfenbank is a universal bank that provides a complete range of banking products and services in Turkey through its network of 30 branches. Tekfenbank is mainly focused on small and medium sized business customers (SMEs). Tekfenbank offers a basis for Eurobank's expansion in the Turkish market, given its state-of-the-art infrastructure, that allows for rapid business development. Moreover, the bank has a high quality loan portfolio. Tekfen Group will remain a strategic partner in Tekfenbank after the deal closure.

Summary Figures (€ m.)	1Q 2006	1Q 2005	Δ%	New Europe
Net Interest Income	371.0	308.4	20.3%	45.9
Net fees & Commissions	105.2	88.8	18.6%	17.3
Non banking fees	15.5	11.2	37.9%	0.1
Core Income	491.8	408.4	20.4%	63.2
Non core income	45.4	19.8	128.9%	3.9
Total Operating Income	**537.1**	**428.2**	**25.4%**	**67.1**
Operating Expenses	243.0	202.8	19.8%	58.0
Impairment	86.6	70.9	22.2%	5.1
Core Profit	**162.2**	**134.7**	**20.4%**	**0.2**
Profit before tax	210.1	156.0	34.7%	4.1
Net Profit	**157.3**	**108.5**	**44.9%**	**2.8**
Gross Loans	28,685	23,019	24.6%	1,866
Deposits	20,739	18,232	13.8%	1,663
Total Assets	46,432	35,110	32.2%	3,198
Total Equity	2,633	2,206	19.4%	440

Portfolio of Loans (Gross, € m)	1Q 2006	1Q 2005	Δ%
Consumer Loans	7,033	5,847	20.3%
Mortgages	6,700	4,748	41.1%
Loans to Households	**13,733**	**10,594**	**29.6%**
Small Business Loans	4,267	3,233	32.0%
Loans to Medium enterprises	6,242	5,125	21.8%
Loans to Corporates	4,442	4,066	9.2%
Business Loans	**14,952**	**12,424**	**20.3%**
Total Gross Loans	**28,685**	**23,019**	**24.6%**

Assets Under Management (€ m)	1Q 2006	1Q 2005	Δ%
Deposits & Other liquid funds	21,986	20,634	6.6%
Mutual Funds	7,517	5,522	36.1%
Other investment products	10,537	5,166	104.0%
Total Funds under Management	**40,041**	**31,321**	**27.8%**

Financial Ratios	1Q 2006	1Q 2005
Net Interest Margin	3.3%	3.6%
Cost-Income	45.2%	47.4%
NPLs (% of loans)	3.0%	2.9%
NPLs coverage	91.2%	95.8%
Provision Charge (% of loans)	1.27%	1.29%
Tier I Ratio	10.4%	8.7%
Total Capital Adequacy	12.9%	10.4%
ROA after tax	1.39%	1.29%
ROE after tax and minorities	22.8%	20.2%
EPS annualised (€)	1.85	1.38