

Full Year 2009 Results





Macro environment & results highlights



- Strong prospects for achieving fiscal consolidation
- Greek sovereign spreads expected to gradually normalize
- GDP is likely to contract by 2.5% to 2.8% in 2010, but fiscal drag to be offset by a number of positive factors
- C/A deficit to decline to single digit signaling improved competitiveness
- Strongly capitalized banking system to support real economy

- Economic conditions to improve substantially in 2010 – We expect the region to grow by c.2.5% in 2010
- Poland, Turkey to grow by 2.5% - 3.5%
- Bulgaria's GDP expected to contract by 1% but coupled with fiscal discipline, low inflation, single digit C/A deficit
- Romania, Serbia to show positive growth 1.0% and 1.5% respectively
- Cyprus has stable economy with only minor contraction in 2009
- Ukraine after a long crisis shows signs of improvement with positive growth expected in 2010
- Strongly committed to the region; strategically positioned to benefit from the convergence story

- FY 09 net profit at € 362m*, 4Q 09 net profit at € 82m*
- Pre-provision profit at € 1,569m, up 1.2%yoy
- OpEx down 6.1%yoy – best in class
- NII up by 1.5%qoq to € 608m for Q4, second best quarter ever
- Deposits up €1.2bn yoy, core deposits up € 2.2bn yoy (+17.5%). L/D ratio improves further
- 90dpd formation slows down further, adding only 29bps in 4Q 09
- Capital position among the best in the sector with CAD at 12.7%, Equity Tier 1 to 8.7% up 160bps yoy

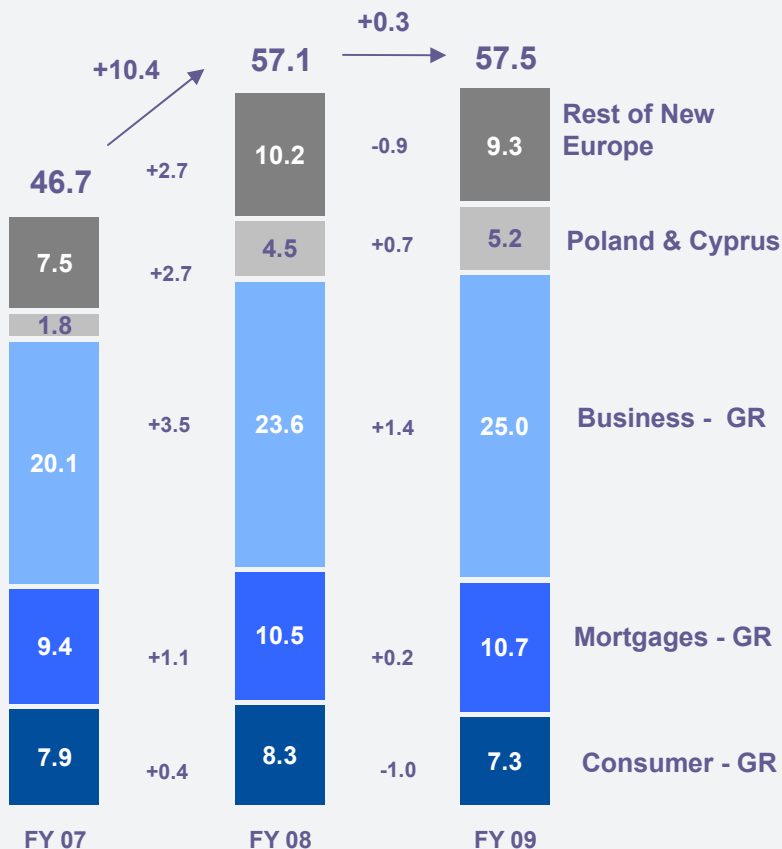
* Excluding € 57m one-off tax item



Financial Review

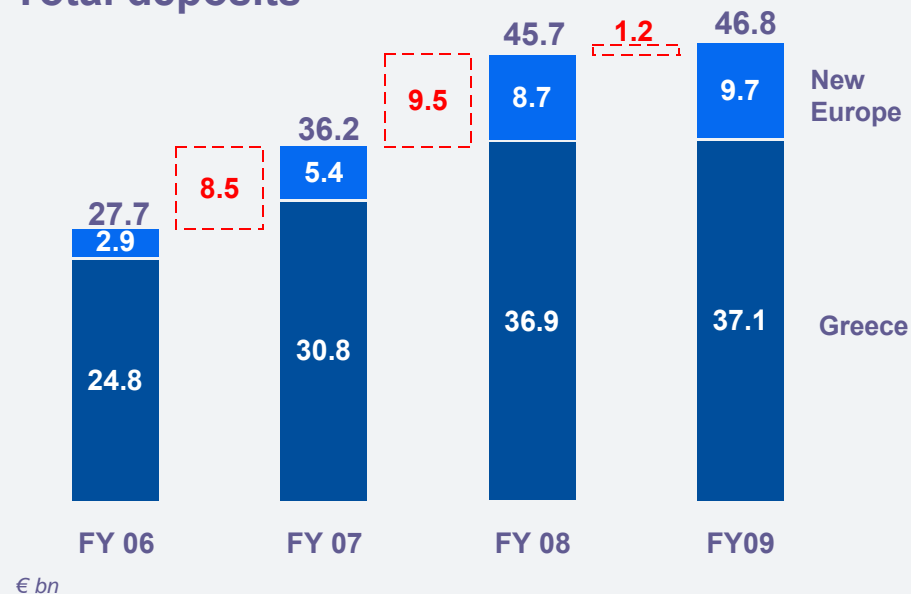
De-risking the loan book; continued focus on deposit gathering

Total loans – selective de-risking



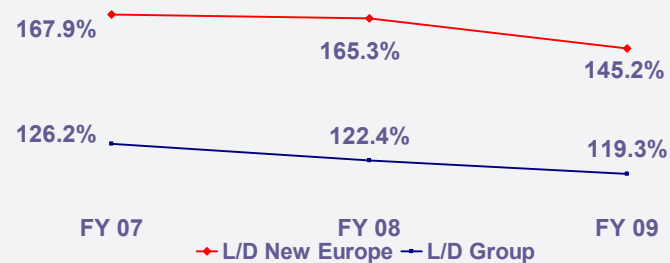
€ bn

Total deposits



€ bn

Improving loans-to-deposits ratio (%)

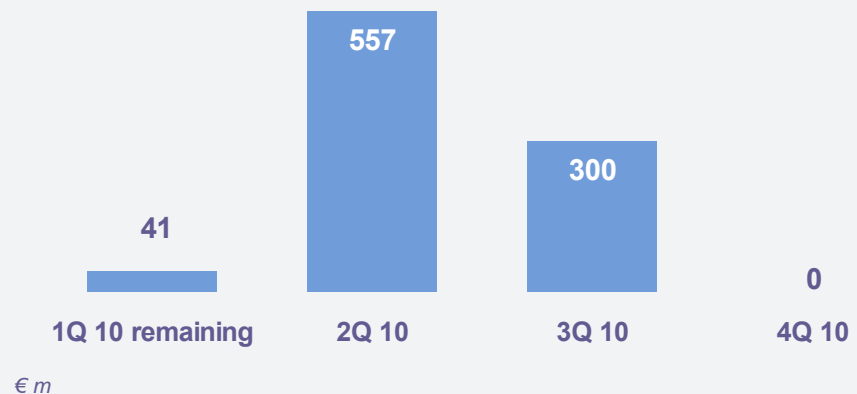


- Maturities for 2010 imply only modest refinancing requirements
- Repaid €650m ytd
- ECB funding at €8bn at YE
- Covered bond program to be implemented in 1H10 aiming to raise €2.0bn
- Improved local liquidity conditions in New Europe

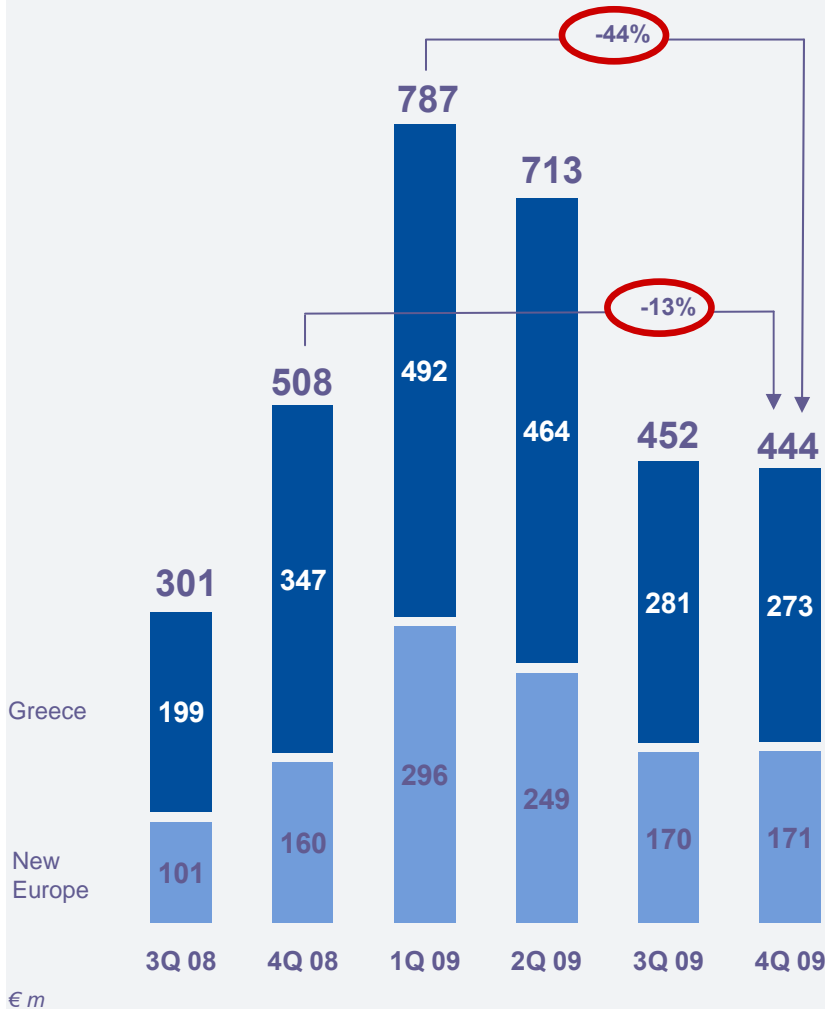
Wholesale funding maturities profile



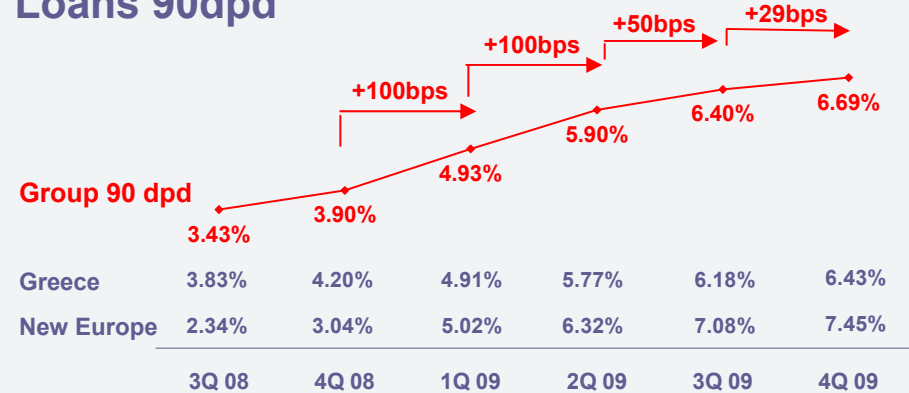
Manageable 2010 maturities



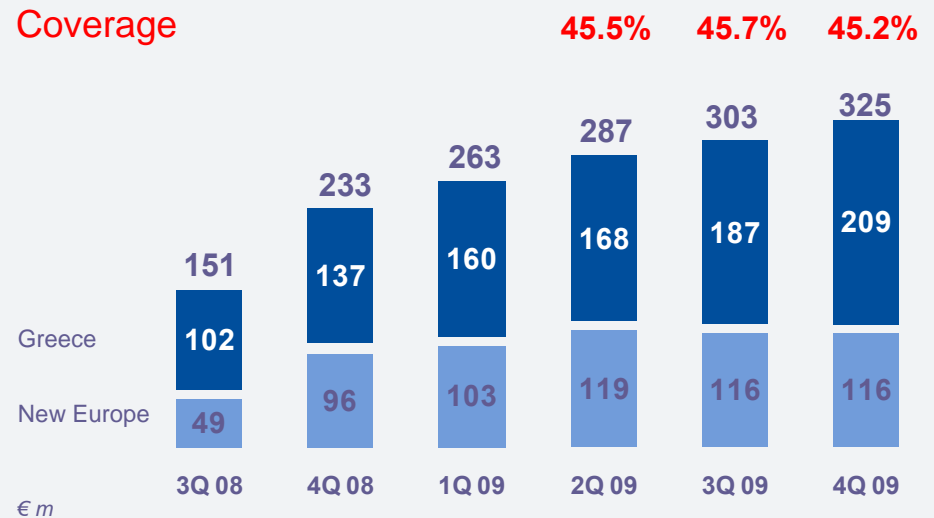
90dpd formation drops by 45%



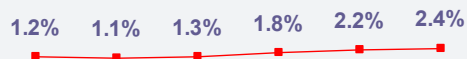
Loans 90dpd



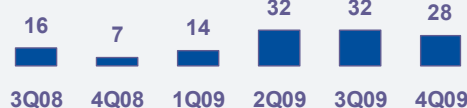
LLP stabilize and 90+ coverage flat



90+ over av. loan book

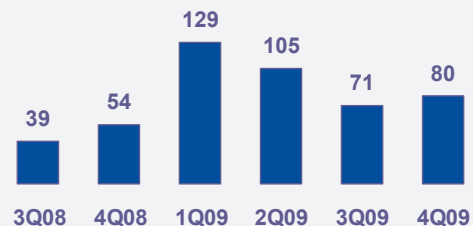
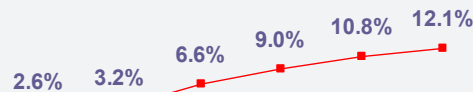


Gross 90+ formation

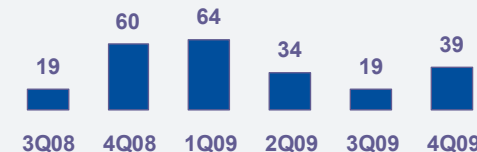


Loan book

Poland (€ 4.6bn)

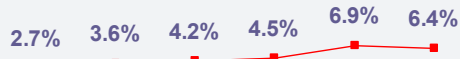


Romania (€ 3.4bn)

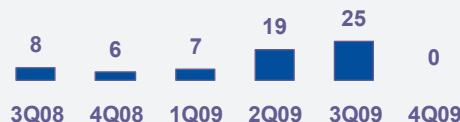


Bulgaria (€ 3.1bn)

90+ over av. loan book

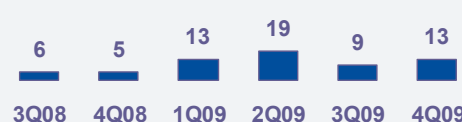
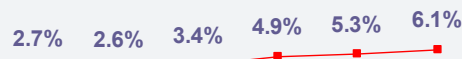


Gross 90+ formation

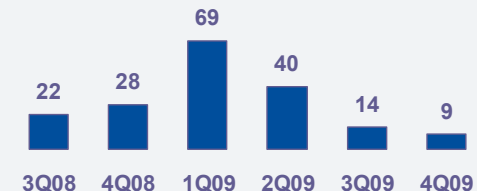
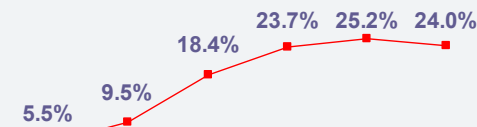


Loan book

Turkey (€ 1.1bn)

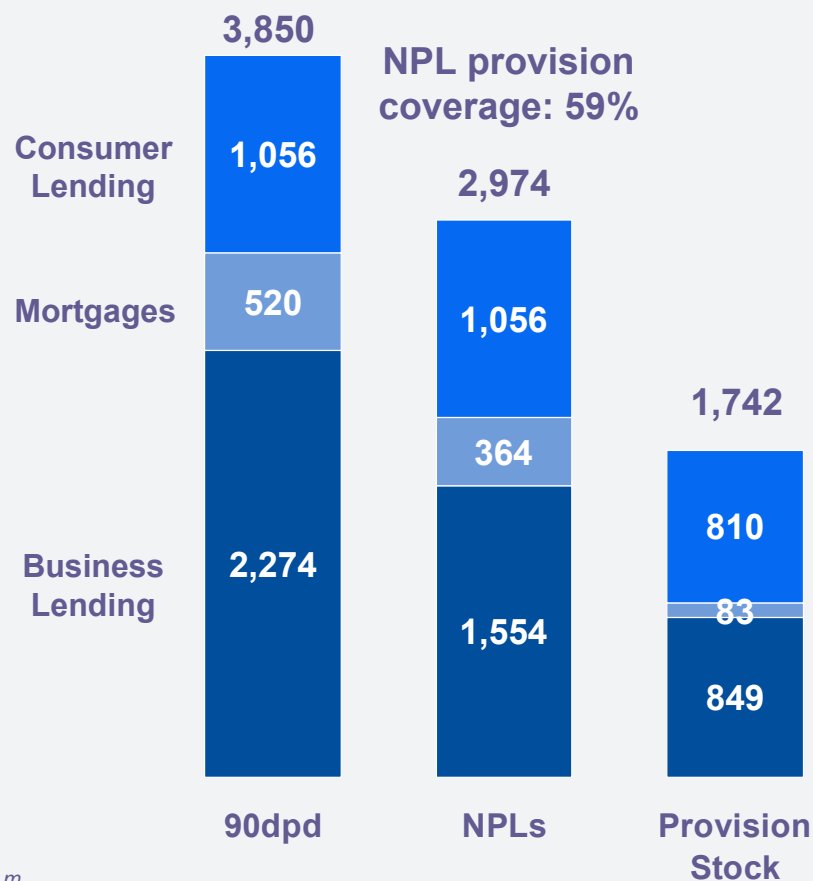


Serbia (€ 1.1bn)



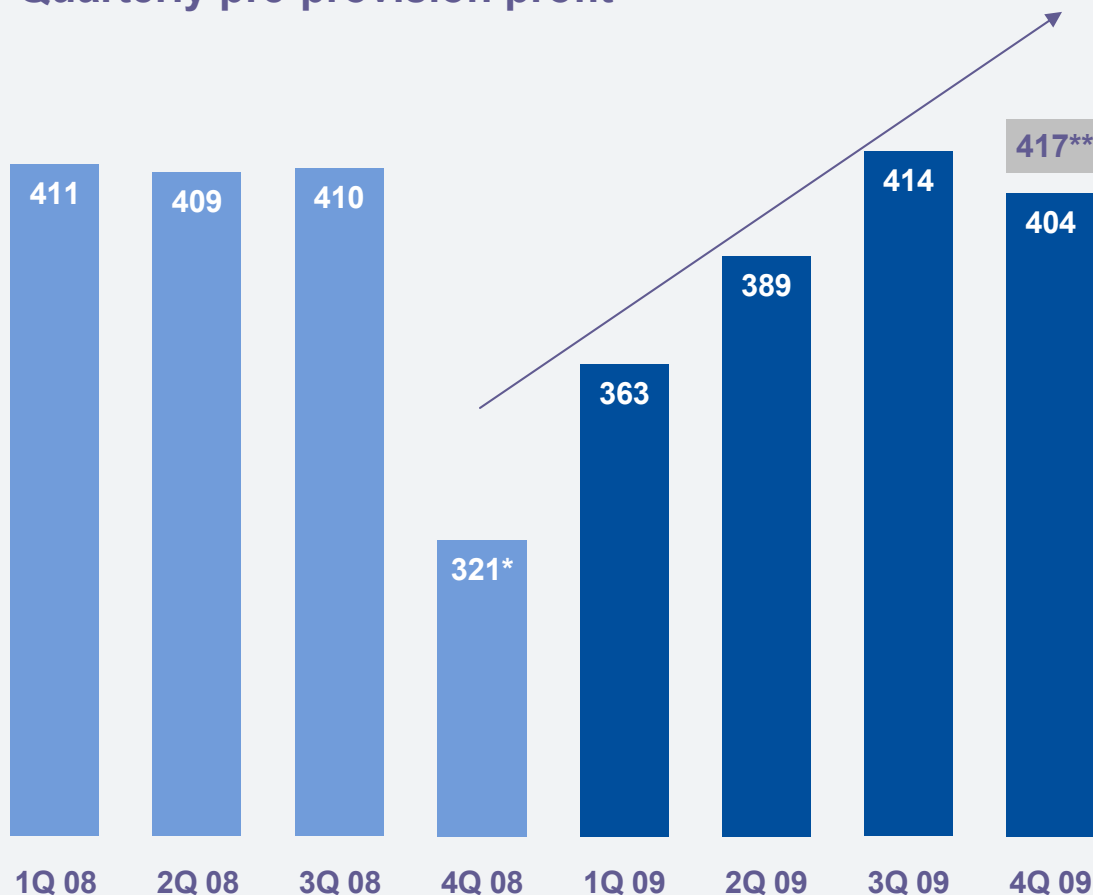
Ukraine (€ 0.6bn)

90dpd provision coverage: 45%



90dpd provisions coverage	NPLs provisions coverage	Value of collaterals	Total NPL coverage	NPL recovery rates	
>75%	>75%	~5%	>80%	35%	Consumer Lending
>10%	>15%	>150%	>100%	95%	Mortgages
>35%	>50%	~55%	>100%	50%	Business Lending

Quarterly pre-provision profit

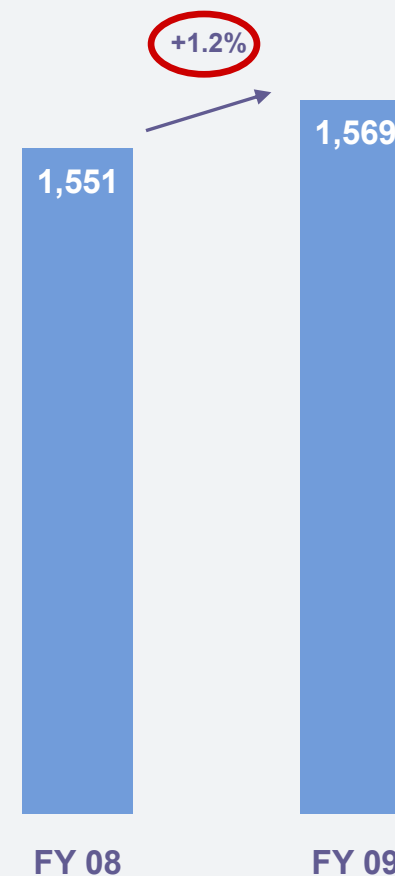


€ m.

* excl. € 160m own debt revaluation gain

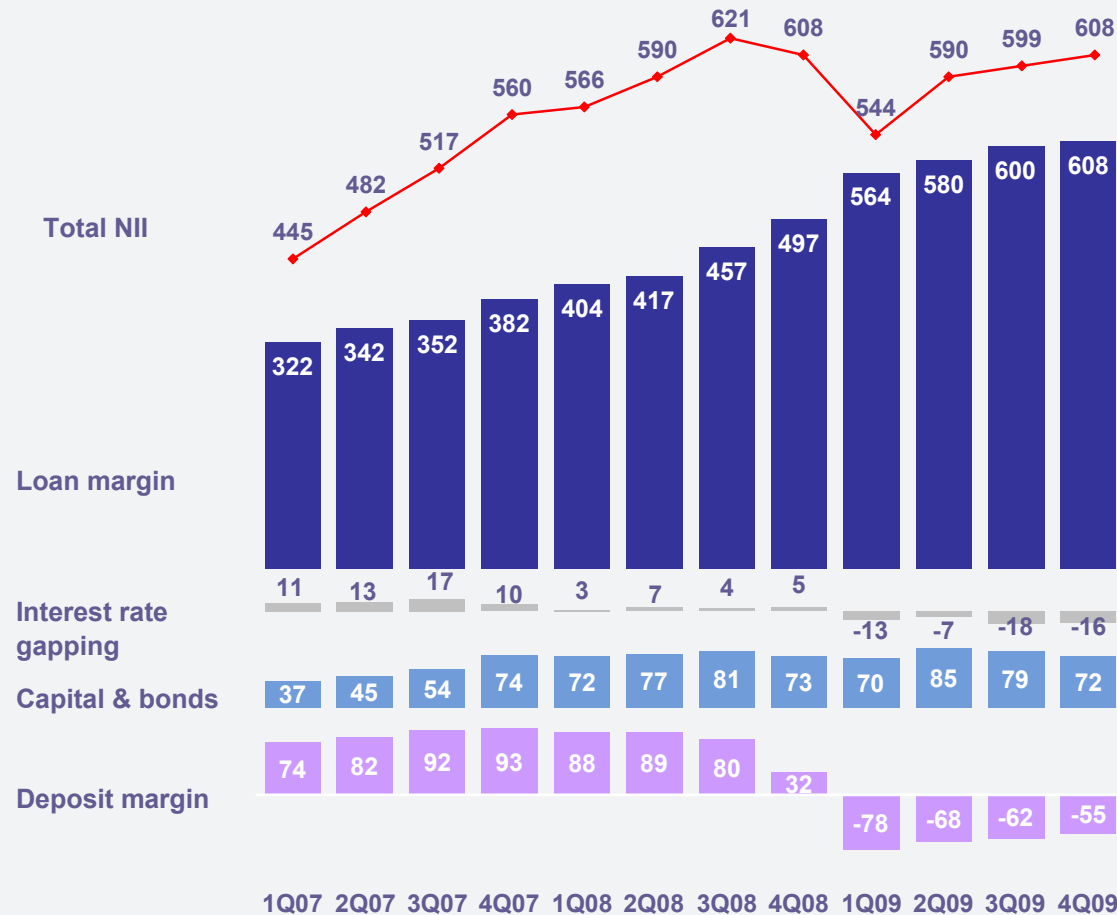
** excl. € 13m one-off expenses

Pre-provision profit up yoy



2nd highest quarterly NII - loan NII again at record highs – deposit margin improves gradually

Second highest ever quarterly NII despite crisis

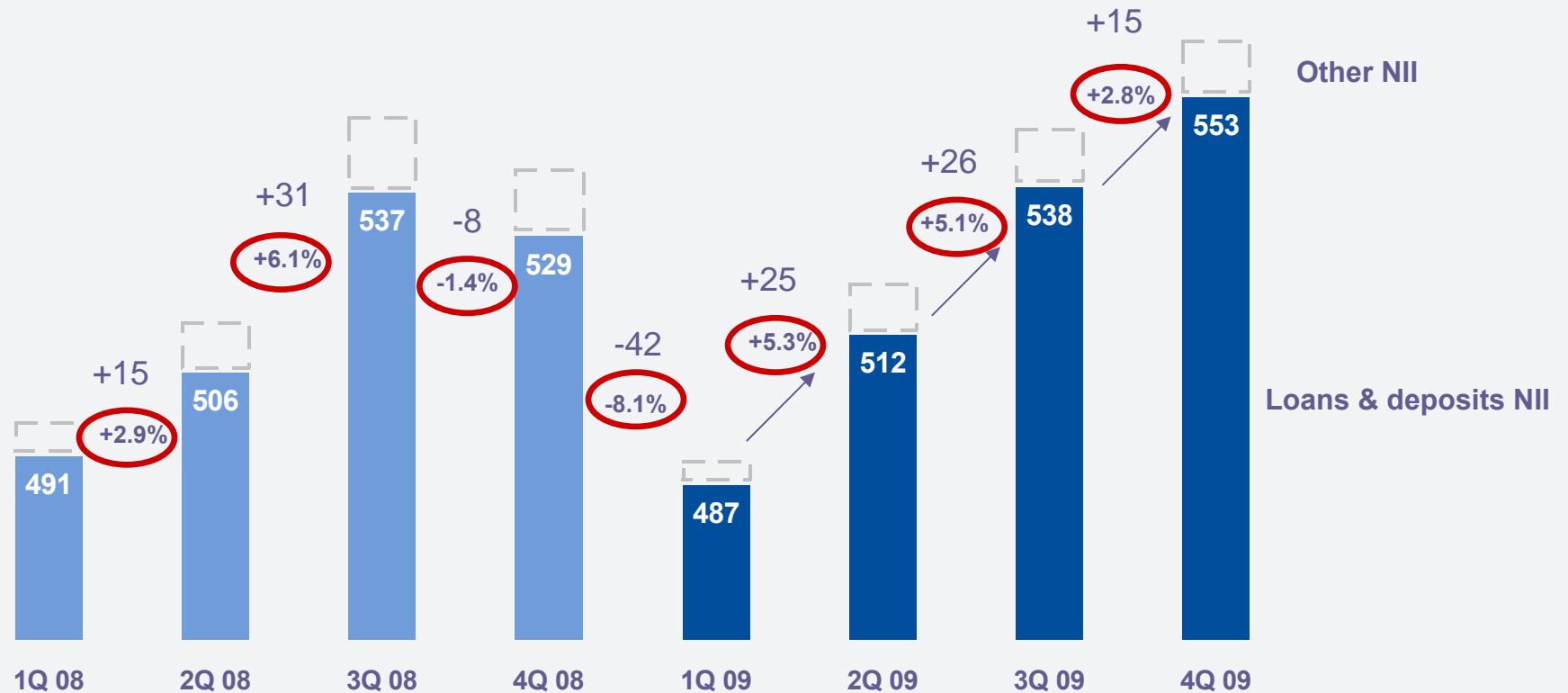


€ m.

NII marginally down yoy



Client (loan and deposit) NII



Loan repricing continues, better spreads in deposits & New Europe

Evolution of Greek spreads (%)

	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09
Sight & Savings Accounts	1.68	-0.06	-0.24	-0.46	-0.21
Time & Client EMTNs	-0.41	-1.02	-0.90	-0.74	-0.79
Total Deposits	0.05	-0.79	-0.72	-0.66	-0.61

	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09
Wholesale Loans	1.83	2.17	2.37	2.44	2.49
Mortgage	0.81	1.22	1.25	1.37	1.58
Consumer	8.62	9.80	9.81	10.02	9.92
Small Business Banking*	4.21	5.04	5.14	5.08	5.05
Retail Loans	4.31	5.06	5.04	5.05	5.03

	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09
Total Loans	3.33	3.90	3.97	3.97	3.97

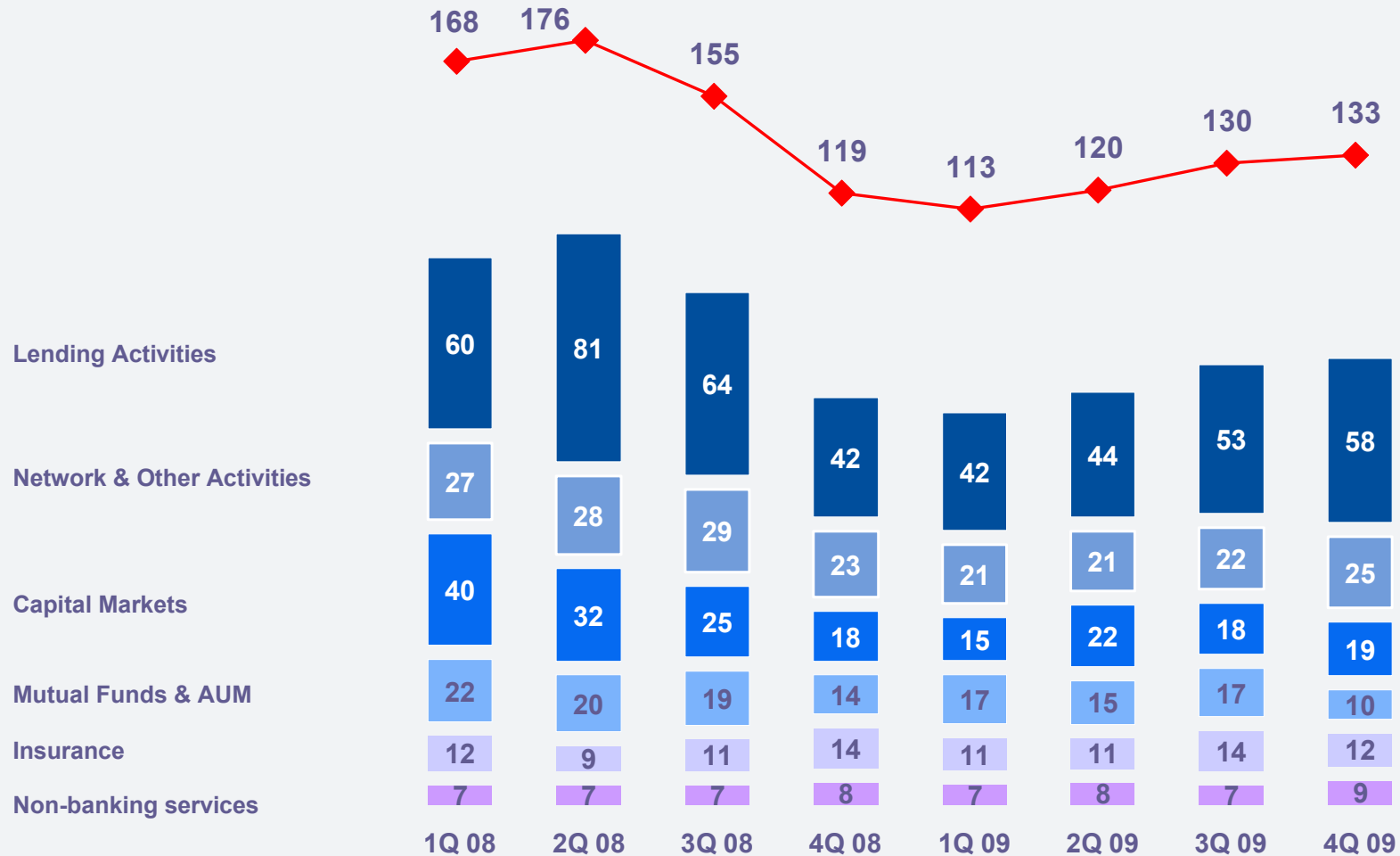
*excluding TEMPME loans which carry 200bps spread with Govt. guarantee

Evolution of NIM (%)

NIM (%)	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09
Greece	2.61	2.34	2.54	2.54	2.59
New Europe	4.11	3.55	3.70	3.75	3.77
Group	3.01	2.65	2.83	2.84	2.89

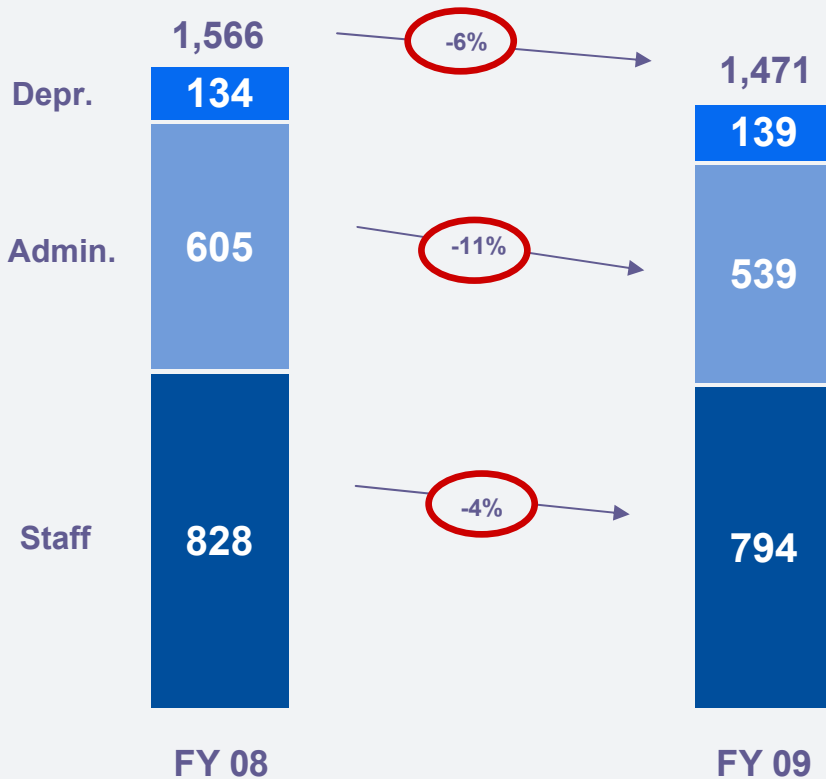
NIM (%)	FY 08	1Q 09	1H 09	9M 09	FY 09
Romania	4.73	4.53	4.23	4.48	4.44
Bulgaria	4.40	3.56	3.95	3.80	3.87
Serbia	6.36	4.91	4.99	4.99	5.05
Turkey	2.74	3.23	3.61	3.52	3.32
Poland	3.72	1.95	2.25	2.43	2.52
Ukraine	7.31	6.98	6.53	6.10	5.57
Cyprus	1.33	1.30	1.33	1.51	1.62
New Europe	4.33	3.55	3.62	3.67	3.66

Commission income gradually picking up



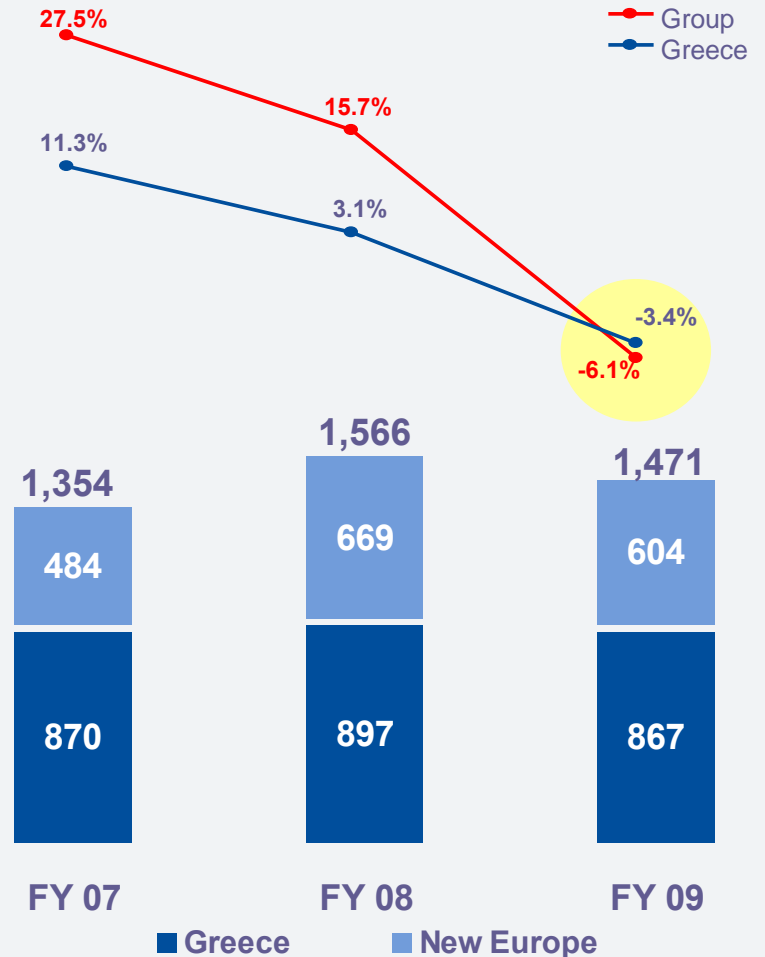
Costs reduction at 6.1% yoy; exceeds target of 5%

OpEx drops by 6.1% yoy



€ m.

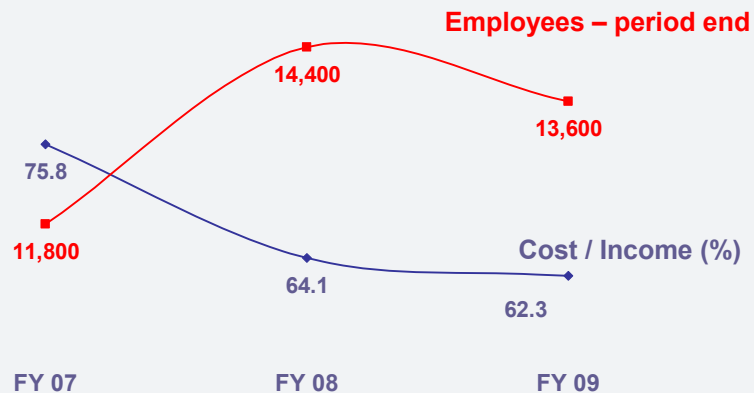
Sharp cost deceleration (yoy% change)



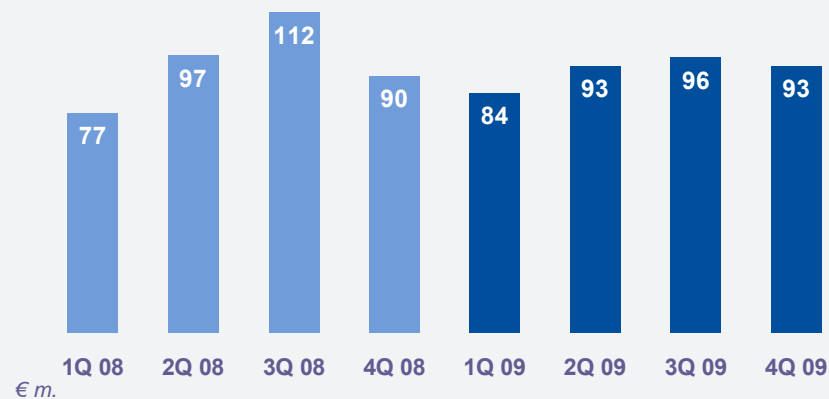
€ m.

New Europe: resilient pre-provision profit and improving bottom line

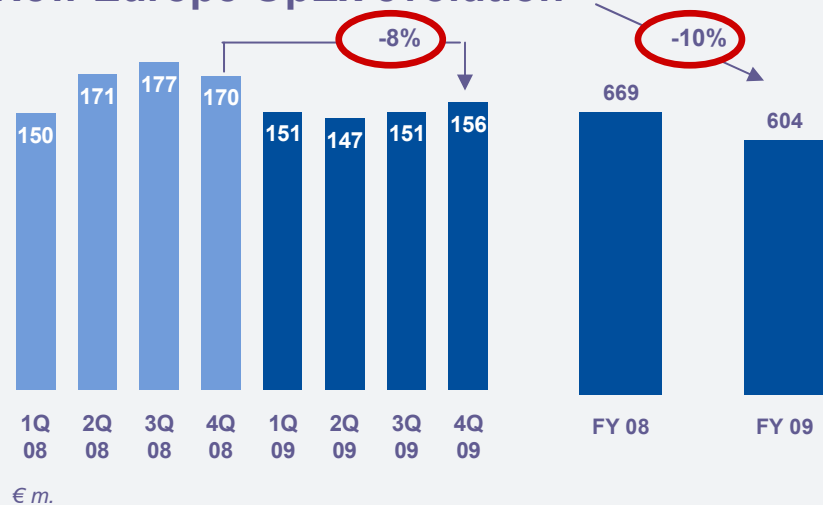
New Europe C/I ratio at historic lows



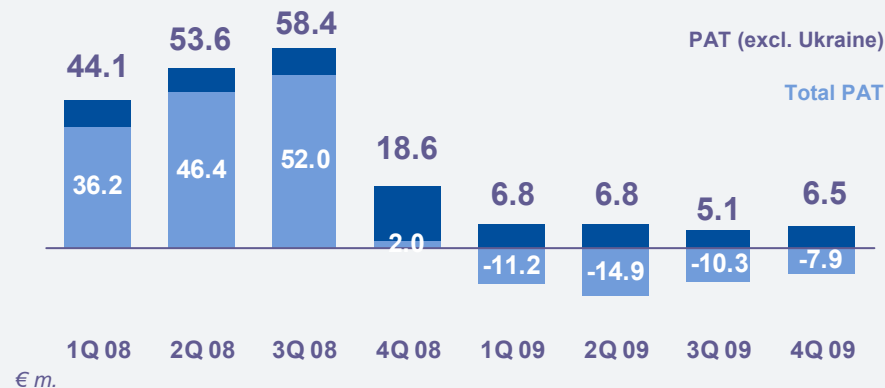
New Europe's pre-provision profit resilient



New Europe OpEx evolution

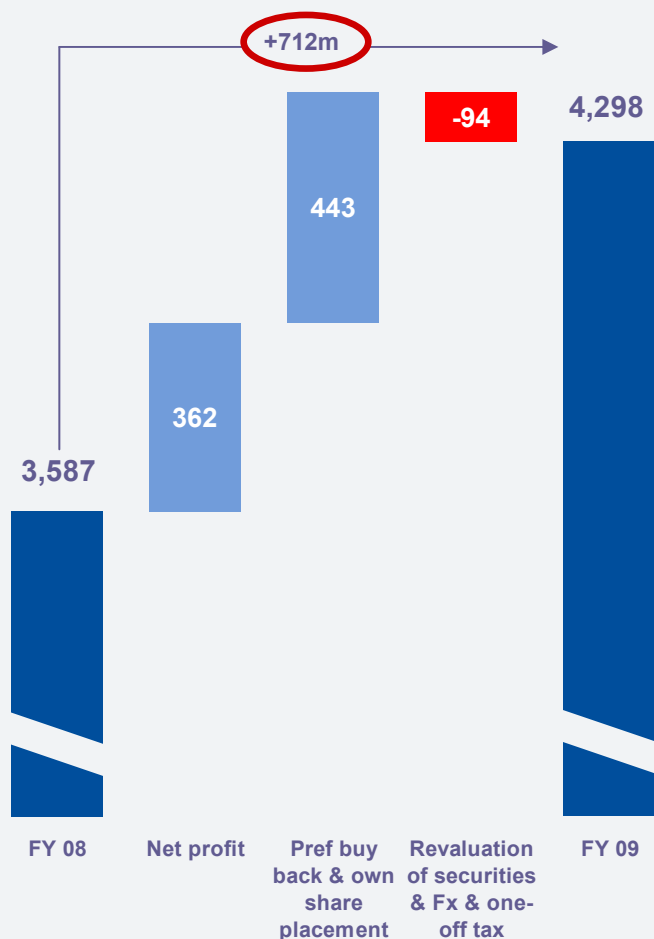


New Europe profits qoq



Strong organic improvement in the capital position

Common equity movement



€ m

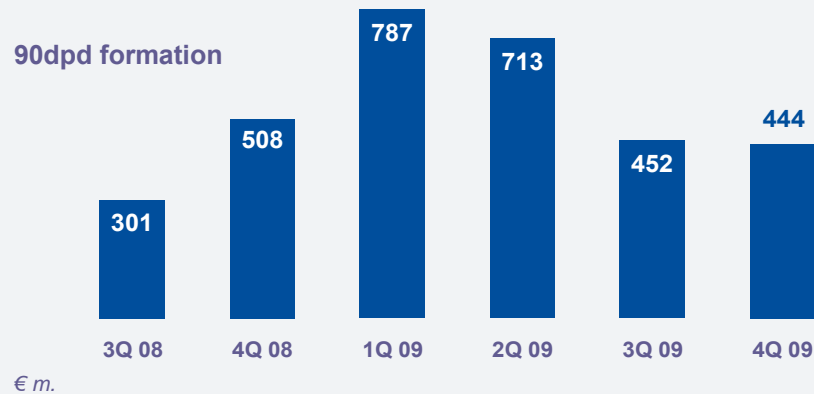
Capital Adequacy (%)	FY 08	9M 09	FY 09
Equity Tier I ratio* <i>(Core Tier 1 less goodwill)</i>	7.1%	8.8% €4.2bn	8.7% €4.2bn
Core Tier I ratio*	8.0%	10.0% €4.8bn	9.8% €4.7bn
Total Tier 1	8.0%	11.5% €5.5bn	11.5% €5.5bn
Total CAD ratio	10.4%	12.7% €6.1bn	12.7% €6.1bn
RWAs (€ bn)	48.4	47.7	47.8

*excludes Govt. prefs

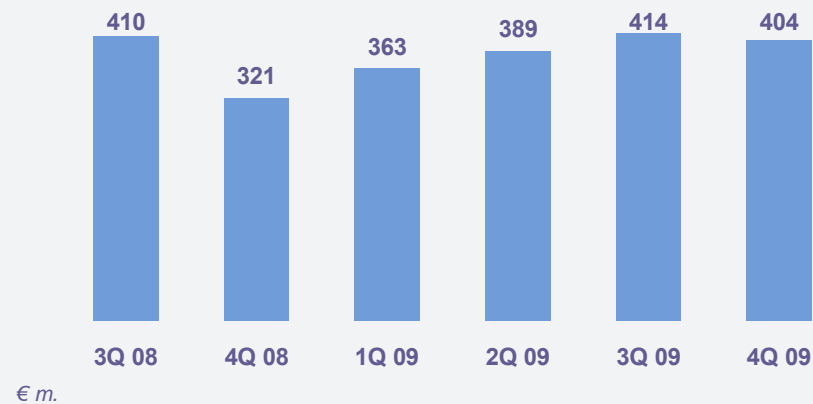


Overview

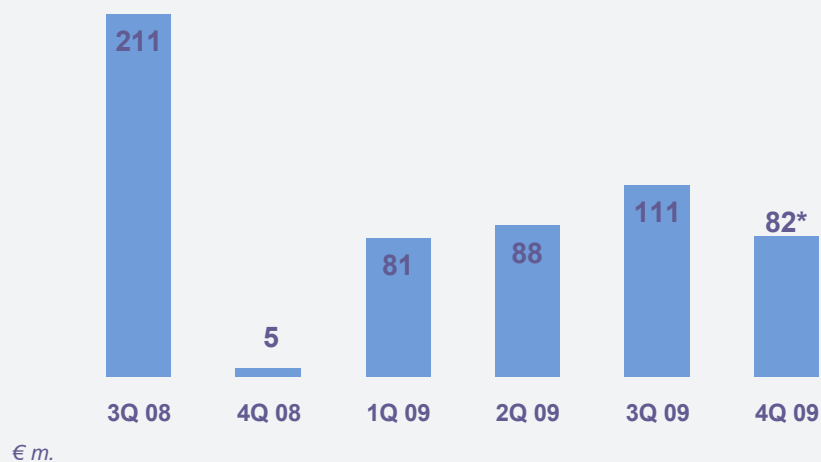
Reversal of asset quality trends



Positive pre-provision trends



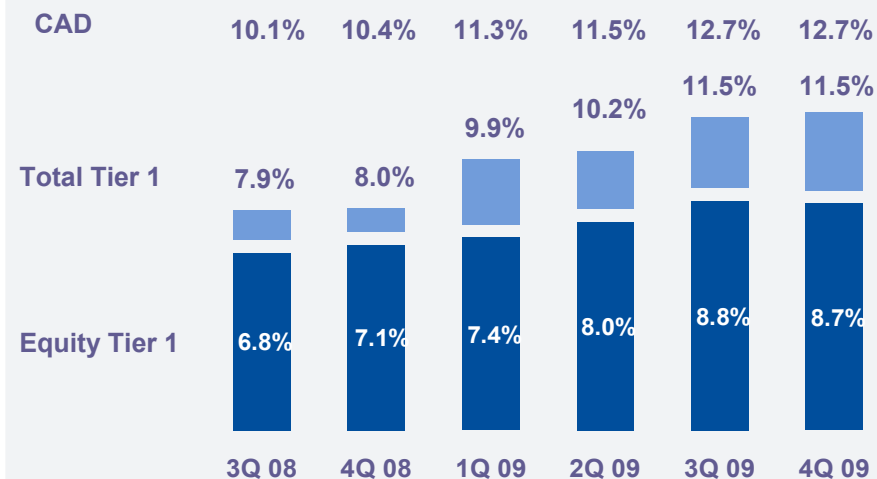
Comfortably profitable



€ m.

* excluding one-off tax

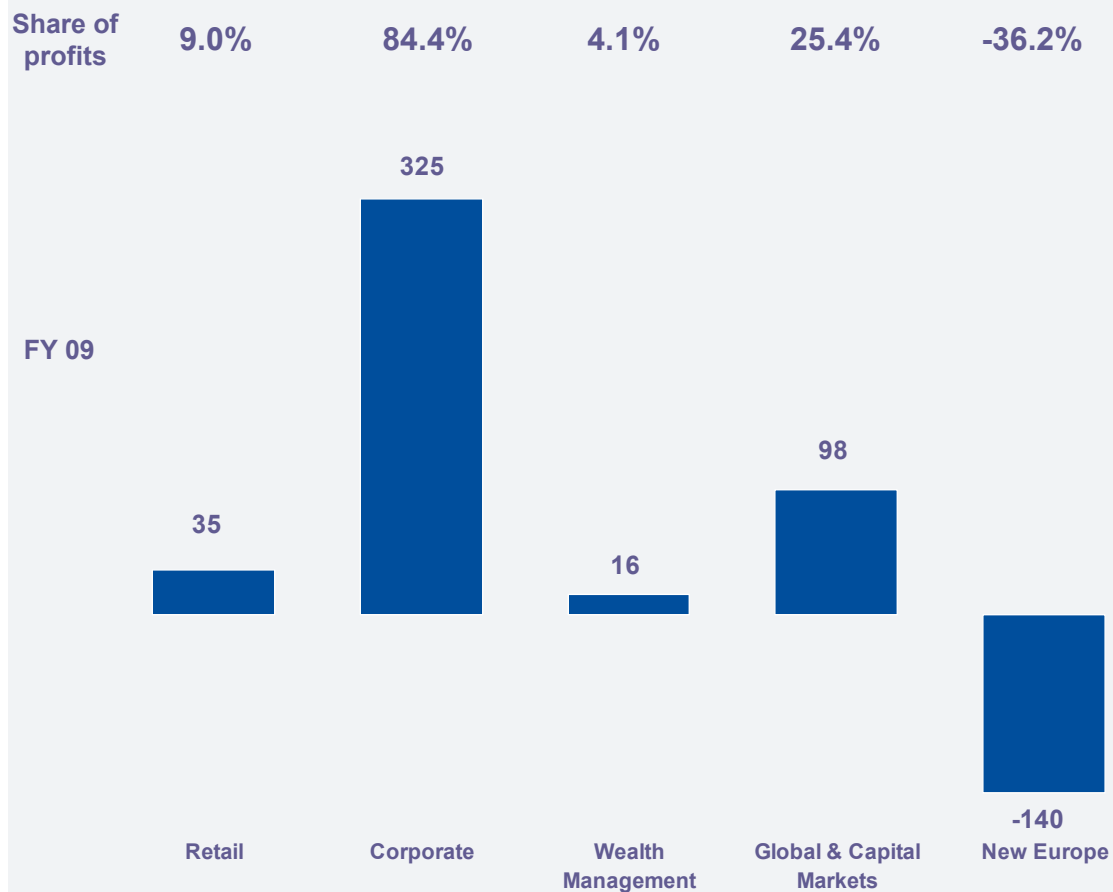
Strong and improving capital position





Segmental Performance

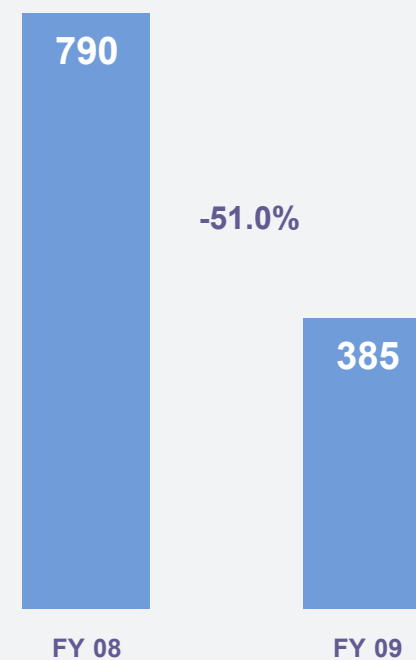
PBT* per Segment



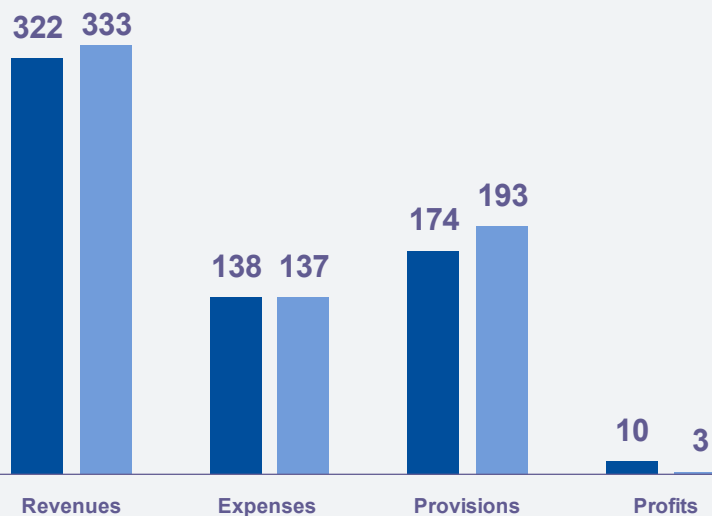
Figures in € m.

* after minority interest

Group PBT*



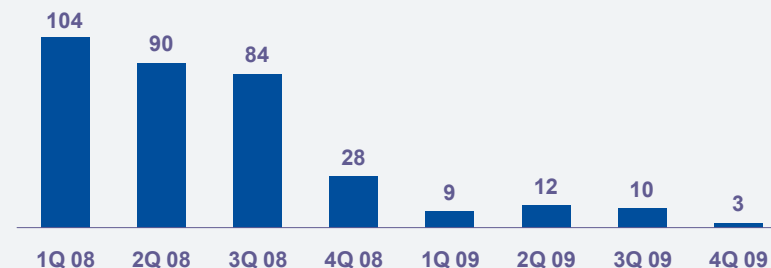
4Q 09/3Q 09 growth



■ 3Q 09
■ 4Q 09

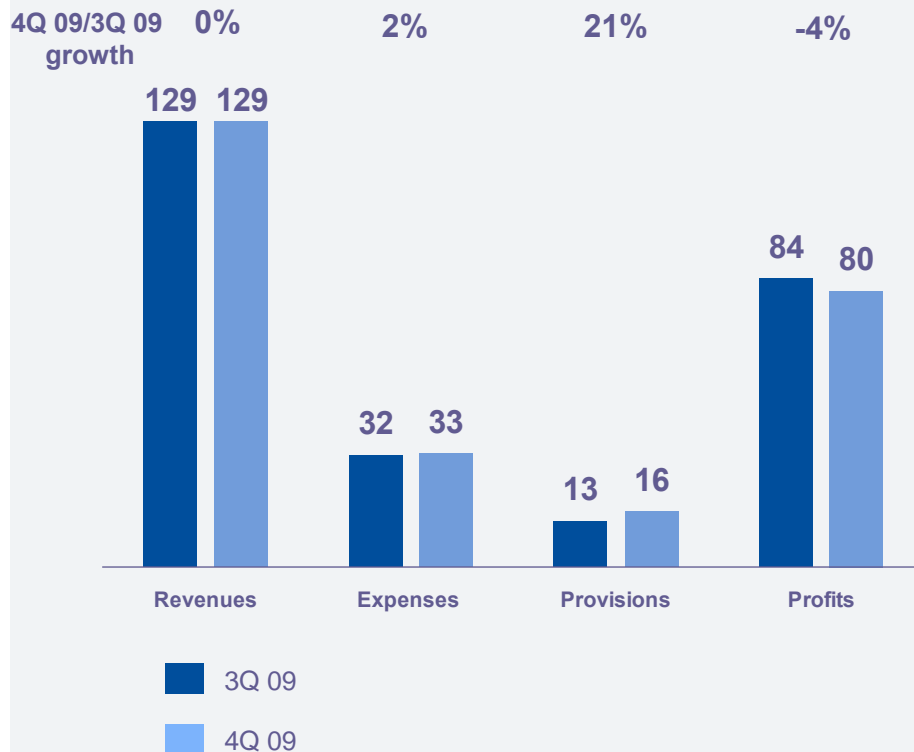
Figures in € m.

Quarterly PBT evolution (€ m)



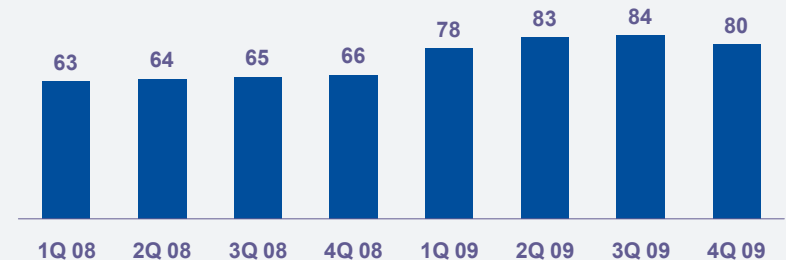
	FY 08	FY 09
– Cost to Income	46.2%	44.1%
– Return on Equity	29.7%	3.7%
– Return on RWA	2.74%	0.34%
– Share of profits	38.7%	9.0%

Retail: incorporating customer current accounts, savings, deposits, credit and debit cards, consumer loans, small business banking and mortgages



Figures in € m.

Quarterly PBT evolution (€ m)



	FY 08	FY 09
– Cost to Income	28.8%	24.2%
– Return on Equity	23.4%	26.2%
– Return on Rwa	1.66%	2.03%
– Share of profits	32.7%	84.4%

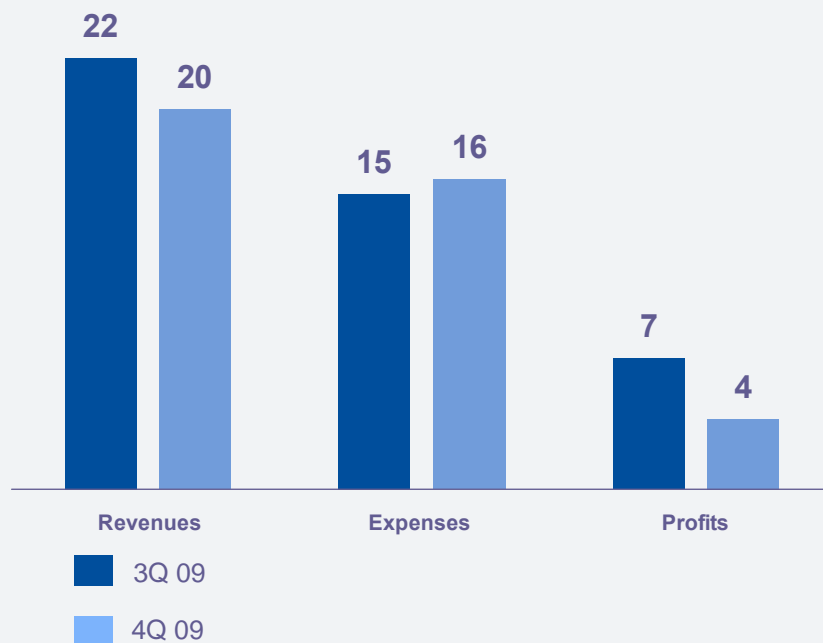
Corporate: incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products to corporate entities.

4Q 09/3Q 09
growth

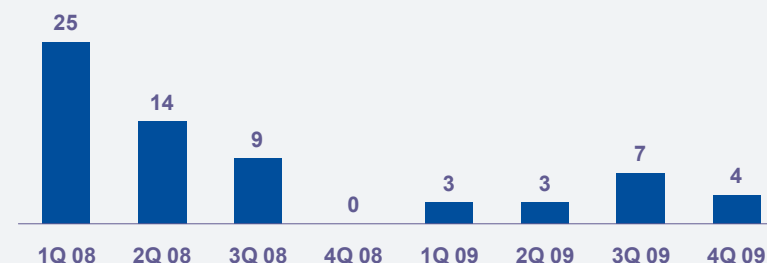
-12%

5%

-47%

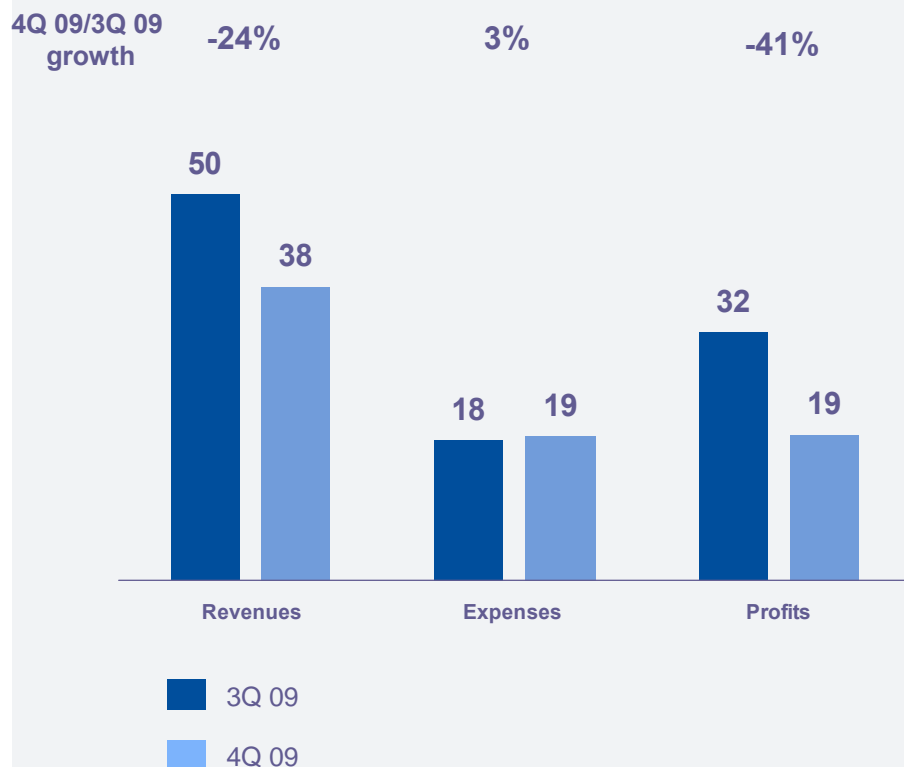


Quarterly PBT evolution (€ m)



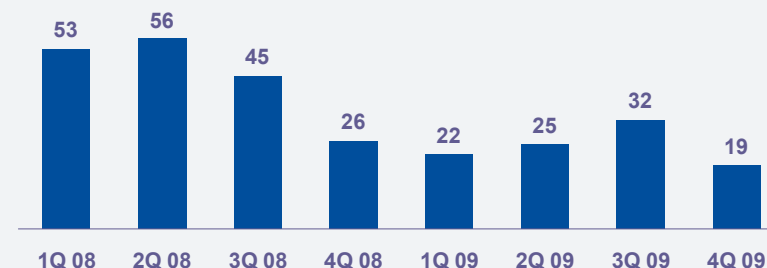
	FY 08	FY 09
– Cost to Income	56.4%	79.0%
– Return on Equity	35.9%	10.9%
– Share of profits	6.1%	4.1%

Wealth Management: incorporating private banking services, including total wealth management to medium and high net worth individuals, insurance, mutual fund products and institutional asset management.



Figures in € m.

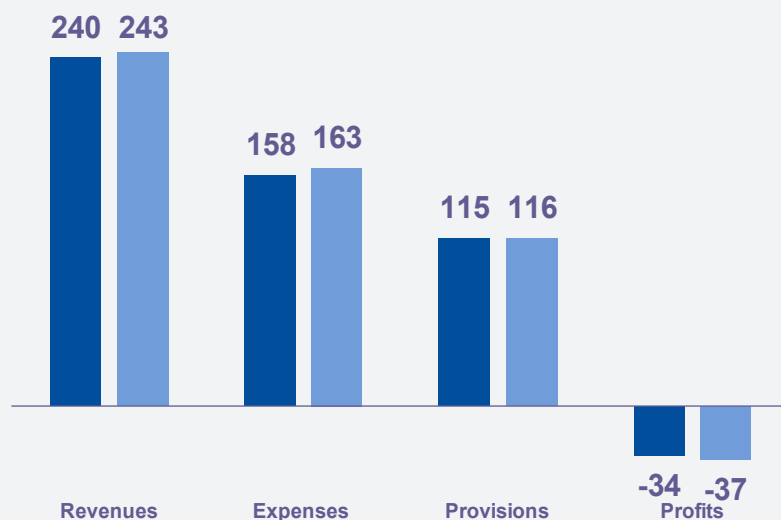
Quarterly PBT evolution (€ m)



	FY 08	FY 09
– Cost to Income	29.8%	41.2%
– Return on Equity	42.3%	23.7%
– Share of profits	22.7%	25.4%

Global & Capital Markets: incorporating investment banking services including corporate finance, merger and acquisitions advice, custody, equity brokerage, financial instruments trading and institutional finance to corporate and institutional entities, as well as, specialised financial advice and intermediation to private and large retail individuals, as well as small and large corporate entities.

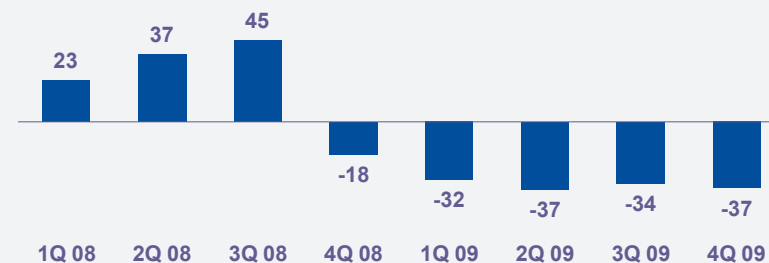
4Q 09/3Q 09 growth 1% 3% 0% N/A



■ 3Q 09
■ 4Q 09

Figures in € m.

Quarterly PBT evolution (€ m)



	<u>FY 08</u>		<u>FY 09</u>
- Cost to Income	68.4%	→	67.4%
- Return on Rwa	0.75%	→	-1.00%
- Share of profits	11.1%	→	-36.2%



Appendices

Financial Ratios	FY 09	FY 08
Net Interest Margin	2.81%	3.17%
Cost-Income	48.4%	47.8%
NPLs (% of loans)	5.16%	2.74%
NPLs coverage	59%	90%
Provision Charge (% of net loans)	2.11%	1.75%
Tier I Ratio	11.5%	8.0%
Total Capital Adequacy	12.7%	10.4%
ROA after tax	0.4%*	0.9%
ROE after tax and minorities	6.0%*	15.7%
EPS (€, annualised)	0.51	1.20

*excl. one-off tax of € 57m

Summary Figures (€ m)	FY 09	FY 08	Δ%	New Europe
Net Interest Income	2,340.9	2,384.7	-1.8%	781.4
Net fees & Commissions	418.2	543.4	-23.0%	161.9
Insurance and non banking fees	78.1	74.8	4.3%	6.1
Total Operating Income	3,039.8	3,117.0*	-7.2%	970.1
Operating Expenses	1,470.8	1,566.4	-6.1%	604.1
Impairment	1,177.5	886.1	32.9%	452.4
Pre-provision profit	1,569.0	1,550.7*	1.2%	366.0
Profit before tax	396.9	817.9	-51.5%	(86.4)
Net Profit	361.5*	651.9	-44.6%	(44.3)
Portfolio of Loans (Gross, € m)				
Consumer Loans	10,261	11,686	-12.2%	2,997
Mortgages	15,342	14,793	3.7%	4,683
Loans to Households	25,603	26,479	-3.3%	7,679
Small Business Loans	9,081	9,089	-0.1%	1,913
Loans to Medium-Sized Enterprises	11,629	11,299	2.9%	1,703
Loans to Large Corporates	11,139	10,255	8.6%	3,232
Business Loans	31,850	30,643	3.9%	6,849
Total Gross Loans	57,578	57,288	0.5%	14,528

* excl. one-off gains of € 160m

**excl. one-off tax of € 57m

Key figures of New Europe operations

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		Romania	Bulgaria	Serbia	Cyprus	Poland	Turkey	Ukraine	NE	Δ %
Balance Sheet	Total Assets	5,614	3,911	1,791	1,783	5,359	2,220	780	21,476	+1.1%
	Total Loans	3,418	3,097	1,066	605	4,573	1,127	642	14,528	-1.4%
	Total Deposits	1,761	1,893	741	1,570	2,655	768	282	9,670	10.8%
P&L	Operating Income	319.5	184.4	116.1	29.7	168.9	102.3	50.7	970.1	-7.1%
	Operating Expenses	(181.4)	(91.2)	(66.7)	(13.3)	(130.3)	(62.1)	(60.5)	(604.1)	-9.7%
	Profit before tax (before MI)	(28.3)	19.1	23.2	14.4	(49.3)	19.7	(85.1)	(86.4)	N/A
	Profit after tax and minorities	(8.3)	19.2	23.8	13.0	(39.2)	16.7	(69.5)	(44.3)	N/A
Resources	Retail network	286	209	119	-	328	-	100	1,042	
	Wholesale network	18	10	10	5	7	42	5	97	

FY 2009 – Summary per Segment

Segmental Results 2009 (€ m)	Retail	Corporate	Wealth Management	Global & Capital Markets	Capital & Other	Elimination Center	New Europe	Total
Interest income	1,111.2	421.8	-0.9	58.1	-7.9	0.0	758.7	2,340.9
Net fee & commission income	53.7	51.8	48.3	105.0	-2.58	0.0	161.8	418.2
Net Insurance income	0.0	0.0	48.0	0.0	0.0	0.0	-0.4	47.6
Non Banking services	1.8	0.0	0.0	0.0	22.2	0.0	6.5	30.5
Other income	9.1	1.9	11.2	48.4	111.2	0.0	20.8	202.6
Non-interest income	64.6	53.7	107.5	153.5	130.8	0.0	188.7	698.8
Fees Received/Paid	88.0	20.3	-28.8	-41.7	11.2	-46.9	-2.0	0.0
Gross Market Revenues	1,263.8	495.8	77.7	169.8	134.1	-46.9	945.4	3,039.8
Operating Expenses	-558.0	-119.9	-61.4	-70.0	-70.9	46.9	-637.5	-1,470.8
Loans Provisions	-671.6	-50.9	-0.515	-2.0	0.0	0.0	-452.4	-1,177.5
Income from associates	0.5	0.0	0.0	0.0	4.9	0.0	0.0	5.4
Minorities	0.0	0.0	0.0	0.0	-16.7	0.0	5.0	-11.7
PBT attr. to Shareholders	34.7	325.1	15.8	97.8	51.3	0.0	-139.5	385.2
% of Group PBT	9.0%	84.4%	4.1%	25.4%	13.3%	0.0%	-36.2%	100.0%
Risk Weighted Assets	9,768	16,221	312	5,919	1,952	0	13,655	47,827
Allocated Equity	879	1,285	152	414	2,108	0	1,476	6,314
% of total	13.9%	20.3%	2.4%	6.6%	33.4%		23.4%	100%
Cost / Income	44.1%	24.2%	79.0%	41.2%	n.a	0	67.4%	48.4%
RoA (before tax)	0.1%	2.0%	0.2%	0.6%	n.a	0	-0.7%	0.5%
ROAC (before tax)	3.7%	26.2%	10.9%	23.7%	n.a	0	-9.3%	7.0%

FY 2008 – Summary per Segment



Segmental Results 2008 (€ m)	Retail	Corporate	Wealth Management	Global & Capital Markets	Capital & Other	Elimination Center	New Europe	Total
Interest income	1,191.0	312.0	22.4	81.1	32.5	0.0	745.7	2,384.7
Net fee & commission income	56.5	43.4	69.7	139.0	-2.70	0.0	237.6	543.4
Net Insurance income	-0.4	0.0	47.5	0.0	0.0	0.0	-0.8	46.3
Non Banking services	1.8	0.0	0.0	0.0	20.9	0.0	5.9	28.6
Other income	12.0	25.2	5.6	53.1	146.0	0.0	32.2	274.1
Non-interest income	69.8	68.6	122.8	192.1	164.1	0.0	274.9	892.3
Fees Received/Paid	51.5	16.0	-33.9	-15.7	39.5	-55.2	-2.2	0.0
Gross Market Revenues	1,312.3	396.6	111.3	257.4	236.2	-55.2	1,018.4	3,277.0
Operating Expenses	-606.6	-114.3	-62.7	-76.6	-64.4	55.2	-696.9	-1,566.4
Loans Provisions	-400.8	-24.0	-0.297	-1.3	-240.0	0.0	-219.7	-886.1
Income from associates	0.9	0.0	0.0	0.0	-7.5	0.0	0.0	-6.6
Minorities	0.0	0.0	0.0	0.0	-13.9	0.0	-14.5	-28.4
PBT attr. to Shareholders	305.8	258.3	48.3	179.5	-89.7	0.0	87.3	789.6
% of Group PBT	38.7%	32.7%	6.1%	22.7%	-11.4%	0.0%	11.1%	100.0%
Risk Weighted Assets	10,559	15,870	167	5,895	1,578	0	14,306	48,375
Allocated Equity	1,001	1,196	140	413	339	0	1,535	4,623
% of total	21.6%	25.9%	3.0%	8.9%	7.3%	0	33.2%	100%
Cost / Income	46.2%	28.8%	56.4%	29.8%	n.a	0	68.4%	47.8%
RoA (before tax)	1.2%	1.8%	0.6%	1.0%	n.a	0	0.5%	1.0%
ROAC (before tax)	29.7%	23.4%	35.9%	42.3%	n.a	0	6.4%	16.4%

