

**ATEbank**



*AGRICULTURAL BANK OF GREECE*

---

Nine Month 2007 results presentation

November 2007

# Table of contents

---

<b>SECTION 1</b>	Highlights of the period _____	<b>3</b>
<b>SECTION 2</b>	Financial review _____	<b>6</b>
	Contacts _____	<b>21</b>

SECTION 1

---

# Highlights of the period

# Highlights of the period

---

- ◆ **Significant Net Profits Growth by 93.9%** (23.4% on a recurrent basis)
- ◆ **Customer Loans grow by 16.1%**, despite write-offs of €398m
- ◆ **Household lending continues to expand above market rate (+26.0%).**  
**Mortgage Lending** expands significantly **(+25.8% )** while **Consumer lending** accelerates further **(+39.5%)**
- ◆ **Customer deposits grow satisfactorily (+9.5%),** while the funding cost is still low (1.97%)
- ◆ **Net Interest Margin remains stable q-o-q (3.33%),** despite high competition in the market
- ◆ **Efficiency ratios show continuous improvement (cost/income down to 54%)**
- ◆ **NPLs significantly lower (9.9% vs 13.9% in Q306)**
- ◆ **ROE at 21,3% (14.2% on a recurrent basis) and ROA at 1.32% (0.88% on a recurrent basis)**
- ◆ **Interim Dividend of €0.05 per share**

# Summary financials

## Balance sheet and regulatory capital

### Selected figures

€m, as of	30 Sep 2007	30 Sep 2006	Growth (%)
Total assets	22,370	20,630	8.4
Gross customer loans	15,529	13,371	16.1
Net customer loans	14,274	11,796	21.0
Customer deposits	19,194	17,532	9.5
Shareholders equity	1,409	1,181	19.3
Tier I capital (estimate)	1,061 {1,294} <sup>1</sup>	1,140	n.a.
Risk-weighted assets	11,283	9,969	13.2

### Selected ratios

%, as of	30 Sep 2007	30 Sep 2006
Gross customer loans / customer deposits	80.9	76.3
NPL ratio	9.9	13.9
Provision coverage	81.8	84.7
Tier I capital ratio	9.4 {11.5} <sup>1</sup>	11.4

## Income statement

### Selected figures

€m, for 9 month period ending	30 Sep 2007	30 Sep 2006	Growth (%)	Growth on recurrent Basis (%)
Total operating income	739.2	591.1	25.1	16.3
of which: Net interest income	467.1	429.4	8.8	8.8
of which: Non-interest income	272.1	161.7	68.3	39.8
Operating expenses	(399.5)	(369.2)	8.2	7.4
Impairment losses	(62.4)	(45)	38.7	23.1
Net profit attributable to shareholders	219.1	113.0	93.9	23.4

### Selected ratios – Reported basis

%, for 9 month period ending	30 Sep 2007	30 Sep 2006
Net interest margin <sup>2</sup>	3.33	3.22
Cost/income ratio <sup>3</sup>	54.0	62.5
Return on equity <sup>4</sup>	21.3	12.7
Return on assets <sup>5</sup>	1.3	0.7

#### Notes:

- 1 Calculated according to the new directives of the Bank of Greece (Tier I Capital would have been €1,294m and Tier I Capital Ratio:11.5% with the previous methodology)
- 2 Net interest income over average interest earning assets (calculated on monthly basis)
- 3 Operating expenses over operating income
- 4 Net profit attributable to shareholders over average shareholders equity (calculated on quarterly basis)
- 5 Net profit attributable to shareholders over average assets (calculated on quarterly basis)

SECTION 2

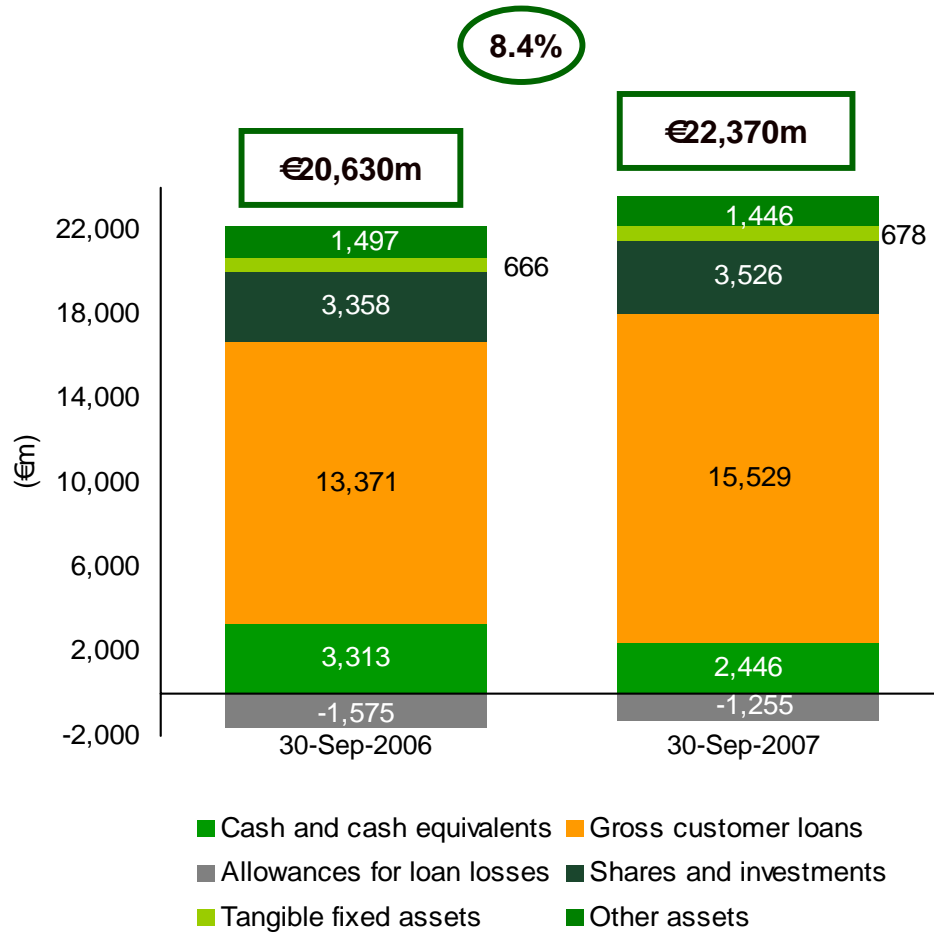
---

# Financial review

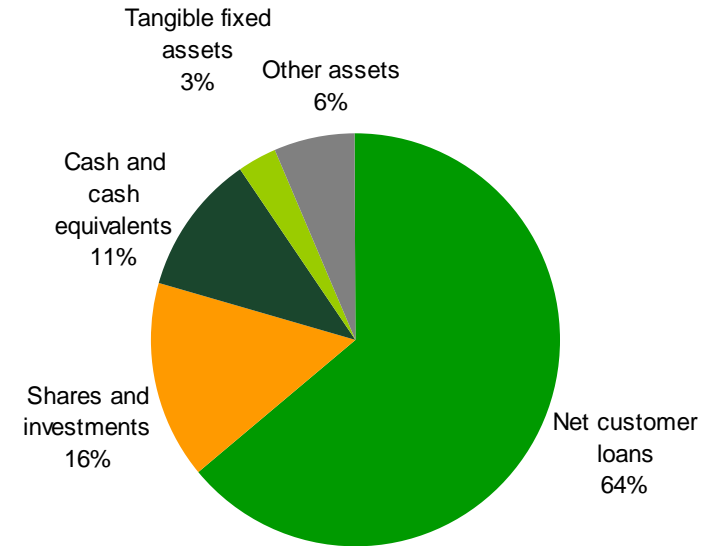
# Asset base

## Balanced asset mix

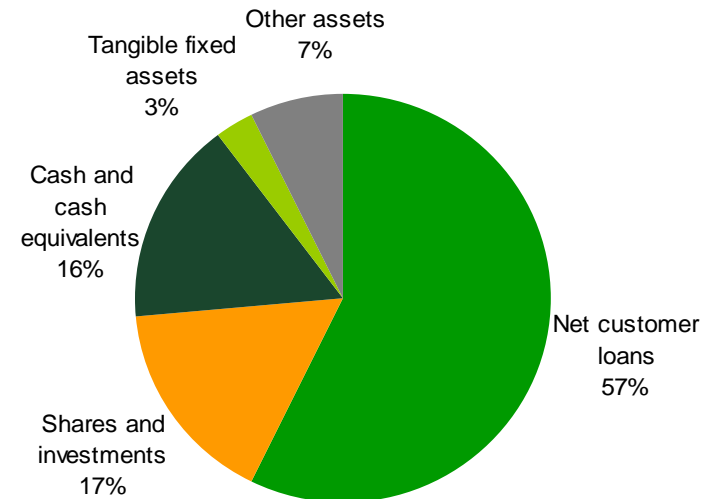
### Total Assets



### Asset mix 30 Sep 07



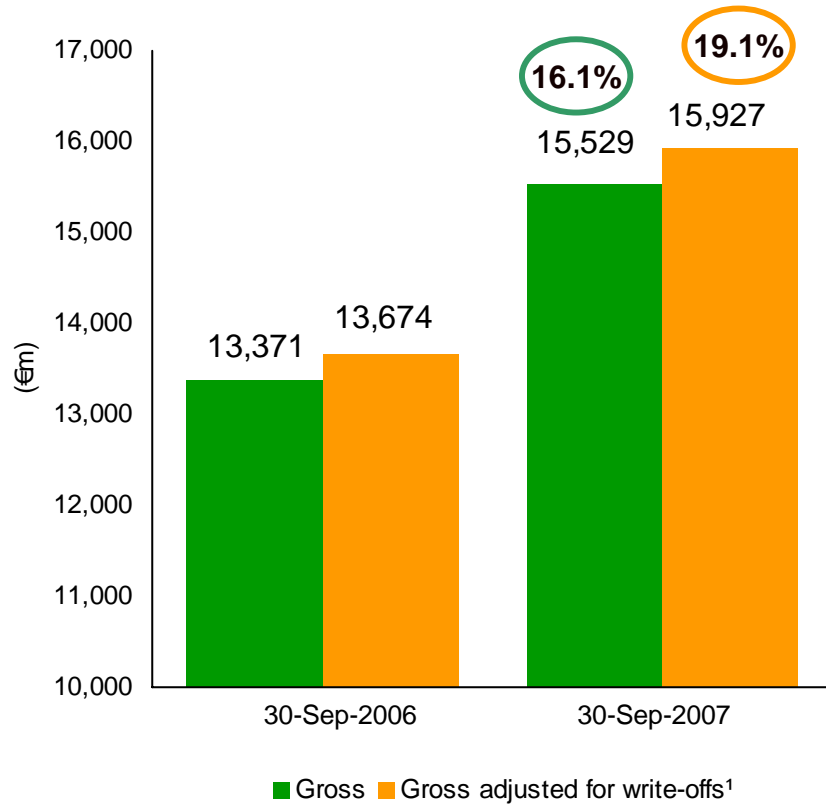
### Asset mix 30 Sep 06



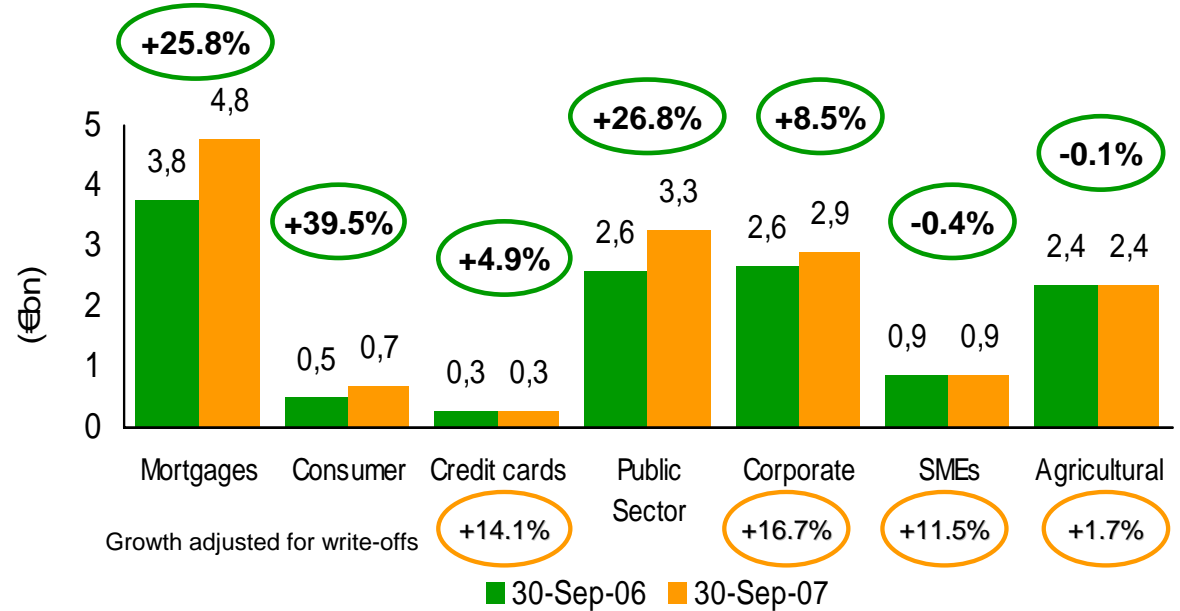
# Customer lending

## Household lending is the main driving force of loan growth

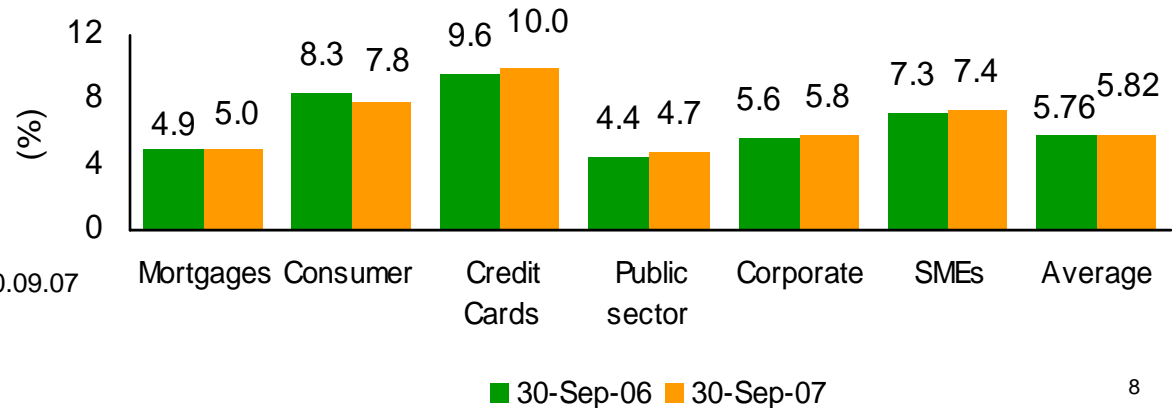
Customer loans



Loan Breakdown



Nominal interest rates on loans<sup>2</sup> (end of period)

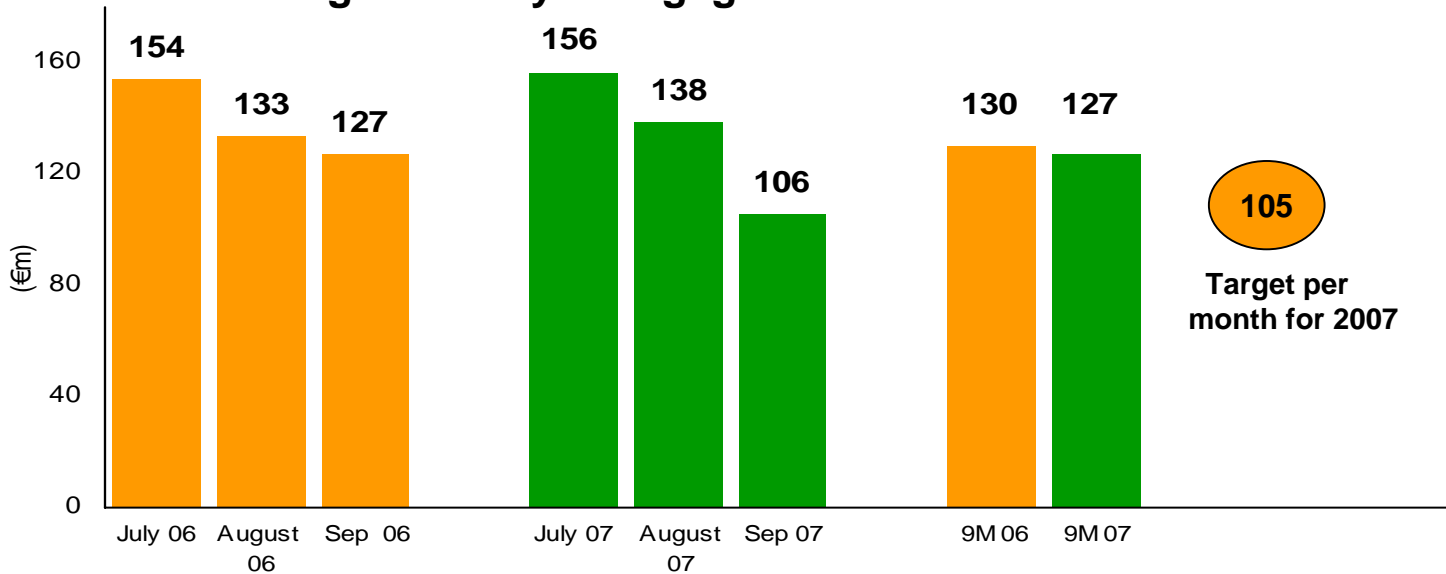


Notes:

- 1 Adjusted for €398 million write-offs in the period 01.10.06-30.09.07
- 2 Bank only figures

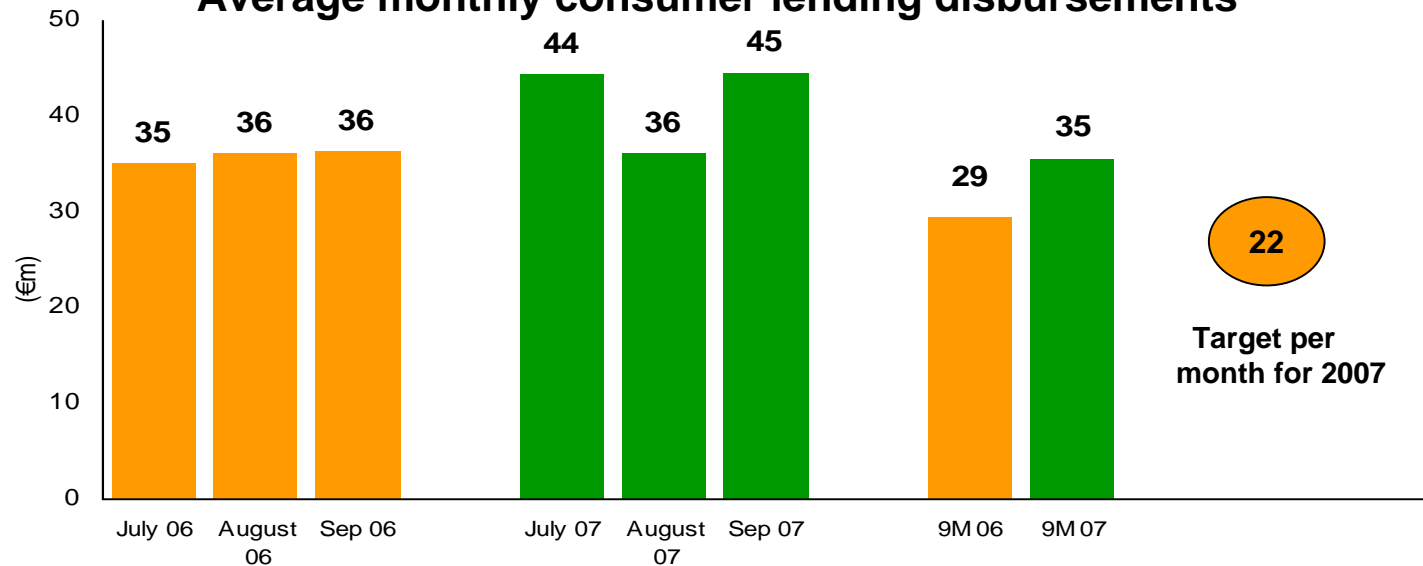
# Household Lending

## Average monthly mortgage disbursements



**Mortgage lending continues to grow at high rates**

## Average monthly consumer lending disbursements

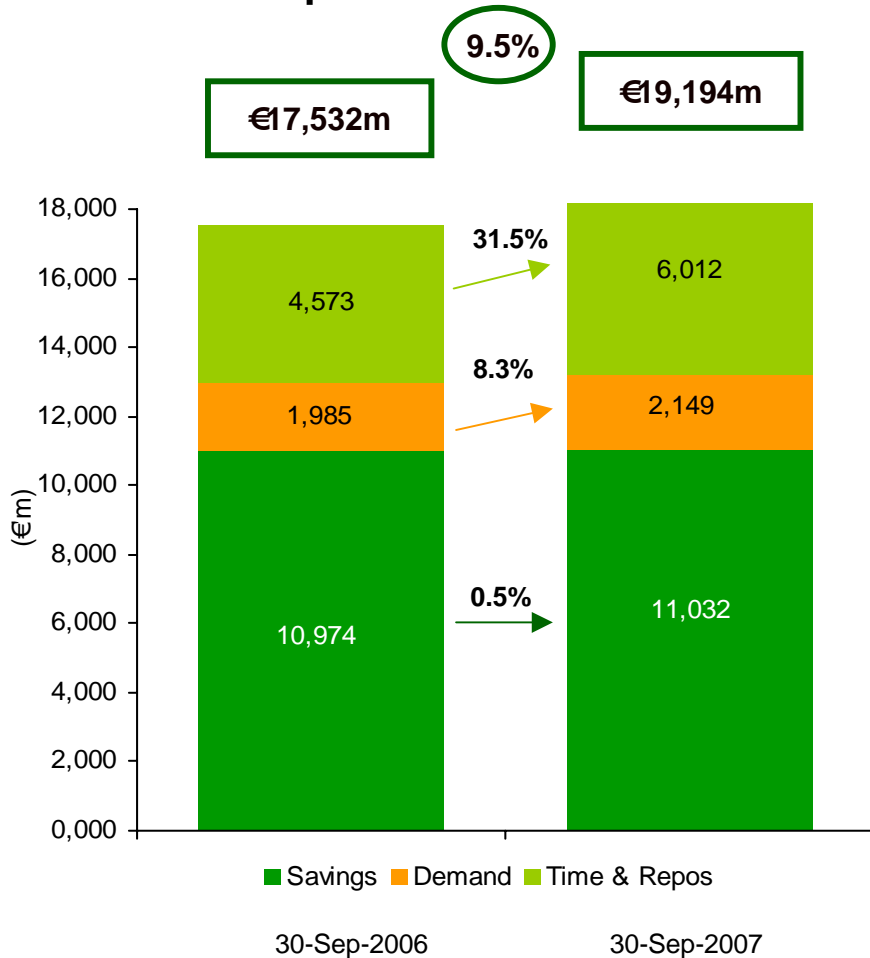


**Consumer lending growth accelerates further**

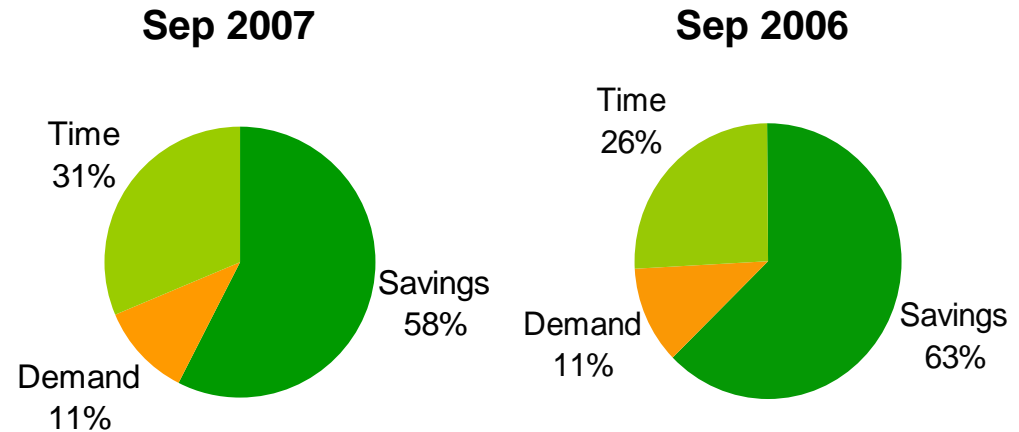
# Customer deposits

**Funding cost still one of the lowest in Greece despite heavy competition**

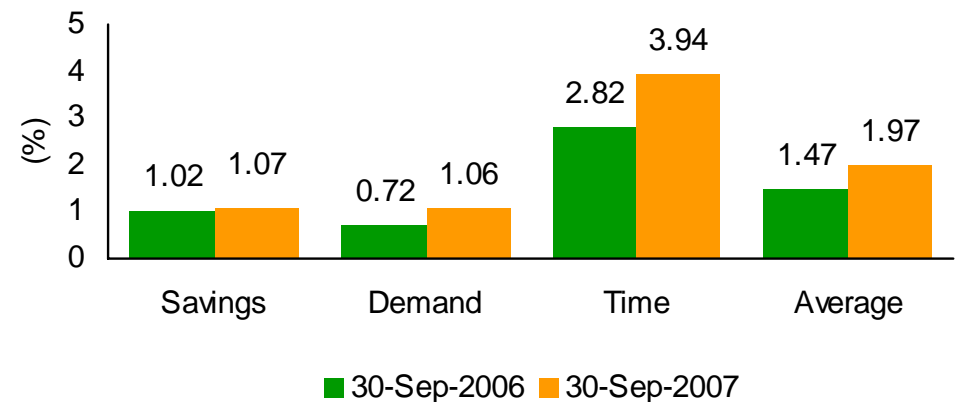
## Customer deposits



## Deposit mix



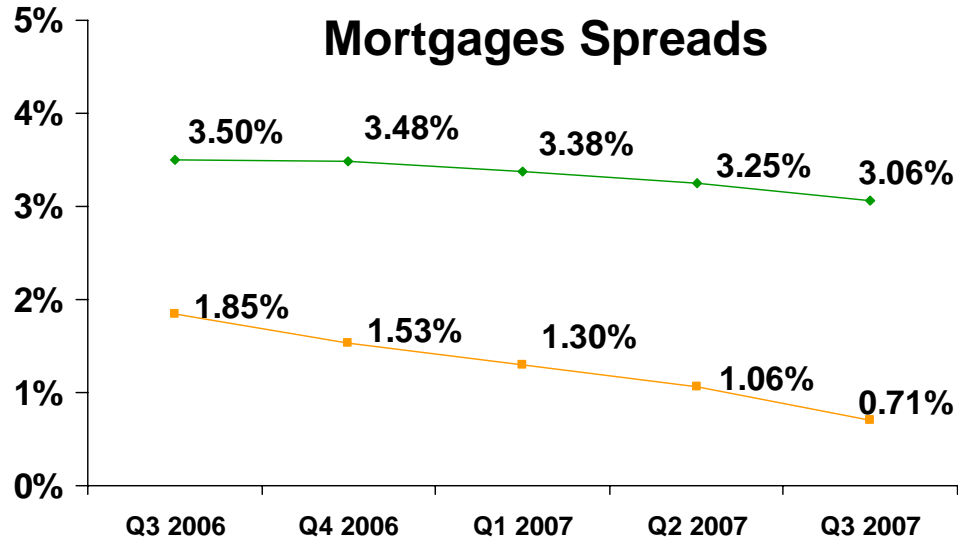
## Interest rates on deposits (end of 9 month period)



# Spreads

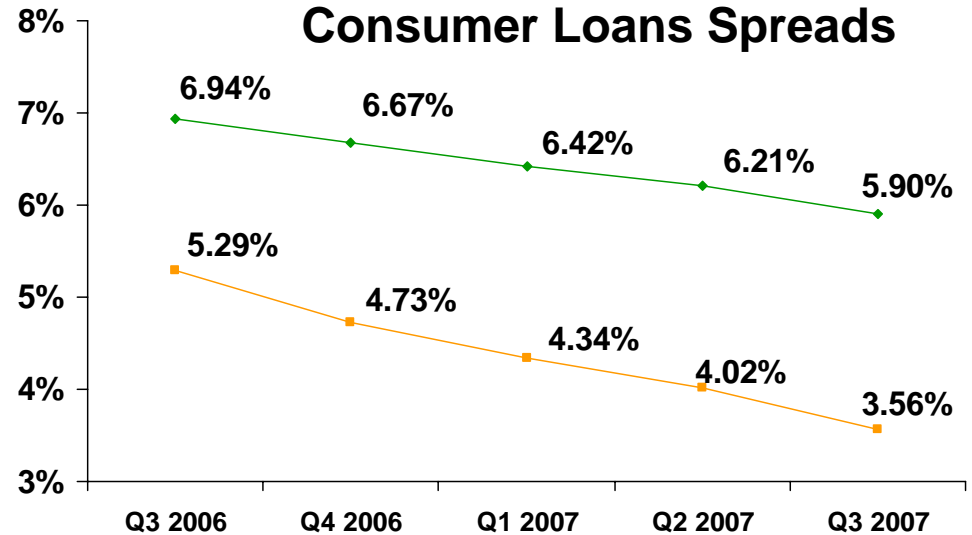
Pressure in loan spreads continues, but ATEbank has the advantage of its low cost of funding

## Mortgages Spreads



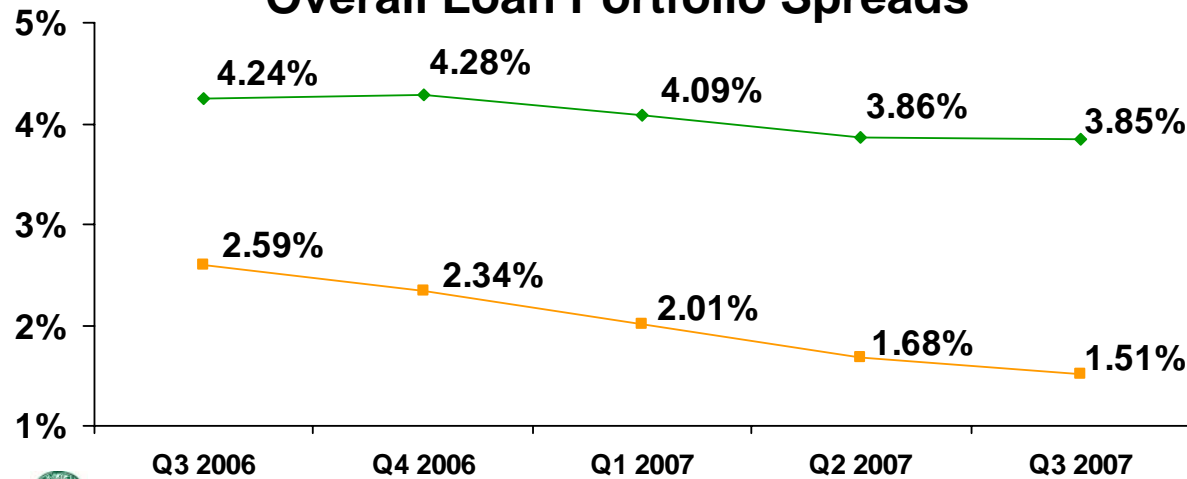
◆ Spread over ATEbank's deposits cost    ■ Spread over Average 1M Euribor

## Consumer Loans Spreads



◆ Spread over ATEbank's deposits cost    ■ Spread over Average 1M Euribor

## Overall Loan Portfolio Spreads

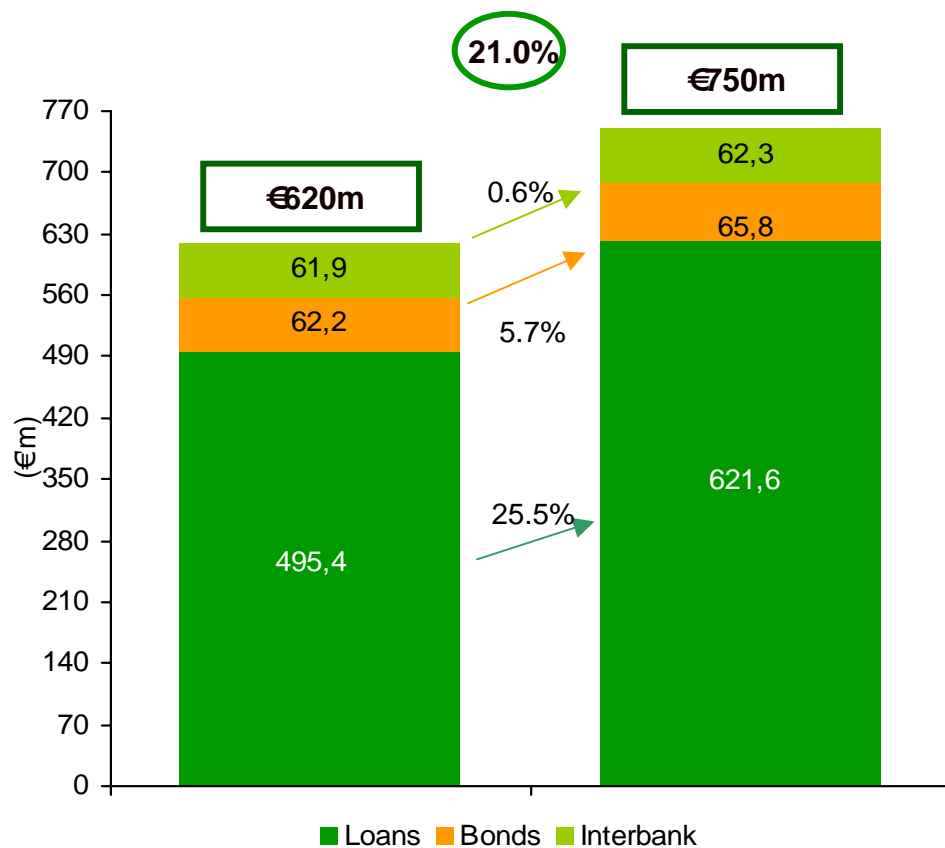


◆ Spread over ATEbank's deposits cost    ■ Spread over Average 1M Euribor

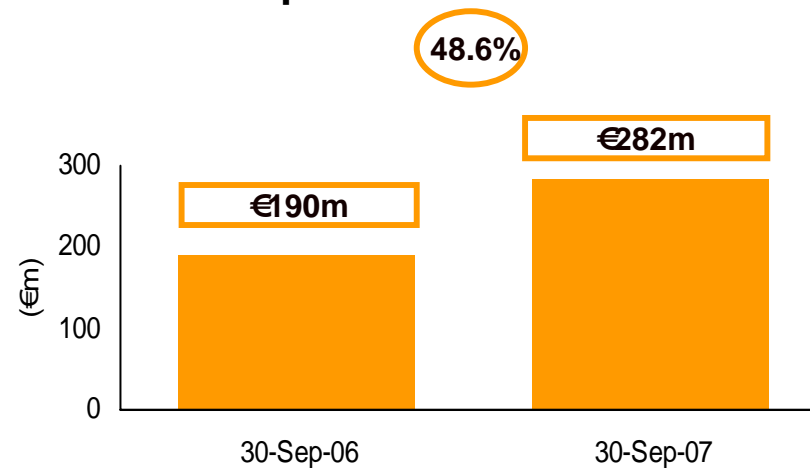
# Net interest income

**NIM at satisfactory levels, stable q-o-q**

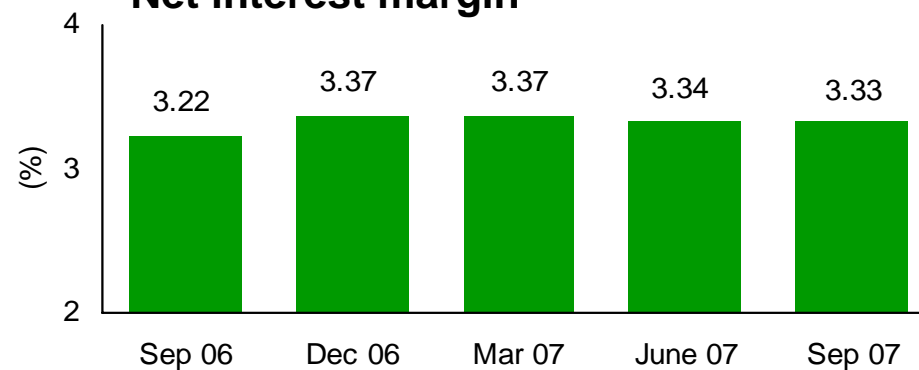
## Interest income



## Interest expense



## Net interest margin<sup>1</sup>



Note:

1 Net interest income over average interest earning assets (calculated on quarterly basis)

# Non-interest income

## Non-interest income items represent 37% of total operating income

	(€m)		
	30 Sep 2007	30 Sep 2006	Comment
Net fee and commission income	62.4	54.8	◆ Fee and commission income and expenses from banking and non-banking products
Net trading income	42.5	(6.8)	◆ Gains and losses from financial transactions
Income from investments	80.6 <sup>1</sup>	23.3 <sup>2</sup>	◆ Gains and losses from disposal of financial assets available-for-sale
Dividend income	23.4	20.9	◆ Dividend income derived mostly from available-for-sale securities
Other operating income	63.2	69.5 <sup>3</sup>	◆ Revenue from sale of goods, insurance contracts and other
<b>Total non-interest income</b>	<b>272.1</b>	<b>161.7</b>	(+ 68.3%)

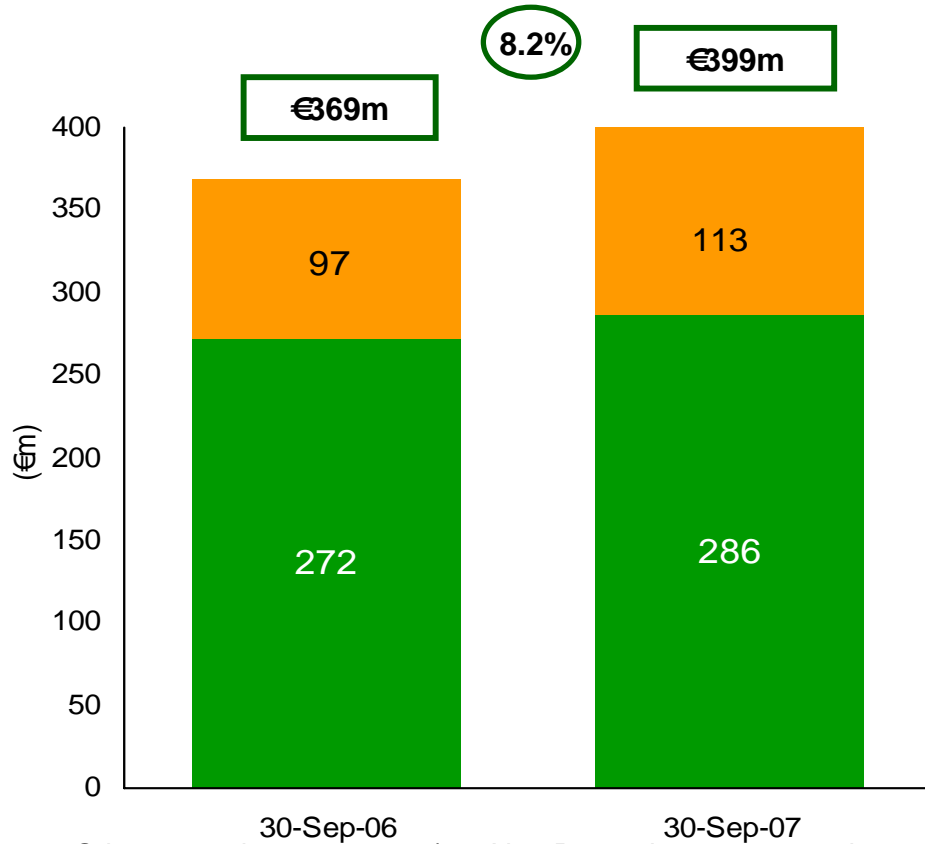
### Notes:

- 1 It includes € 80.5m derived from the sale of part of available for sale portfolio.
- 2 It includes € 19.4m derived from the sale of part of available for sale portfolio.
- 3 It includes € 5.1m derived from a reversal of provision for contingent liability

# Operating expenses

## Cost/Income ratio improves

### Operating expenses



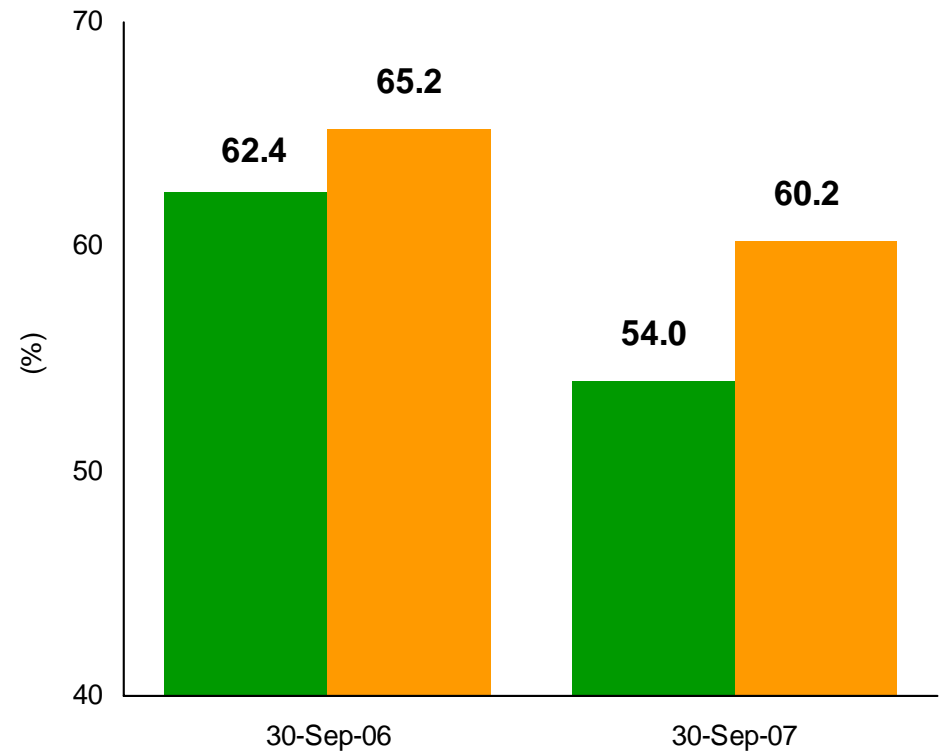
- Other operating expenses (3m Non-Recurring expenses due to donations)
- Personnel expenses

Employees<sup>1</sup>    10,584 (6,163 Bank)    10,778 (6,491 Bank)

Notes:

1 Number of employees at the end of the period (excluding employees of FBB, AIK Banka & SEKAP which are not fully consolidated)

### Cost income ratio

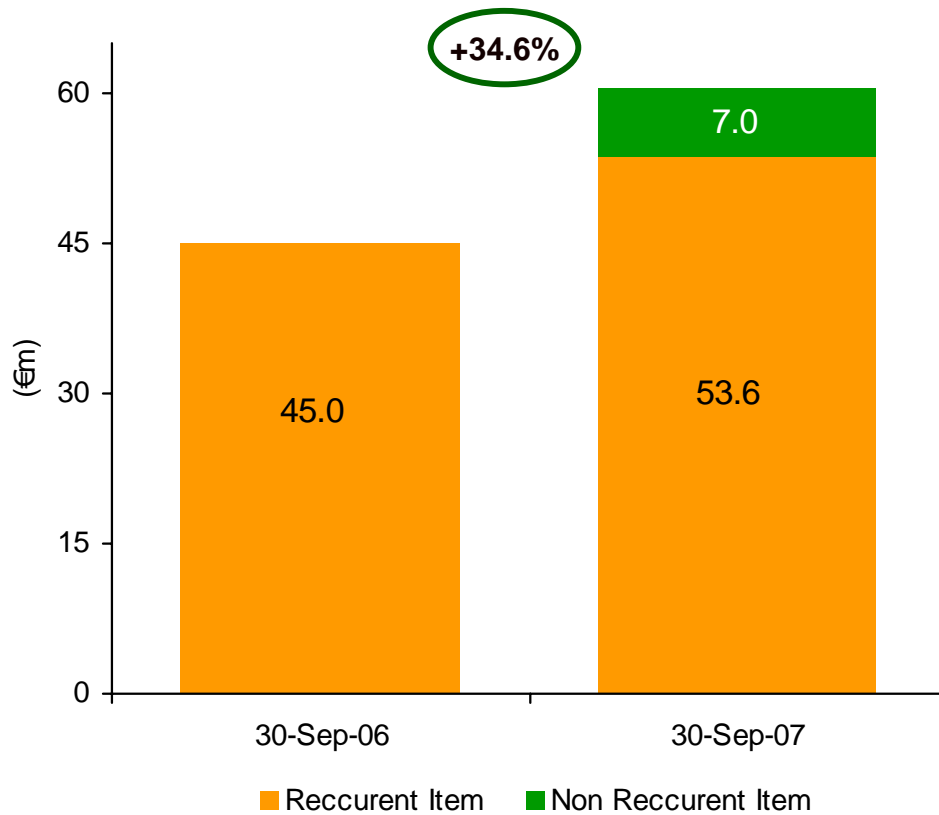


■ Reported ■ Adjusted

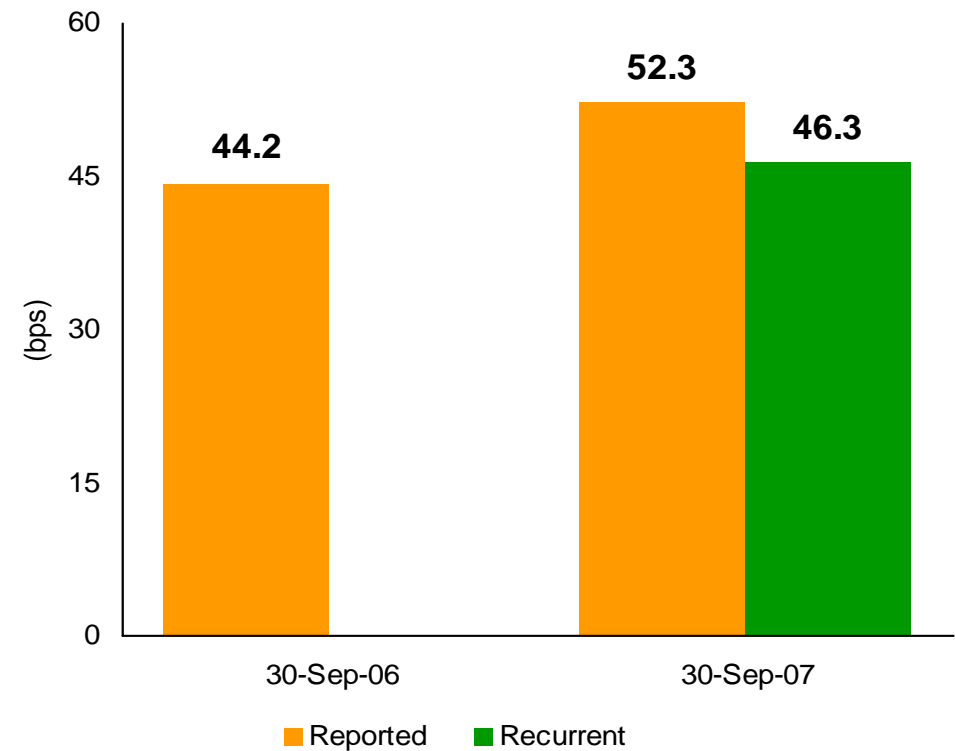
# Impairment losses on loans

Provision charges within annual target on a recurrent basis

## Impairment losses on loans



## Cost of risk <sup>1</sup>



(without the provision for future securitization of NPLs)

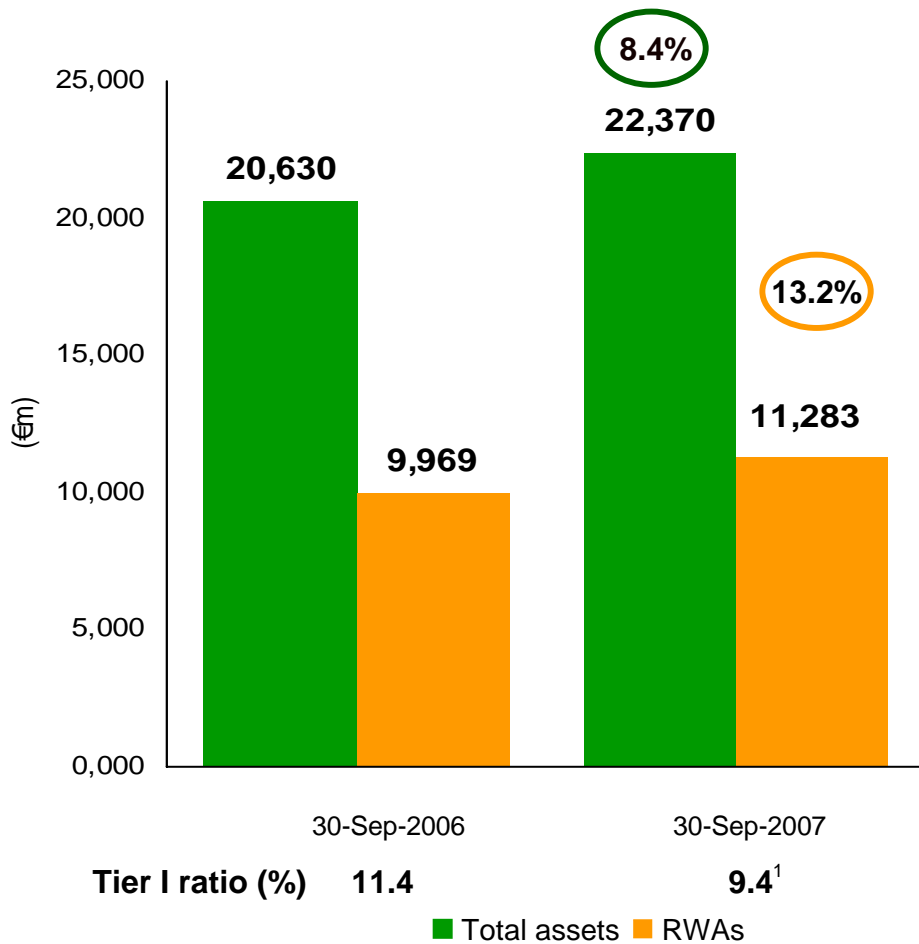
Notes:

1 Impairment losses on loans over average gross customer loans.

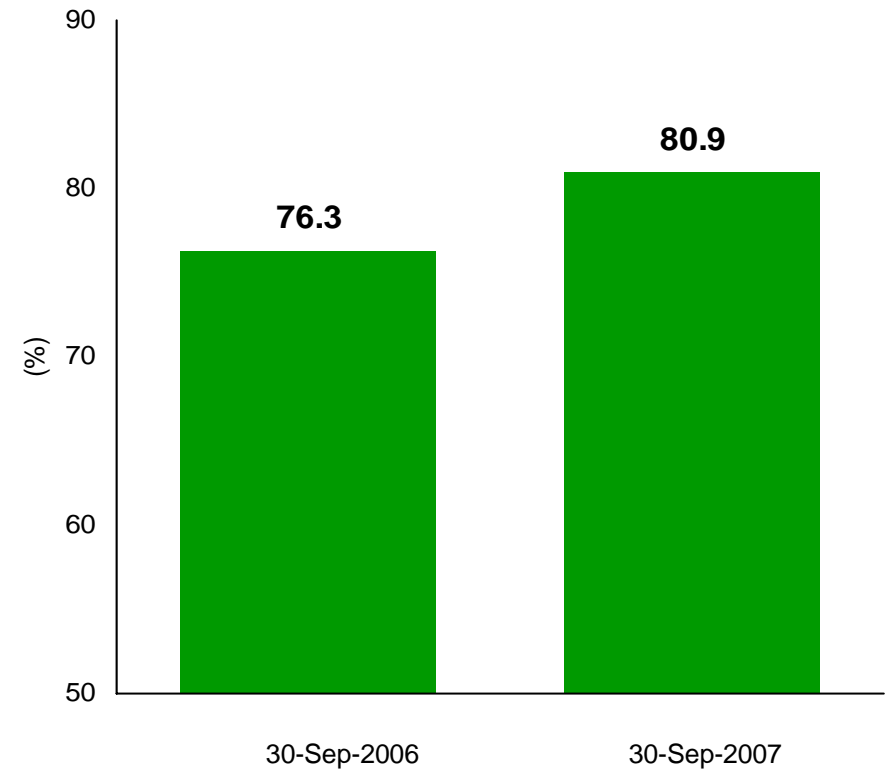
# Capital position

## Loans / Deposit ratio still at low levels

### Risk weighted assets



### Loans/deposits ratio



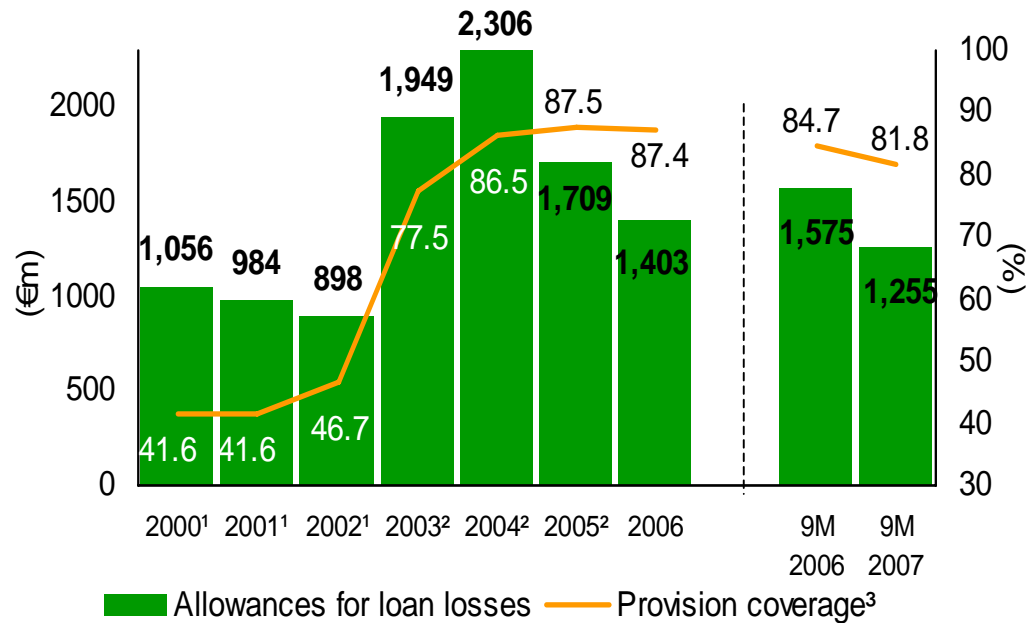
Notes:

1 Calculated according to the new directives of the Bank of Greece (Tier I Ratio would have been 11.5% with the previous methodology)

# Provisions - NPLs

## NPLs remain below 10% - Provision coverage affected by write-offs

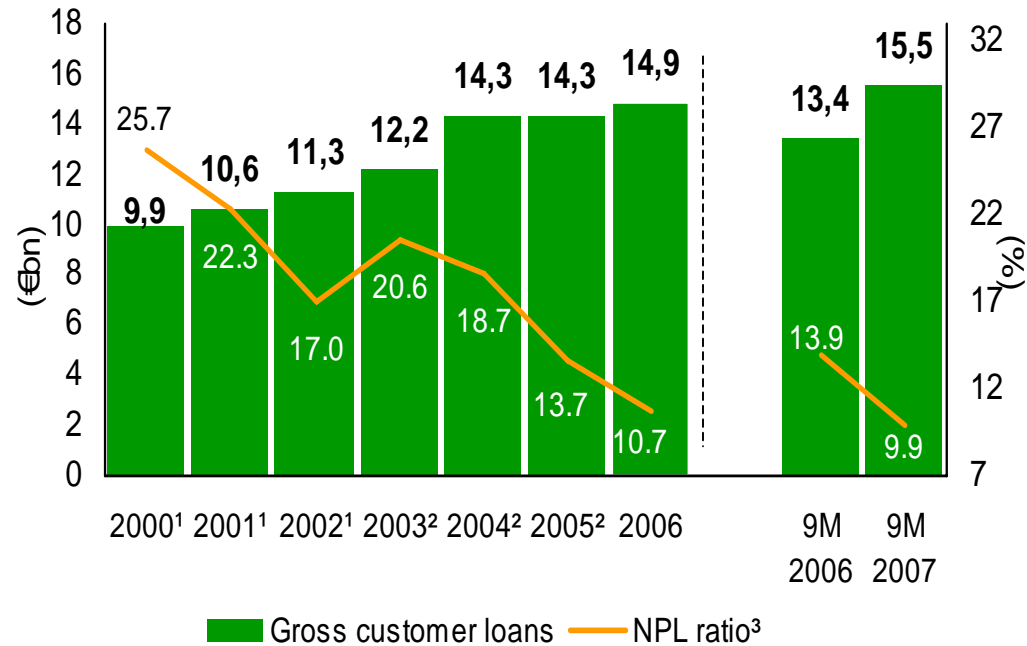
### Provisioning level



Notes:

- 1 Greek GAAP
- 2 IFRS
- 3 Allowances for loan losses over non-performing loans

### Non-performing loans



Notes:

- 1 Greek GAAP
- 2 IFRS
- 3 Defined as loans in arrears for over a period of 180 days over gross customer loans

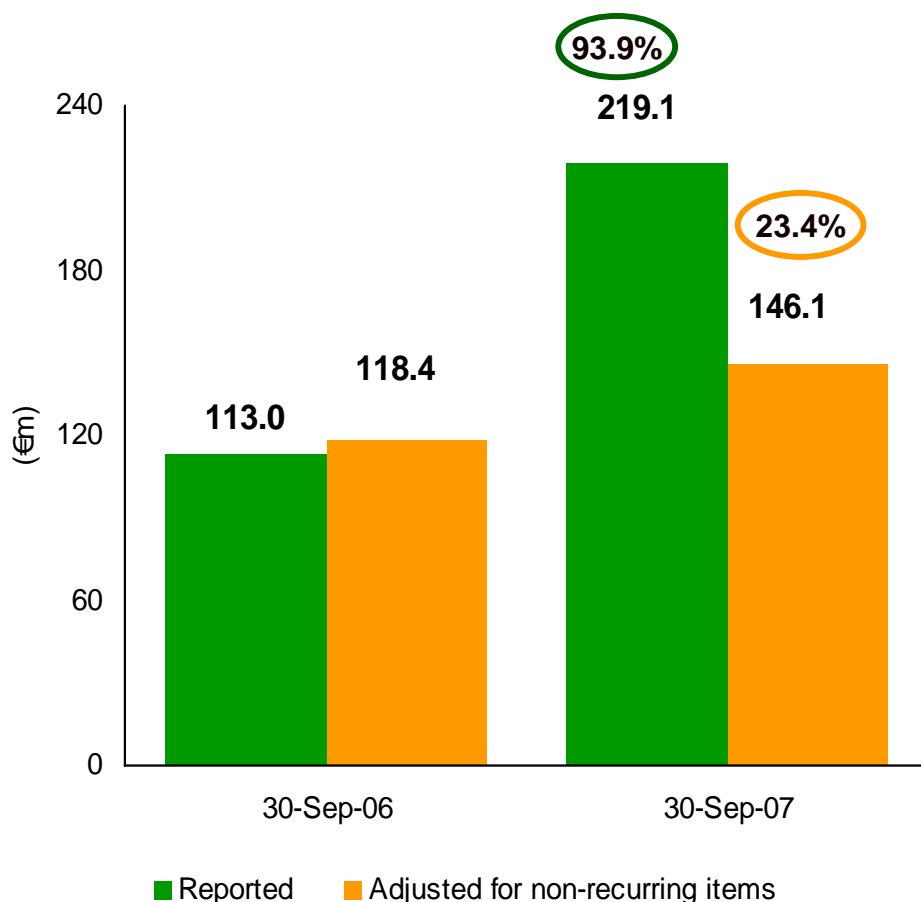
**30-9-2007 NPLs: €1,534m**  
**30-9-2006 NPLs: €1,858m**

◆ Further improvement in asset quality will continue due to loan restructurings and write-offs

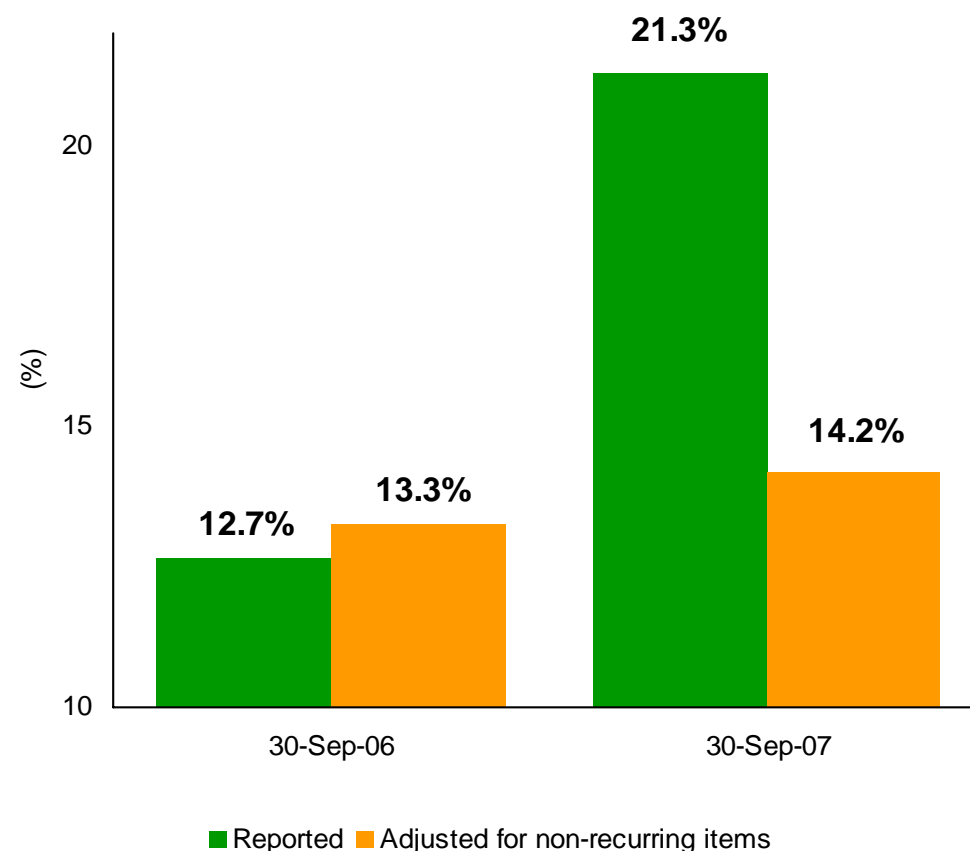
# Profit of the period

## Significant profit & ROE growth

### Profit attributable to shareholders<sup>1</sup>



### Return on equity<sup>2</sup>



#### Notes:

1 Profit after tax and minorities

2 Net profit attributable to shareholders over average shareholders equity (calculated on quarterly basis)

# Contribution by Consolidated Subsidiaries

<b>ATEBANK Group</b> €m, as of end of period ending 30 Sep 2007	<b>Total assets</b>	<b>Gross operating result</b>	<b>Net income</b>	<b>Direct and indirect participation (%)</b>
Agricultural Bank of Greece	21.486	645,7	193,5	n/a
ATE Insurance	695	41,2	9,3	84
ATE Leasing	348	6,8	3,1	100
ATE Cards	20	9,2	2,0	100
ATE Securities	46	6,1	3,1	95
ATE Aedak	7	2,9	1,0	93
ATE Real Estate and IT Development	8	5,2	0,1	91
ATEbank Romania	128	6,5	0,5	87
<i>Other non financial subsidiaries</i>	572	44,3	5,3	n/a
<b>ATEbank Group</b>	<b>22.370</b>	<b>739,2</b>	<b>224,1</b>	<b>n/a</b>
First Business Bank *	1.328	13,8	2,5	49
AIKBANKA (Serbia) *	875	12,9	6,0	21
* Consolidated under equity method				
<b>Other non financial subsidiaries</b> €m, as of end of period ending 30 Sep 2007	<b>Total assets</b>	<b>Gross operating result</b>	<b>Net income</b>	<b>Direct and indirect participation (%)</b>
Hellenic Sugar Company	398	25,8	1,5	82
Dodoni	102	5,7	2,3	68
Rodopi	8	0,9	0,2	75
Etanal	19	0,4	0,1	75
Elviz	29	1,6	0,0	100
ATE Finance International	1	0,4	0,2	100
ATE RENT	9	0,5	0,3	99
ATE Advertising	5	7,2	0,5	65
Atexcelixi	1	1,8	0,2	99
<b>Total - Other non financial subsidiaries</b>	<b>572</b>	<b>44,3</b>	<b>5,3</b>	<b>n/a</b>

# Analysis of non-recurrent items

Income statement item	<u>1/1- 30/09/2007 (€m)</u>			Comment
	Reported	Non-recurrent item	Adjusted	
Income from investments	80.6	(80.5)	0.1	◆ Result from the sale of part of the available for sale portfolio
Other expenses	(85.5)	3.0	(82.5)	◆ Donations to the fire victims in Greece
Impairment of loans	(60.6)	7.0	(53.6)	◆ Provision for the future securitization of NPLs
Current Tax	(4.3)	(2.5)	(6.8)	◆ 25% on other expenses and impairment of loans
Net profit attributable to shareholders	219.1	(73.0)	146.1	

Income statement item	<u>1/1- 30/09/2006 (€m)</u>			Comment
	Reported	Non-recurrent item	Adjusted	
Income from investments	23.3	(19.5)	3.8	◆ Result from the sale of part of the available for sale portfolio
Other Operating Income	69.5	(5.2)	64.3	◆ Reversal of provision for contingent liability
Current Tax	(59.1)	30.0	(29.1)	◆ Dividend Tax
Net profit attributable to shareholders	113.0	5.4	118.4	

## Income statement—Reported vs Adjusted for non recurrent items

%, for the 9 month period ending	<u>30 Sep 2007</u>	
	Reported	Adjusted
Net interest income growth y-o-y	8.8	8.8
Non-interest income growth y-o-y	68.3	39.8
Total operating income growth y-o-y	25.1	16.3
Net Profits growth y-o-y	93.9	23.4
Cost / Income	54.0	60.2
ROE	21.3	14.2
ROA	1.3	0.9

# Contacts - Disclaimer

---

## Contacts

### Mr. Panos Varangis - Deputy Governor

Tel. + 30 210 3298734 / 3298735

E-mail [pvarangis@ate.gr](mailto:pvarangis@ate.gr)

## Investor Relations

Mr. Panos Skoularikis

Tel. + 30 210 3298742 / 3298032

E-mail [pskoularikis@ate.gr](mailto:pskoularikis@ate.gr)

[investorrelations@ate.gr](mailto:investorrelations@ate.gr)

[www.atebank.gr](http://www.atebank.gr)

## ATEbank

23 Panepistimiou str.

Athens, 105 64, Greece

## Stock Symbols:

ASE: **ATE**,

Reuters: **AGBr.AT**

Bloomberg: **ATE GA**

## Disclaimer

This presentation contains projections or other forward - looking statements, which include comments with respect to the Agricultural Bank of Greece S.A., its objectives and strategies, and the results of its operations and its business, considering market environment and risk conditions.

However, by their nature, such projections or other forward - looking statements involve numerous assumptions, uncertainties and opportunities, both general and specific, which represent ATEbank's judgments and future expectations and may differ materially from actual future results or events. Therefore, the risk exists that these statements may not be fulfilled. We caution readers of this presentation not to place undue reliance on these forward - looking statements as a number of factors could cause future ATEbank's results to differ materially from these targets.

Forward- looking statements may be influenced in particular by important risk factors such as general market, macroeconomic, governmental and regulatory trends, movements in local and international securities markets, fluctuations in currency exchange rates, interest rates, and stock indices, the effects of competition in the areas in which ATEbank operates, technological developments, changes in the financial position or credit worthiness of our customers, obligors and counter parties, and changes in economic, political, regulatory and technological conditions. We caution that the foregoing list is not exhaustive.

When relying on forward- looking statements to make decisions, investors should carefully consider the aforementioned factors as well as other uncertainties and events.

All forward – looking statements are based on information available to ATEbank S.A. on the date of this presentation and ABG S.A. assumes no obligation to update such statements, unless otherwise required by applicable law.

Nothing on this presentation should be construed as a solicitation or offer, or recommendation, to acquire or dispose of any investment or to engage in any other transaction.