



Presentation KBW European Mid-Cap Banks Conference
Strategy and H1 2005 results synopsis

20-21 September 2005

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ATEbank's historical milestones

- ◆ 1929 Founded by the Greek State as a public non-profits institution, entrusted with the mission to support and promote the Greek agricultural sector.

- ◆ 1976 Initiation and expansion of deposits.

- ◆ 1991 Acquired the legal status of a SA, and started the transition of gradually operating as a commercial bank (lending diversification to non-agriculture).

- ◆ 2000 Listed at the Athens Stock Exchange. 17% of it's shares were floated at the ASE thus reducing the percentage of the Greek State's share to 83%.

- ◆ 2000-4 Followed an extensive restructuring programme to improve the operational efficiency and modernise its IT infrastructure

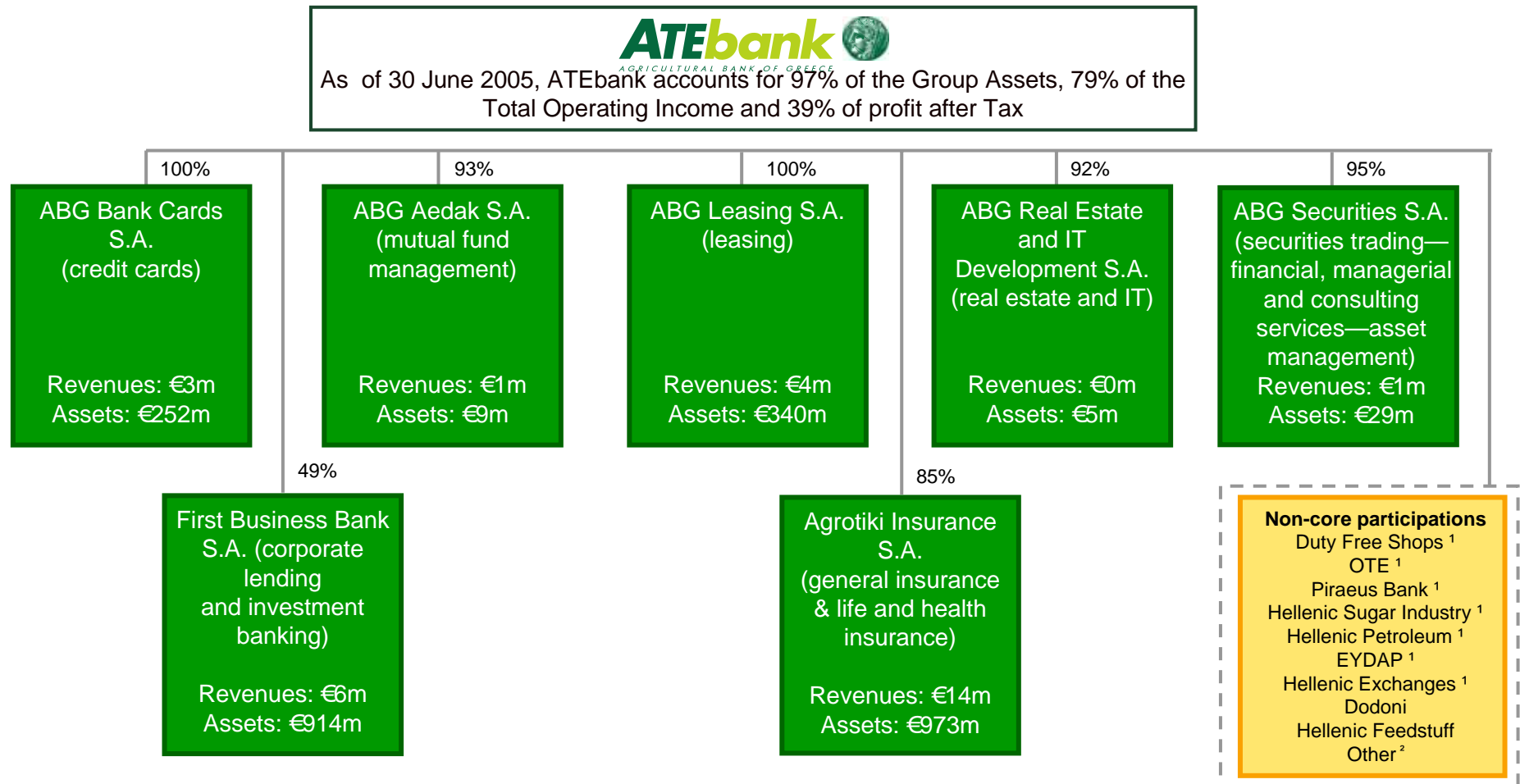
- ◆ 2004-5 Implementation of a financial restructuring program and completion of its operational reorganisation - capital increase.

ATEbank's profile

- ◆ Diversified financial institution active in banking, insurance, leasing, asset management, mutual funds and credit cards. Primary agriculture is now less than 20% of loan portfolio
- ◆ Fourth largest Greek financial group by loans and deposits with market share of about 11% at the end of 2004
- ◆ Extensive distribution network (second largest in Greece) with 458 branches and 642 ATMs
- ◆ Well positioned outside Athens & Thessaloniki where clients are underbanked and there is a good growth potential
- ◆ Fast growing and loyal customer base both in urban and rural areas (c. 1.8 million clients depositors and c.350 thousand clients on loans).
- ◆ Strong institutional client base (800,000 salaried employees)
- ◆ Trusted Brand - friendly image

ABG Group structure

Diversified financial institution with primary focus on banking activities



Notes:

¹ Listed on Athens Exchange

² Includes Rodopi, Sekap, Etanal, MDR Property Consultants, E. Macedonia & Thrace, Synedia, Ichthyka, Asear, Evrytania, Agrotourism, Agropak, Gaiognomon, Viohym, Development Company Evias, Teiresias and Sevath

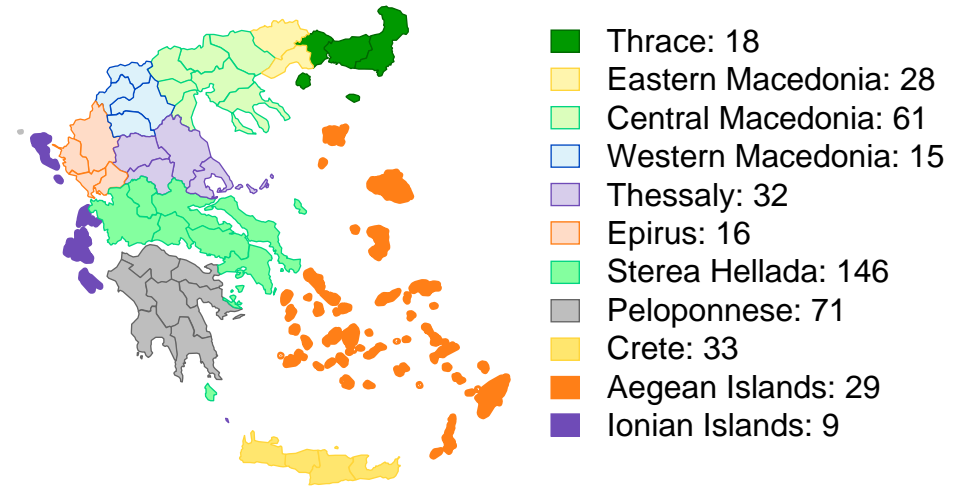
Bank's business profile

Second largest nationwide distribution network

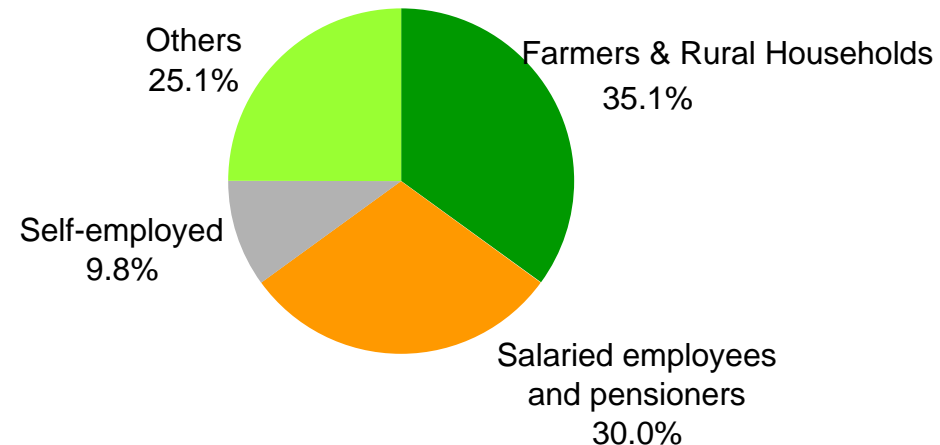
Selected product and service offering

	Product	Service
Public sector	<ul style="list-style-type: none"> Long term and short term loans Deposits 	<ul style="list-style-type: none"> Funds transfer Payroll management Distribution (e.g. pensions, subsidies)
SMEs and corporates	<ul style="list-style-type: none"> Overdrafts Development loans Deposits Letters of guarantee 	<ul style="list-style-type: none"> Funds transfer Leasing Insurance Factoring
Households	<ul style="list-style-type: none"> Savings and investments Mortgages and loans Credit cards 	<ul style="list-style-type: none"> Money transfer Insurance Brokerage
Agricultural sector	<ul style="list-style-type: none"> Specific Lending Products Farmers' special savings accounts 	<ul style="list-style-type: none"> Specialised insurance coverage

Distribution network



Client base - depositor mix



Source: Company data

ABG's restructuring

Solid restructuring plan

Financial restructuring

- ◆ Loan portfolio restructuring
 - ◆ Provisioning level
 - ◆ Funding of pension liabilities
-
- ◆ Largely addressed through rights issue (June 2005)
 - ◆ Management's focus going forward is on risk management

Operational restructuring

- ◆ Modernisation and rationalisation of distribution network
 - ◆ Cost containment
 - ◆ Training and incentives
 - ◆ Central functions reorganization
-
- ◆ Initiatives already in place
 - ◆ Management's focus going forward is on boosting income

Highlights of the period

Strong performance over the period

- ◆ In June 2005, ATEbank successfully completed a €1.25 billion capital increase by way of rights issue. This capital injection restored the regulatory capital adequacy at the Group and Bank level after the increased capital requirements derived from implementation of IFRS and Law 3259/04 on “Panotokia”
- ◆ Approved pension reform will lead to annual cost savings in excess of €40 million to be realised over time (timeframe to be agreed early 2006)
- ◆ Strong H1 2005 results give further evidence of the successful implementation of the Group’s restructuring programme
 - operating income growth of 25%
 - flat cost base compared to H1 2004 derived from successful cost cutting initiatives at the subsidiaries level
- ◆ Very strong capital position in excess of the regulatory minimum as of 30 June 2005 following more favourable than expected rulings by the Bank of Greece regarding the pension deficit.
- ◆ Focus on revenue generation
 - introduction of new products and services targeting private individuals and SMEs
 - aggressive marketing campaigns in different media
 - re-branding and re-furbishing of branch network

Current strategic initiatives and objectives

1

Focus on revenue generation and cost containment

- ◆ Launch of new products targeting private individuals and SMEs and increased use of marketing through different media
- ◆ Re-branding and re-furbishing of branch network
- ◆ Expansion of credit limits for mortgage lending
- ◆ Improved processes and systems to incentivise and monitor commercial performance at branch level
- ◆ Roll-over of cost containment initiatives to subsidiaries
- ◆ Positive impact of pension reform on annual cost base

2

Active capital management and balance sheet rationalisation

- ◆ ATEbank plans to sustain a robust capital adequacy for the duration of the restructuring plan
- ◆ ATEbank plans to resume payment of dividends in respect of FY 2006 at pay-out ratio levels in line with Greek peers
- ◆ Improved returns on short term liquidity with upgrades in its Treasury and Investment departments

Current strategic initiatives and objectives

3

Improve asset quality and refocus on lending risk

- ◆ On track to deliver on medium term targets regarding asset quality ratios (NPLs below 7.5% and coverage ratio of 82.5% by end 2007)
- ◆ Implementation of improved recovery procedures and loan restructuring work-outs
- ◆ Selective growth of loan book (focus on mortgages, SMEs and consumer credit)

4

Develop strategic partnerships with top international players

- ◆ Actively pursuing partnerships with top international players in the areas of mutual funds, credit cards and asset management

Summary financials

Balance sheet and regulatory capital

Selected figures

€m, as at the end of	Jun 2005	Jun 2004	Growth (%)
			Jun 2004 – Jun 2005
Total assets	19,986	17,531	14.0
Gross customer loans	12,086	12,111	(0.0)
Customer deposits	16,572	15,811	4.8
Shareholders equity	1,405	(297)	nm
Tier I capital	1,496	nm	nm
Risk-weighted assets	9,052	9,279	(2.4)

Selected ratios

%, as at the end of	Jun 2005	Jun 2004
Gross customer loans / customer deposits	72.9	76.3
NPL ratio ¹	19.1	22.0
Provision coverage	65.9	73.3
Tier I capital ratio	16.5	nm

Notes:

- 1 Loan book is subject to seasonality due to short term lending to public sector entities outstanding over last two months of the year
- 2 Annualised net interest income over average interest earning assets
- 3 Annualised impairment losses on loans over average gross customer loans
- 4 Annualised net profit attributable to shareholders over average shareholders equity pro forma for €1.25 billion capital increase
- 5 Annualised net profit attributable to shareholders over average assets

Income statement

Selected figures

€m, for the six month period ending	Jun 2005	Jun 2004	Growth (%)
			H1 2004 – H1 2005
Total operating income	420	335	25.2
of which: Net interest income	323	237	36.2
of which: Non-interest income	97	99	(1.2)
Operating expenses	(243)	(243)	(0.2)
Impairment losses on loans	(82)	(31)	164.5
Net profit attributable to shareholders	59	33	80.4

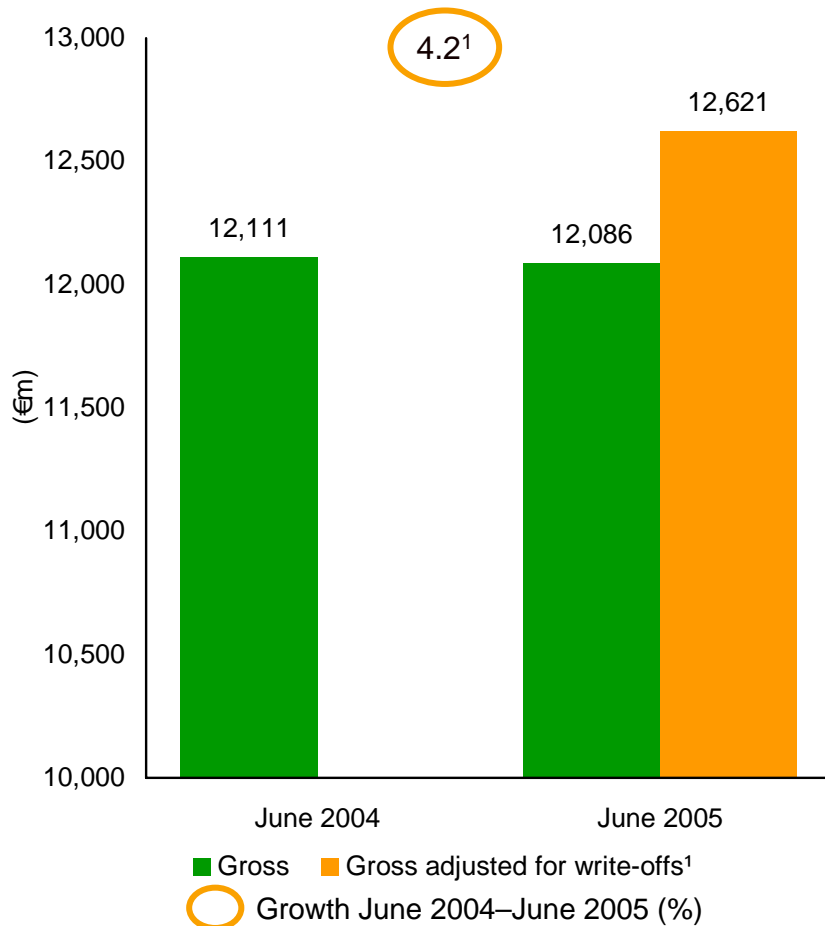
Selected ratios

% , for the period	H1 2005	
	Reported	Adjusted
Net interest margin ²	3.50	3.06
Net interest income growth	36.2	18.9
Non-interest income growth	(1.2)	8.9
Total operating income growth	25.2	16.0
Cost/income ratio	57.8	62.4
Cost of risk ³	134.0	67.1
Return on equity ⁴	8.9	9.9
Return on assets ⁵	0.61	0.68

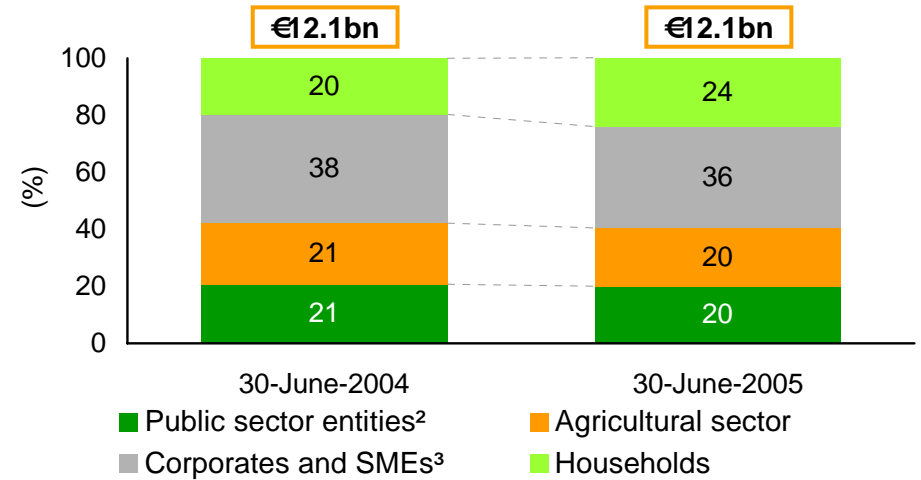
Customer lending

Clean-up of loan portfolio accompanied by selective growth

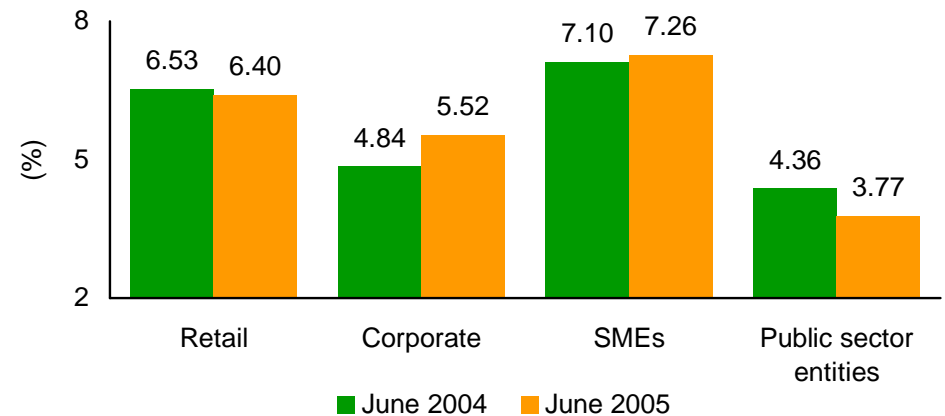
Customer loans



Customer loan mix as of 30 June 2005



Interest rates⁴ on loans



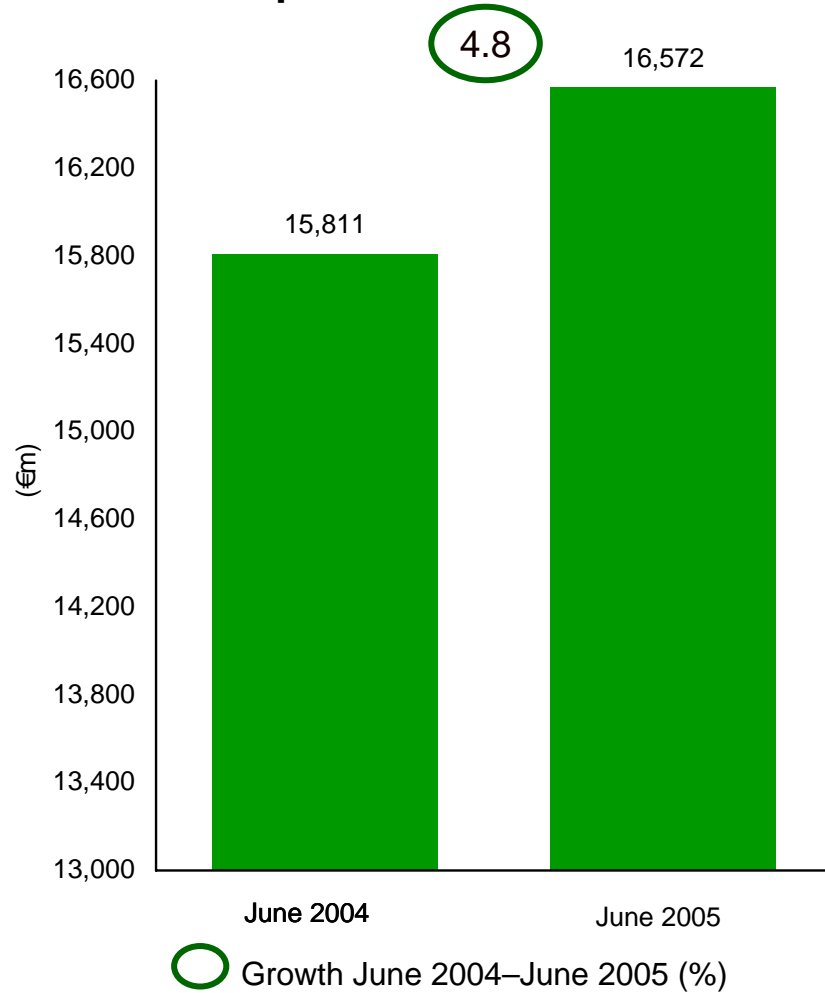
Notes:

- 1 Adjusted for €535m write-offs undertaken as part of restructuring programme under the law 3259/04
- 2 Public sector loans are subject to seasonality due to short term lending provided annually to OPEKEPE and outstanding over last 2 months of the year
- 3 Includes SMEs and corporates active in secondary industries associated to the agricultural sector
- 4 Bank only figures. Weighted average nominal rates (i.e. excluding non-performing loans) as at 30 June 2004 and 30 June 2005

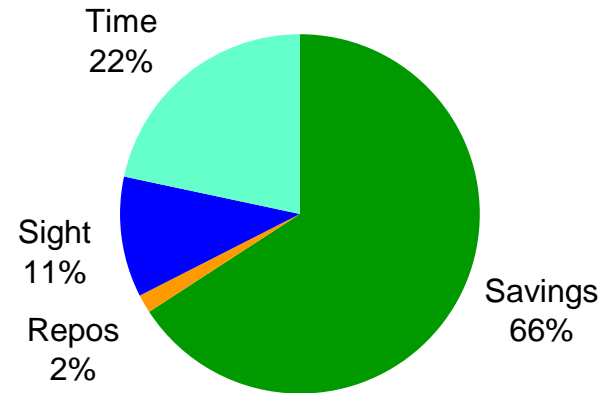
Customer deposits

Extensive funding at attractive rates

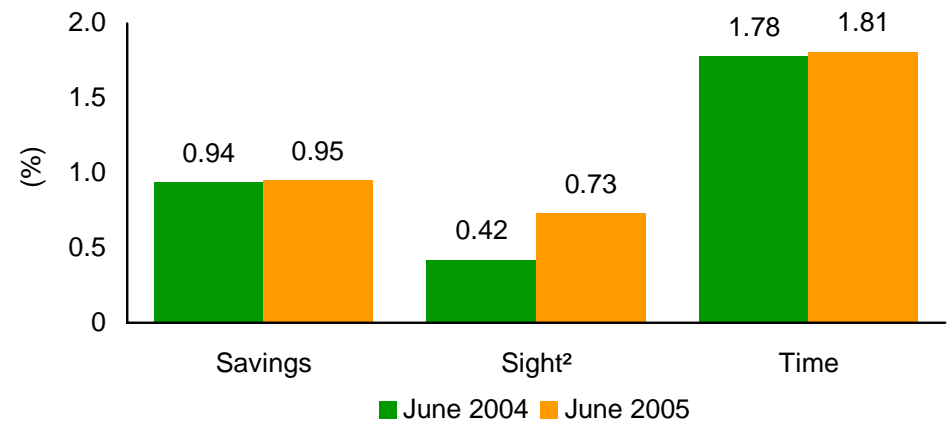
Customer deposits



Deposit mix as of 30 June 2005



Interest rates ¹ on deposits



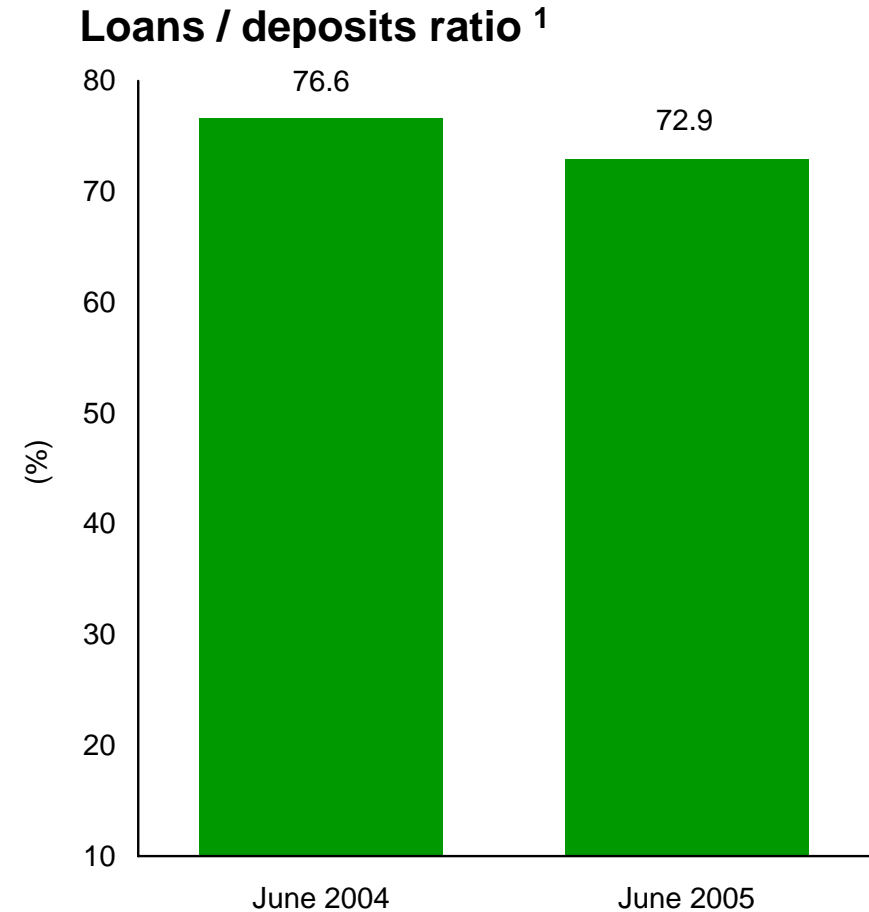
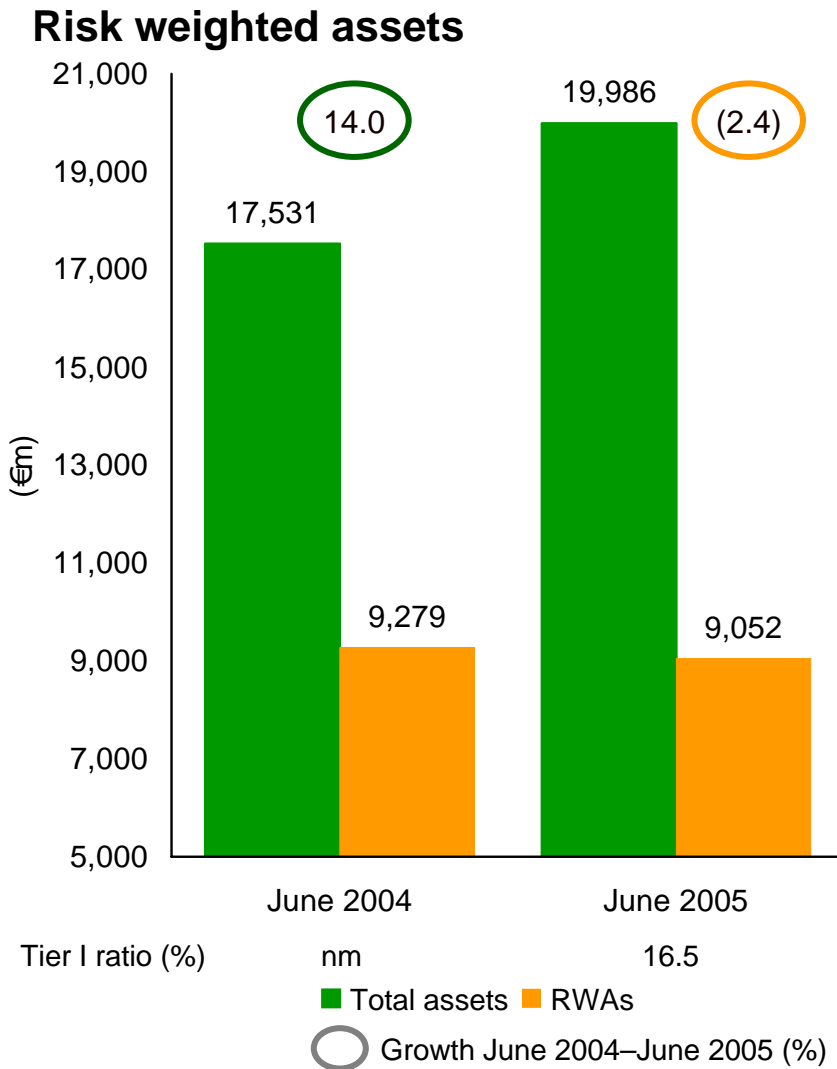
Notes:

1 Bank only figures

2 30-June-2004 figure includes a €1.2bn non-interest bearing sight deposits. Non interest bearing sight deposits were reduced to €833 million by 30-June-2005

Capital position

Robust capital adequacy



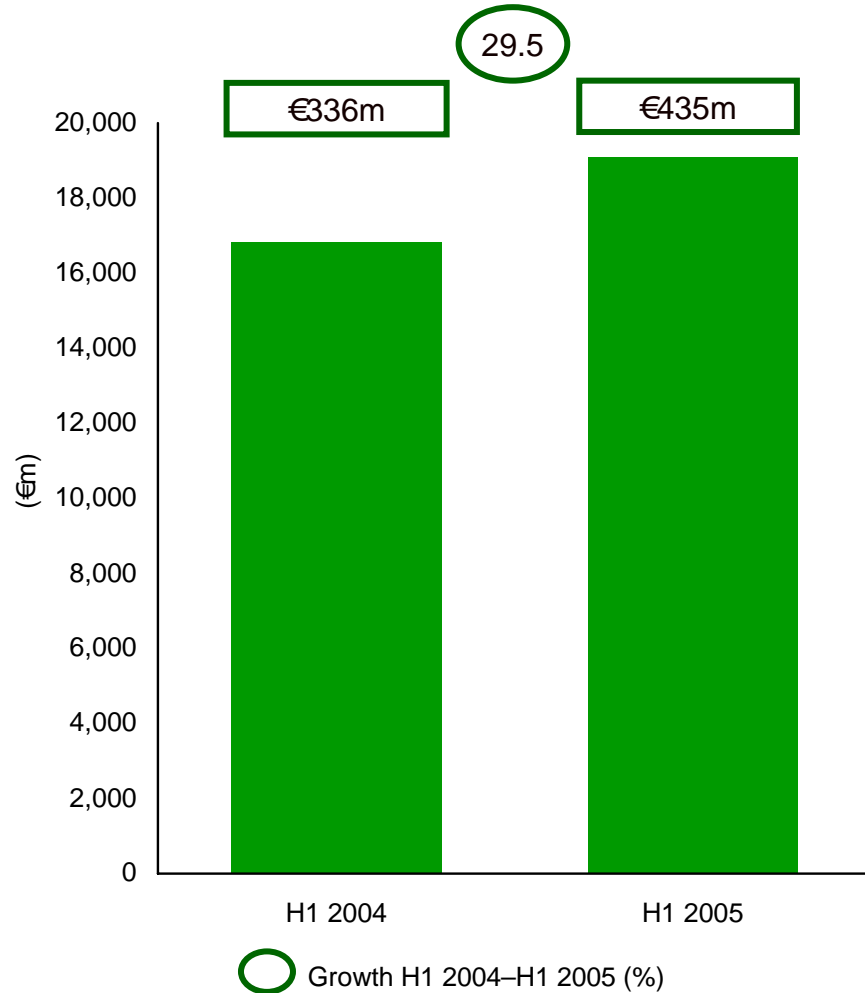
Note:

¹ Gross customer loans over customer deposits

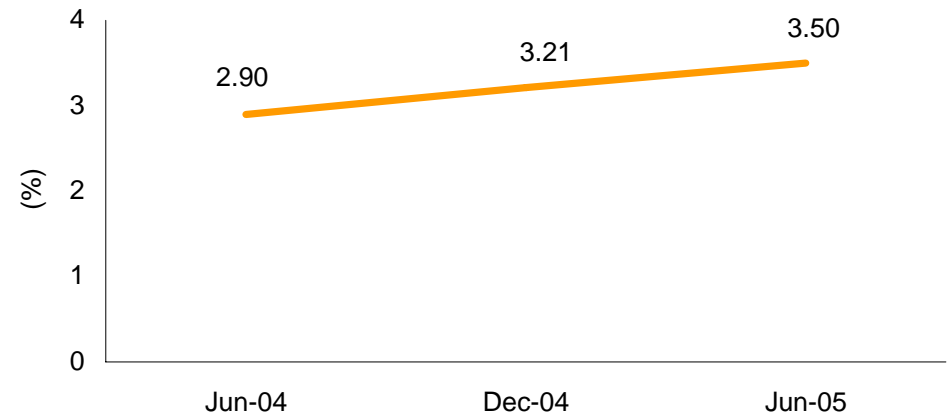
Net interest income

Improved margins mainly due to shift in loan portfolio

Interest income breakdown



Net interest margin¹



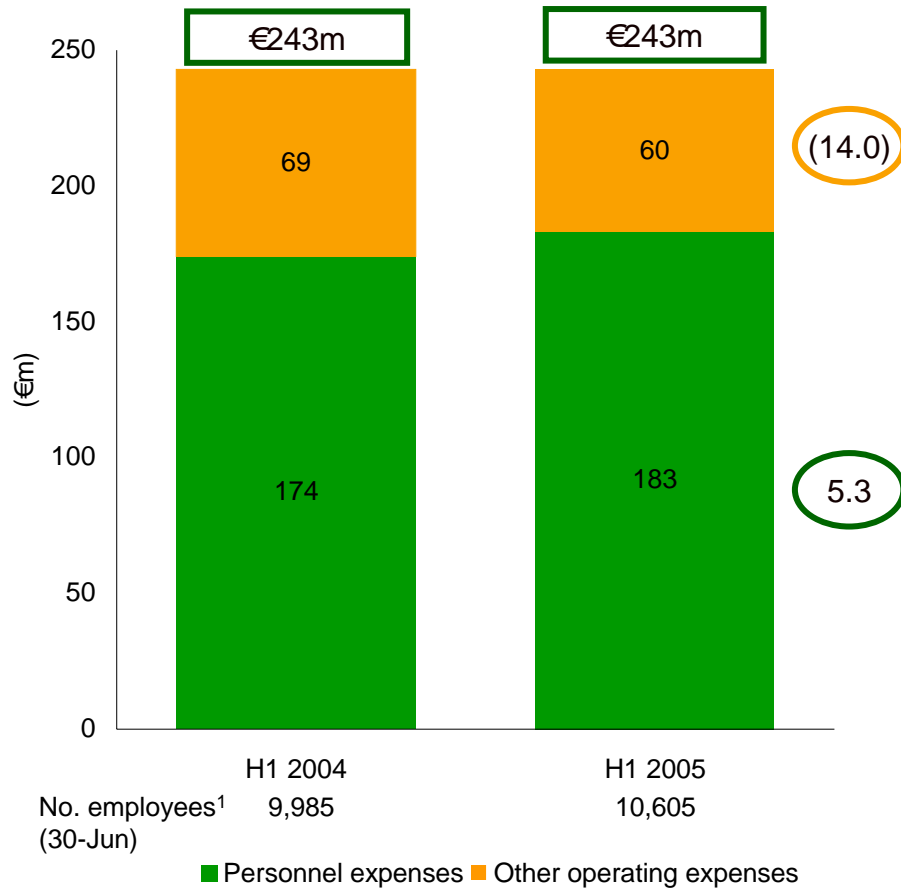
Note:

1 Annualised net interest income over average interest earning assets

Operating expenses

Successful cost containment

Operating expenses



No. employees¹ 9,985
(30-Jun)

10,605

■ Personnel expenses ■ Other operating expenses

○ Growth H1 2004–H1 2005 (%)

Notes:

1 Average number of employees over the first six months of each year

2 Operating costs over operating expenses

Cost income ratio²



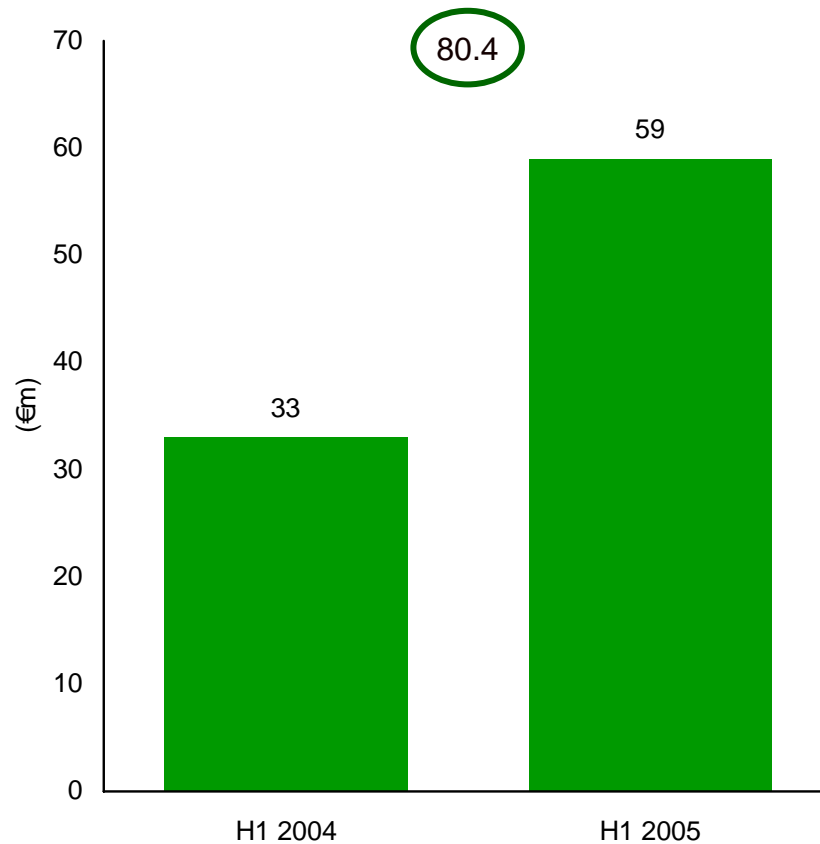
H1 2004


H1 2005

Profit of the period

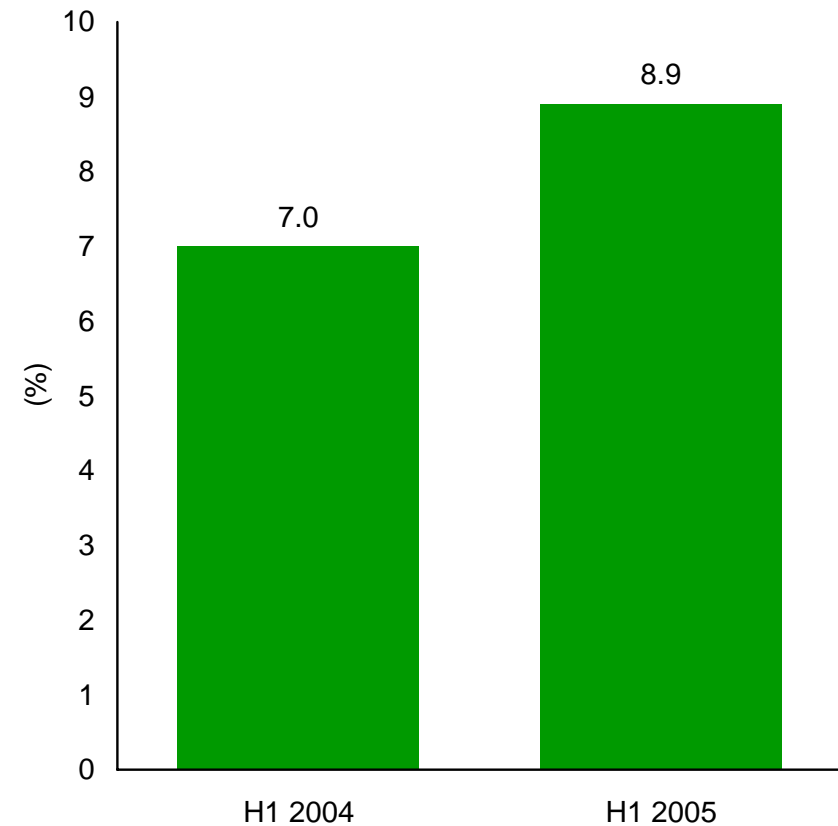
Sharp bottom line improvement

Net profit attributable to shareholders ¹



 Growth H1 2004–H1 2005 (%)

Return on equity ²



Notes:

1 Profit after tax and minorities

2 Annualised net profit attributable to shareholders over average shareholders equity pro-forma for €1.25 billion capital increase

Credit Quality, Provisioning and Collateral Coverage

On track to deliver on targets

- ◆ NPLs are largely a **legacy problem**. Most NPLs (18.6% end 2004 - Targets: 12-13% end 2005 and 7,5% end 2007) were created from policies before the mid-1990s
- ◆ Improved risk management systems and Basell II compliance
- ◆ The Bank follows a conservative provisioning policy and is on track to deliver on its business plan targets (67.5% end 2005, 82.5% end 2007)
- ◆ The re-scheduling of €1.8 billion loans (partial write-off of outstanding non-performing loans) triggered by the implementation of “Panotokia” law has improved significantly the collateral coverage of non-performing loans
- ◆ ATEbank estimates that the market value (after haircuts) of its collateral related to NPLs on-balance sheet is equivalent to approximately 25% of its NPL portfolio
- ◆ The Bank has introduced improved recovery procedures which have started yielding positive results already by H1 2005 and are expected to increase its contribution over the second half of the year. However, once all means of recovery have been exhausted the Bank will continue to foreclose on collaterals and to proceed with liquidations
- ◆ Credit Quality improvement in new loans (since 2002) - less than 2% in June 2005 compared to over 4% end 2003.

In Summary

- ◆ Significant revenue and profit growth potential by leveraging existing network and customer base
- ◆ Strong Capital position and financial transparency
- ◆ Results of H1 2005 confirm that targets in the business plan are very achievable
- ◆ Overall, ATEbank offers a strong restructuring case