

ATEbank GROUP FY 2010 FINANCIAL RESULTS

30th March 2011

Impending Share Capital Increase up to an amount of €1.260 bn

- ▶ Extensive clean-up and strengthening of the quality of the balance sheet through adequate impairments for loans and other assets.
- ▶ Significant increase of core pre-provision profit (+42.7% y-o-y), with the Q4 2010 result at the highest level of the last five years.
- ▶ Reduction of operating cost by 5.3% y-o-y.
- ▶ Increase in net interest income by 9.8% y-o-y. Improvement of the net interest margin on a quarterly basis (Dec. 2010: 2.81%, Sep.2010: 2.76%).
- ▶ Coverage ratio at comfortable levels (67.3%) offsetting the under control new NPLs formation.
- ▶ Reduction of risk exposure through balance sheet deleveraging measures (RWA reduction of €2.5 bn).
- ▶ ATEbank's Restructuring Plan implementation accelerating.

Selected Group Figures

	FY 2010	FY 2009	% y-o-y
Total Assets	€31.2 bn	€32.8 bn	(4.8)%
Total Loans (after provisions)	€21.2 bn	€21.9 bn	(3.4)%
Total Deposits	€19.7 bn	€22.6 bn	(12.9)%
Net Interest Income	€823.7 mn	€750.3 mn	9.8%
Net Trading Income	€(193.3) mn	€52.1 mn	-
Total Operating Income	€806.5 mn	€975.9 mn	(17.4)%
<i>Total Operating Income (excl Net Trading Income)</i>	<i>€999.9 mn</i>	<i>923.8 εκ.</i>	<i>8.2%</i>
Total Operating Expenses	€597.8 mn	€631.2 mn	(5.3)%
<i>Core Pre-Provision Profit</i>	<i>€393.0 mn</i>	<i>€275.3 mn</i>	<i>42.7%</i>
Total Impairments (loans & other assets)	€604.0 mn	€825.3 mn	(26.8)%
Net Profit / (Loss) after tax & minority interest	€(438.1) mn	€(451.7) mn	-
Net Loans to Deposits ratio	107.7%	97.1%	-
Cost to Core Operating Income	60.3%	69.6%	-

Athens, 30 March 2011

The year 2010 marked a turning point for the Greek economy. The €110 billion financial assistance package stabilized the Greek economy and set it on path towards a tough fiscal adjustment. Also, the agreement in the recent European Council over the readjustment of the interest rate and the maturity of the loans of the Greek Adjustment program, coupled with the advance of radical reforms, improve the conditions for the country to address its current fiscal problems and facilitate the return of the economy to a sustainable growth path.

In an adverse economic environment, ATEbank intensified its efforts to improve the quality of its balance sheet mainly through sustaining enhanced provisioning levels and introducing new procedures for more efficient management of risks and non-performing loans. Furthermore, in early 2010 management started implementing a series of organizational and operational changes in order to contain cost and enhance the Group's operational performance.

The changes are part of a comprehensive restructuring plan that ATEbank is currently realizing in line with obligations associated with the use of the liquidity enhancement program of government aid & guarantees. The main objective of this plan is to facilitate the adaptation of the Group in the new European and Greek economic conditions and to restore its long-term viability. The positive impact of the measures have already been reflected on the Bank's FY 2010 core pre-provision profit, since both net interest income and operating expenses appear improved compared to the previous year.

ATEbank's management, having strengthened the quality of its balance sheet, will propose to the forthcoming General Meeting of shareholders a share capital increase by €1.260 bn. The amount is considered plenty enough to restore the Group's capital adequacy ratios to appropriate levels and sustain its effective operation until the restructuring plan fully unfolds and resets it on a sound growth course.

Theodoros Pantalakis, ATEbank Governor

Income Statement

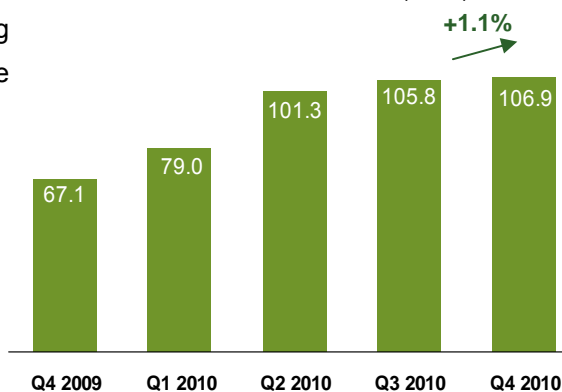
Against the backdrop of an adverse economic environment, ATEbank's management continued in 2010 to prioritize the strengthening and the improvement of the quality of the balance sheet. Also, increased emphasis was placed on completing operational improvements, with a view to raising the Group's core performance.

FY 2010 pre-provision core profit rose to €393.0 mn against €275.3 mn in 2009 (+47.2% y-o-y), with the Q4 2010 pre-provision core result (€106.9 mn) being the highest quarterly profit recorded in the last five years.

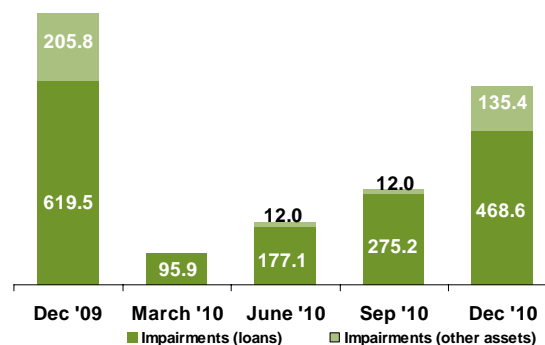
The deteriorating economic environment led ATEbank Group to tighten further its risk valuation criteria and maintain high provisioning levels against loan and other asset impairments up to the amount of €604.0 mn. This, combined with the significant seasonal trading losses recorded during the first half of 2010, resulted in net losses after taxes and minorities of €438.1mn versus €451.7mn losses in 2009.

Preserving an enhanced provisioning stance for second consecutive year enabled ATEbank's management to complete a well needed cleanup of its balance sheet and, thus, proceed with much self-confidence and transparency with the forthcoming capital increase.

Core Pre Provision Profit (€ mn)



Impairment Losses (€ mn)



Athens, 30 March 2011

Net Interest Income reached €823.7mn posting an increase of 9.8% y-o-y. This improvement is attributed to a 3.3% y-o-y interest income increase and the significant reduction of funding expenses by 8.3% y-o-y.

Loan to deposit spread, as a result of the repricing efforts, improved by a further 5 basis points in Q4 (at 385 bps), while net interest margin also increased by 5 bps q-o-q, at 2.81% at the end of 2010.

Net fee and commission income improved by 40.8% in Q4 2010, mainly due to the seasonal end-year proceeds from the handling of the agricultural subsidies. Nevertheless, due to the slowdown in business activity which affected the previous quarters result, the Group posted in 2010 a decrease compared to 2009 (€71.9 mn and €76.8 m respectively).

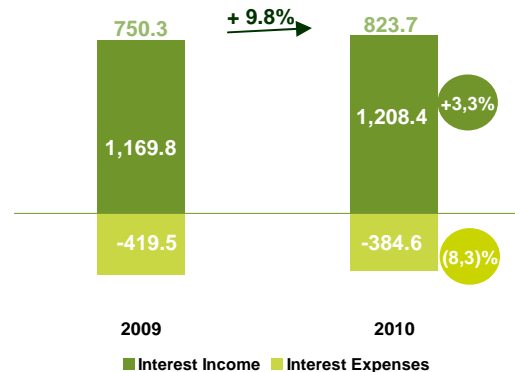
Other operating income (excluding interest and fees) amounted to -€89.1 mn in 2010 compared to profits of €148.8 mn in 2009, mainly due to the negative trading result of -€193.3 mn against a positive result of €52.1 mn in 2009, as a result of the unfavorable conditions in capital and bond markets.

Total operating expenses stood at €597.8 mn in 2010 from €631.2 mn in 2009, down by 5.3% on a yearly basis. Attention should be drawn to the reduction of other operating expenses by 24.6% y-o-y and 12.5% q-o-q. Operating expenses decrease confirms the positive impact of the implementation of the first measures of the restructuring plan.

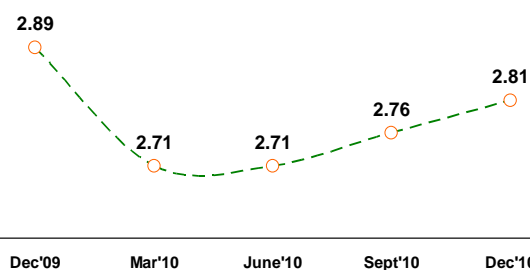
It must also be emphasized that 2010 results do not reflect neither the additional over 10% reduction in personnel expenses (according to the provisions of the 3899/2010 law) nor the largest amount of savings arising from the significant 2010 staff retirements due to natural attrition (501 employees).

As a result of the reduction of operating expenses on a yearly basis, the cost to average assets ratio improved at 1.8% in December 2010 from 2.1% in December 2009, while the cost to core operating income decreased to 59.0% in Q4 2010 from 72.2% in Q4 2009.

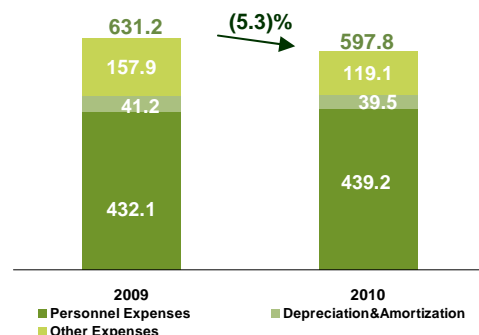
Net Interest Income (€ mn)



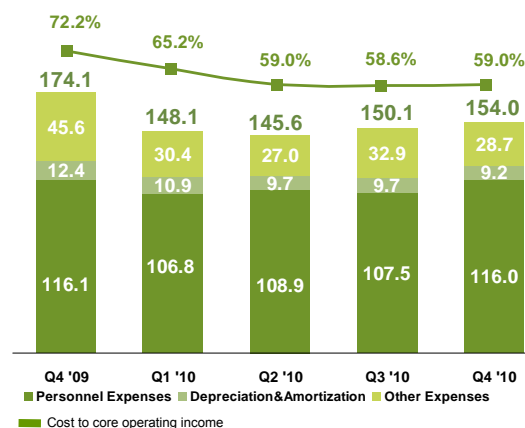
Net Interest Margin



Operating Expenses (€ mn)



Operating Expenses Quarterly Analysis (€ mn)



Balance Sheet

Loans

In 2010, the recession of economic activity combined with the Bank's prudent lending policy in order to avoid the creation of new NPLs, affected the demand and supply of loans and led to an annual reduction of total loan portfolio by 1.2% (market decline: -0.1%), which as of 31/12/2010 amounted to € 22.9 billion.

Loans to households, of total amount of €8.8 bn, remained at the same level as of end-December 2009 (against a market decline of 1.4% y-o-y).

The mortgage portfolio posted a slight increase of 0.9% y-o-y (against a negative market growth of -0.4%), at € 6.8 bn, while consumer credit lending shrunk 3.2% y-o-y (compared to a market decline of -4.2% y-o-y).

Credit to SMEs decreased by 8.0% y-o-y to €2.4 bn, while large corporate loans (including loans to the public sector) increased in total by 0.8% y-o-y to €9.2 bn (market growth: 1.0% y-o-y).

Finally, retail agricultural sector lending declined by 5.0% y-o-y to €2.1 bn.

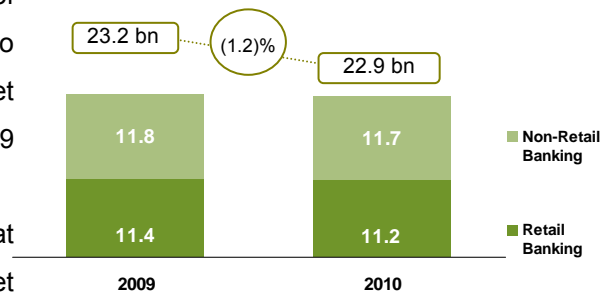
Due to the adverse economic conditions, non-performing loans increased, accounting for 11.08% of the total loan portfolio at the end of 2010. As expected, new non-performing loans increased on a quarterly basis partly due to the deteriorating environment and also as a result of end-year seasonality.

The uncertainty in the economic environment and the need to clean up the asset portfolios forced management to sustain an excessive provisioning policy for second consecutive year. In particular, impairments amounted to €604.0 mn, of which €468.6 mn refers to loan provisions and €135.4 mn concerns the investment portfolio and other assets (2009: €619,5 mn and €205.8 mn respectively).

It should be noted that the 2010 provisions were registered after taking into account the findings both of the loan book review conducted recently by an international audit firm and of the latest guidelines by the Bank of Greece.

As a result of the above prudent stance, the provision coverage ratio equals to 67.3%, one of the highest in Greek market.

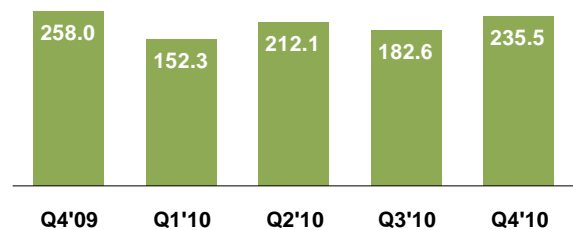
Loans before provisions (€ bn)



Types of Loans	Balances 31.12.2010	y-o-y(%)
Mortgage Portfolio	6.8 bn	+0.9%
Consumer Credit	1.9 bn	(3.2)%
Lending to SMEs	2.4 bn	(8.0)%
Lending to the retail Agricultural Sector	2.1 bn	(5.0)%
Corporate Lending*	3.7 bn	+12.1%
Public Sector Loans	5.5 bn	(5.6)%

*Corporate loan balances are affected by a partial transfer of public sector loans to corporate loans portfolio.

NPLs new formation



Loan Provision Coverage



Athens, 30 March 2011

In 2010, the adverse economic conditions and the prevailing uncertainty affected the behavior of depositors and resulted in the reduction of ATEbank Group's deposits by 12.9% y-o-y, a level close to market average (-12.2%).

Savings deposits performance was significantly better than the market's, posting a decrease of 6.6% compared to almost double market decrease (12.0%).

As a result of the Group's conservative interest rate policy, time deposits balances registered a 17.2% y-o-y drop compared to a market decline of 12.1% for the same period.

Sight deposits decreased by 28.2% y-o-y, affected both by the adverse market conditions for enterprises and the Group's seasonally elevated sight deposits balance base at the end of 2009.

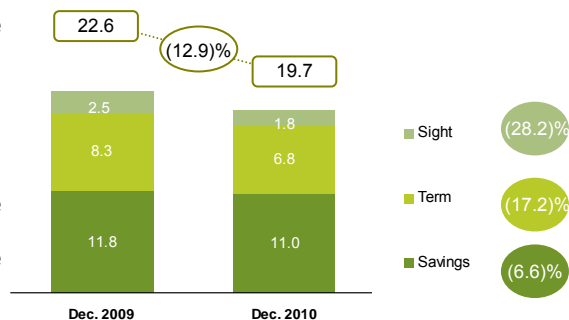
Despite the reduction of deposit balances, the Group's liquidity remains at satisfactory level relatively to its peers with loans to deposits ratio as at 31 December 2011 at 107.7%.

Furthermore, time deposits account for only 34.7% of total deposits, almost half than market average, maintaining the total funding cost at relatively low level.

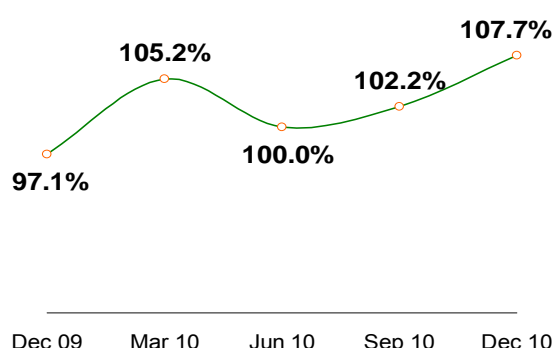
As a result of the corrective provisioning actions and the negative yearly trading results, the Group's total capital adequacy ratio was negatively affected, estimated at 7.4%.

The Board of Directors intends to propose to the forthcoming Annual General Meeting a share capital increase to restore the Group's capital adequacy ratios. This move will restore market confidence to ATEbank Group and will allow its management to focus on the completion of the second phase of its ambitious restructuring plan.

Deposits from customers (€ bn)

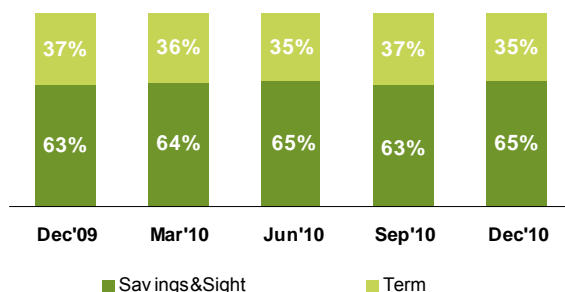


Loans to deposit ratio (%)



**In Dec-09, Mar-10, Dec-10, loan/deposit ratio is affected by the seasonal public loan increase.*

Deposits by type



ATEbank has prepared and notified a thorough restructuring plan of its Group to the European Commission. There has been achieved significant progress in the concluding discussions on the main elements of the plan with the DG Competition. ATE is positive, following the official submission, to obtain from the Commission the final approval.

ATEbank's restructuring plan aims to:

- Safeguard long term viability & capital adequacy.
- Improve the Group's operational efficiency (enhancement of productivity and efficiency ratios).
- Achieve sustainable satisfactory profitability.

through :

- Significant Asset Deleveraging (sale of assets, reduction of risk weighted assets & balanced asset-liability management).
- Extensive Cost cutting.
- Broad Organizational and Operational Improvements.

Following the implementation of the Restructuring Plan:

- ATEbank is set to be transformed into a “smaller” but more flexible organization operating exclusively in the financial sector.
- Banking activities will concentrate on Greece while strategic focus will gradually shift on steady profit-generating new clients in developing sectors of the new economy (green business, renewable energy & waste resources management, organic-geothermal farming, alternative forms of tourism, etc.).
- The bank will operate on the basis of standardised products and a high level of automation

Since December 2009, ATEbank's Management has started implementing a **series of measures** based on the restructuring plan, such as:

- Asset liability management and strengthening of asset quality.
- Improving loan assessment, collection & monitoring.
- Product mix adjustment to less risky lending.
- Operating expenses reduction.
- Organizational & operational rationalisation.

Amid still worsening economic conditions, the implementation of the measures is firmly on track, with their positive impact being already reflected on the Group's core pre-provision profit for 2010.

In order to achieve economies of scale, ATEbank's management has already prepared the ground for the absorption of a number of its financial sector subsidiaries.

Also, it has set out to definitely disengage from non-core operations and participations.

Capital Increase

The Board of Directors of ATEbank intends to propose for approval to the Ordinary General Meeting a share capital increase, through a pre-emptive equity rights offering, in order to raise capital up to an amount of €1.260 billion. The Greek State, as ATEbank's major shareholder will participate in the share capital increase.

The proceeds from the proposed share capital increase will be raised in order to restore ATEbank's capital adequacy ratios to levels set by regulatory requirements and secure its viability in the current volatile economic environment, until the restructuring plan yields its full results.

In particular, the Board of Directors will propose to the Meeting to use €675 mn out of the total proceeds of the capital increase to redeem the preference shares held by the Greek State, while the remaining c.€585 mn will constitute a net capital inflow.

Assuming successful completion of the share capital increase, the net proceeds of €585 mn, coupled with the repayment of the €675 mn preference shares, is expected to result on a pro-forma basis as at 31 December 2010, in a total capital adequacy ratio of 12.54%, and a Tier I ratio of 11.17%.

Details of the capital increase regarding the exact structure and terms will be announced in the following days.

Annex

Income Statement			
in € mn	Group		
	2010	2009	%
Net interest income	823.7	750.3	9.8%
Net fee and commission income	71.9	76.8	(6.4)%
Gains & losses from financial transactions	(176.7)	86.5	n.m.
Other income	87.6	62.2	40.8%
Operating income	806.5	975.8	(17.4)%
Operating expenses	(597.8)	(631.2)	(5.3)%
Impairment of loans	(468.6)	(619.5)	(24.4)%
Impairment of assets	(135.4)	(205.8)	(34.2)%
Income from associates	1.0	(2.6)	n.m.
Profit / loss before tax	(394.3)	(483.2)	n.m.
Income tax expense	(46.5)	28.0	n.m.
Profit / Loss after tax before minority	(438.1)	(451.7)	n.m.

Assets			
in € mn	Group		
	31.12.2010	31.12.2009	%
Cash & balances with central bank	873.9	1,029.9	(15.1)%
Due from other banks	1,042.7	2,429.1	(57.1)%
Securities portfolio	5,598.7	4,897.2	14.3%
Derivatives	21.0	25.8	(18.9)%
Loans and advances to customers after provisions	21,202.8	21,943.1	(3.4)%
Investments in associates	174.3	188.1	(7.3)%
Other assets	2,307.3	2,275.0	1.4%
Total assets	31,220.7	32,788.4	(4.8)%

Total liabilities & shareholders' equity			
in € mn	Group		
	31.12.2010	31.12.2009	%
Due to banks	9,247.0	6,478.8	42.7%
Due to customers	19,682.6	22,596.0	(12.9)%
Subordinated loans	249.2	248.8	0.2%
Other liabilities	1,292.4	2,153.7	(40.0)%
Liabilities	30,471.2	31,477.3	(3.2)%
Share Capital	1,326.9	1,326.9	-
Treasury shares	(8.3)	(8.3)	-
Share premium	92.7	92.7	-
Reserves	(194.6)	(86.6)	n.m.
Accumulated surplus/shortfall	(517.6)	(72.1)	n.m.
Minority interest	50.3	58.5	n.m.
Total shareholders' equity	699.1	1,252.6	n.m.
Total liabilities & shareholders' equity	31,220.7	32,788.4	(4.8)%

Note:

1. Various figures of the Financial Statements of 2009 have been restated in order to reflect the reassessment of interest risk hedging policy.
2. The Financial Statements will be published in the press on the 31th of March, 2011.

Athens, 30 March 2011