



1<sup>st</sup> Quarter 2006 results presentation

25 May 2006

# Table of contents

---

<b>SECTION 1</b>	Highlights of the period _____	<b>4</b>
<b>SECTION 2</b>	Financial review _____	<b>7</b>

# 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 ABG'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 ABG'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 ABG 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 ABG 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.

SECTION 1

---

# Highlights of the period

# Highlights of the period

---

- ◆ **Sustained increase in Net Profits by 33%**
- ◆ **Remarkable growth in Household Lending by 40.7%, ahead of the market**
- ◆ **Effective Cost containment policy (0% increase)**
- ◆ **Coverage Ratio continues to be adequate and satisfactory at 85.4%**
- ◆ **Sustained Capital Adequacy with Tier 1 ratio at 13.5%**

# Summary financials

## Balance sheet and regulatory capital

### Selected figures

€m, as of	31 Mar 2006	31 Mar 2005	Growth (%)
Total assets	20,714	18,222	13.7
Gross customer loans	13,412	12,281	9.2
Customer deposits	17,503	16,547	5.8
Shareholders equity	1,298	(335)	nm
Tier I capital	1,237	nm	nm
Risk-weighted assets	9,190	9,036	1.7

### Selected ratios

%, as of	31 Mar 2006	31 Mar 2005
Gross customer loans / customer deposits	76.6	74.2
NPL ratio	15.0	19.9
Provision coverage	85.4	85.7
Tier I capital ratio	13.5	nm

## Income statement

### Selected figures

€m, for the 3 month period ending	31 Mar 2006	31 Mar 2005 <sup>1</sup>	Growth (%)
Total operating income	196.5	219.6	(10.5)
of which: Net interest income	140.1	163.8	(14.5)
of which: Non-interest income	56.4	55.8	0.3
Operating expenses	(121.9)	(121.9)	0.0
Impairment losses on loans	(15.2)	(41.7)	(63.6)
Net profit attributable to shareholders	47.7	35.9	33.0

### Selected ratios – Recurrent basis

%, for the period ending	31 Mar 2006	31 Dec 2005	31 Mar 2005
Net interest margin <sup>2</sup>	3.09	3.04	3.17
Cost/income ratio <sup>3</sup>	62.0	61.8	64.3
Return on equity <sup>4</sup>	15.5	13.7	nm
Return on assets <sup>5</sup>	0.92	0.74	0.82

#### Notes:

- 1 The published Interim Income Statement of 31 March 2005 (Net profit attributable to shareholders of €38.9m) has been restated to reflect the amendment of I.A.S. 39 regarding items of trading income (-€4.4m) and the respective deferred tax (€1.4m).
- 2 Net interest income over average interest earning assets
- 2 Operating expenses over operating income
- 3 Net profit attributable to shareholders over average shareholders equity pro forma for €1.25 billion capital increase
- 4 Net profit attributable to shareholders over average assets

Section 2

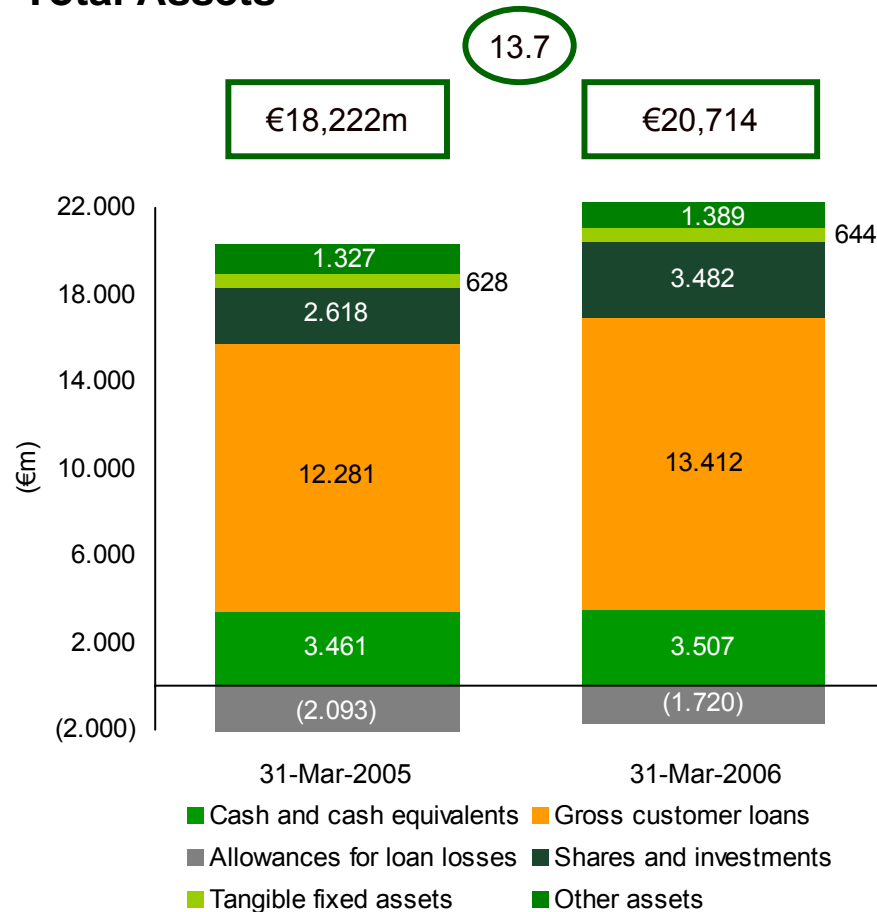
---

# Financial review

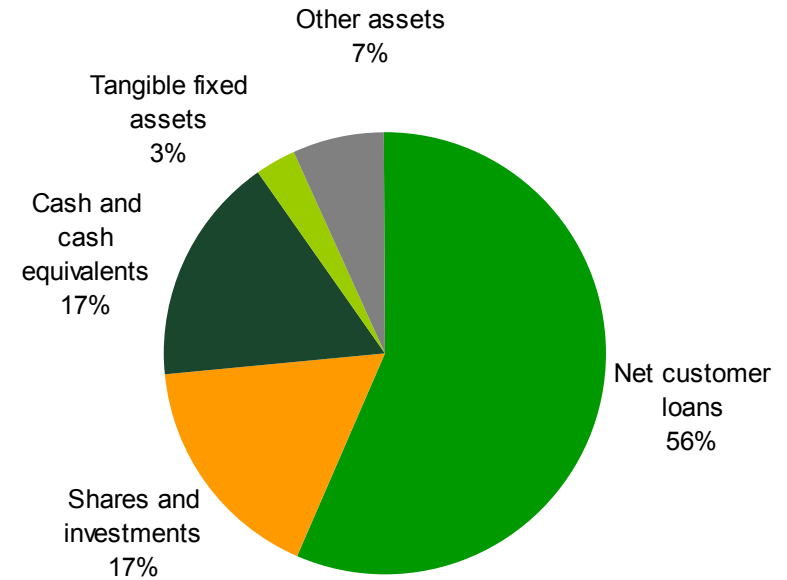
# Asset base

## Robust asset base

### Total Assets



### Asset mix as of 31 March 2006

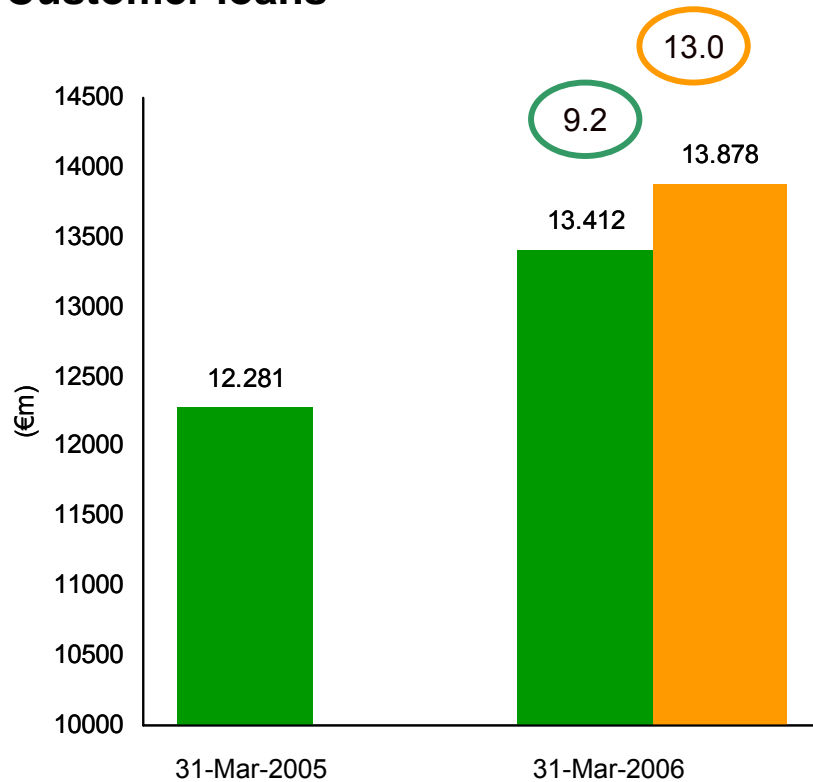


○ Growth 31 Mar 2005–31 Mar 2006 (%)

# Customer lending

**Strong growth in household lending - impacted by write-offs in other sectors – rates remain almost stable**

## Customer loans



■ Gross ■ Gross adjusted for write-offs<sup>1</sup>

○ Growth 31 Mar 2005–31 Mar 2006 (%)

○ Growth 31 Mar 2005–31 Mar 2006 (%) adjusted for write-offs

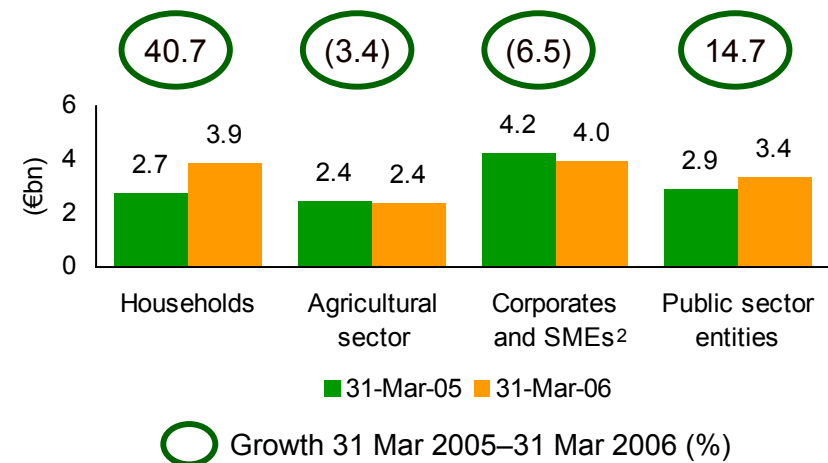
### Notes:

1 Adjusted for €467 million write-offs in the period 31.03.05-31.03.06

2 Includes SMEs and corporates active in secondary industries associated to the agricultural sector

3 Bank only figures

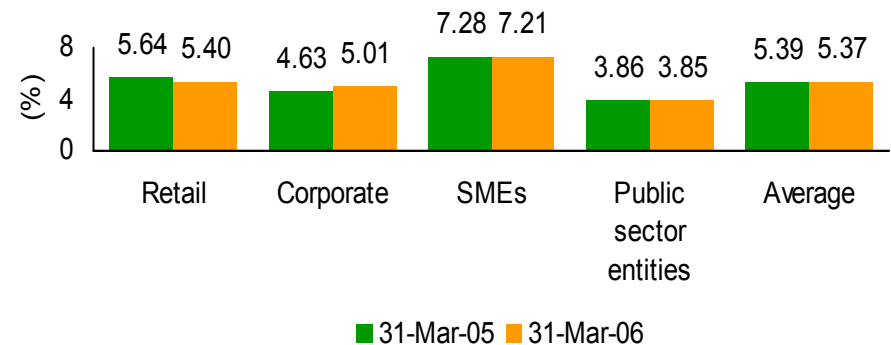
## Customer loan mix<sup>3</sup>



■ 31-Mar-05 ■ 31-Mar-06

○ Growth 31 Mar 2005–31 Mar 2006 (%)

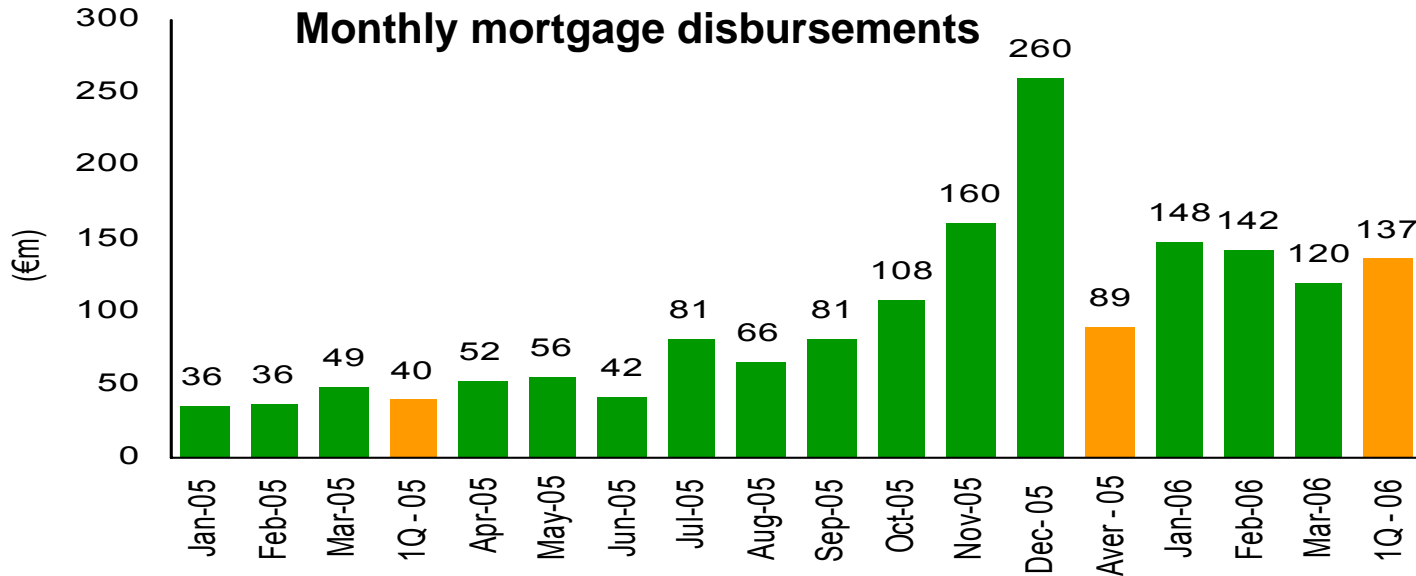
## Nominal interest rates on loans<sup>3</sup>



■ 31-Mar-05 ■ 31-Mar-06

# Focus on Household Lending

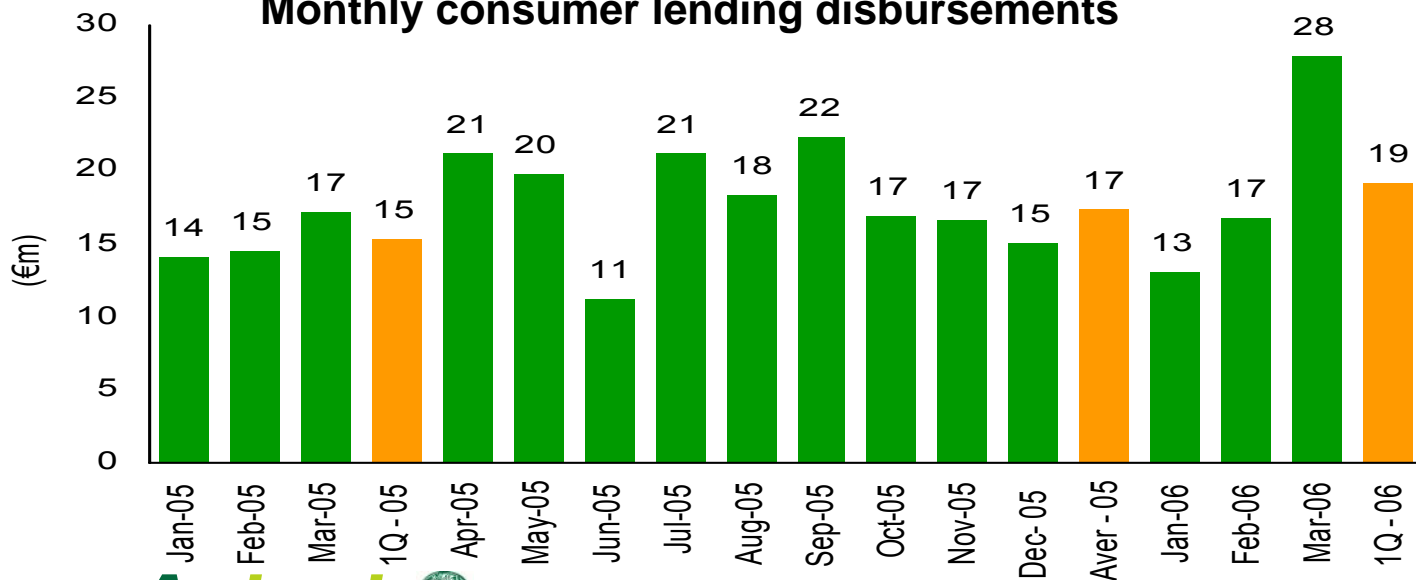
## Monthly mortgage disbursements



Mortgage lending continues to grow at very high rates despite the introduction of VAT in new constructions since Jan06.

1Q 06 mortgage disbursements are up by 240% compared to 1Q 05 and by 54% compared to the Average 05

## Monthly consumer lending disbursements



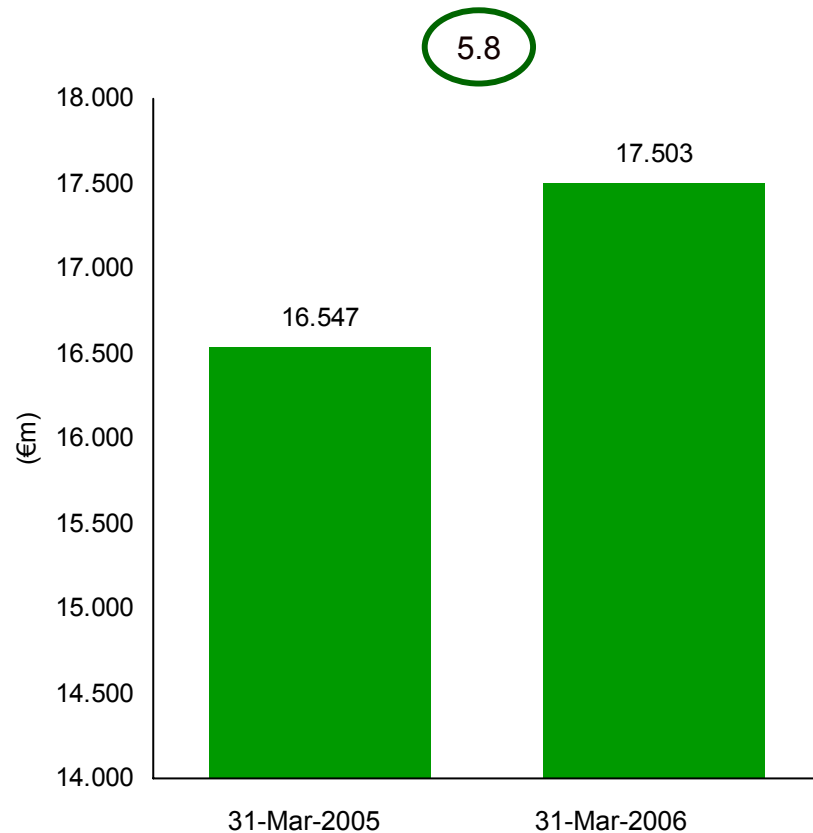
Consumer loans start picking up after the introduction in March 06 of new products & marketing campaign

1Q06 consumer disbursements are up by 26% compared to 1Q05 and by 19% compared to the Average 05

# Customer deposits

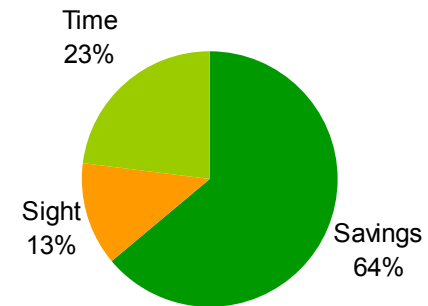
## Stable funding base at competitive rates

### Customer deposits

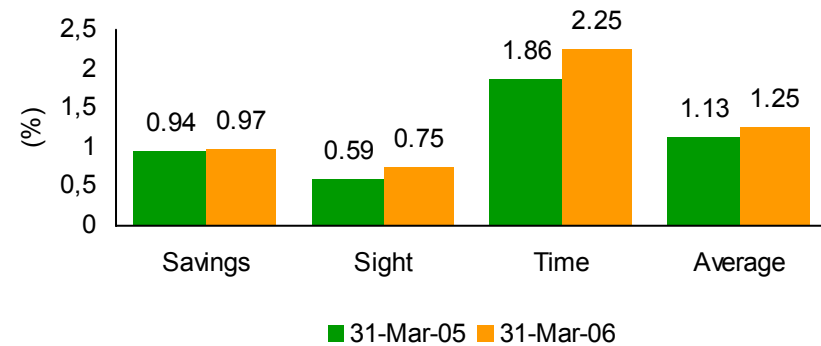


○ Growth 31 Mar 2005–31 Mar 2006 (%)

### Deposit mix as of 31 March 2006<sup>1</sup>



### Interest rates on deposits<sup>1</sup>



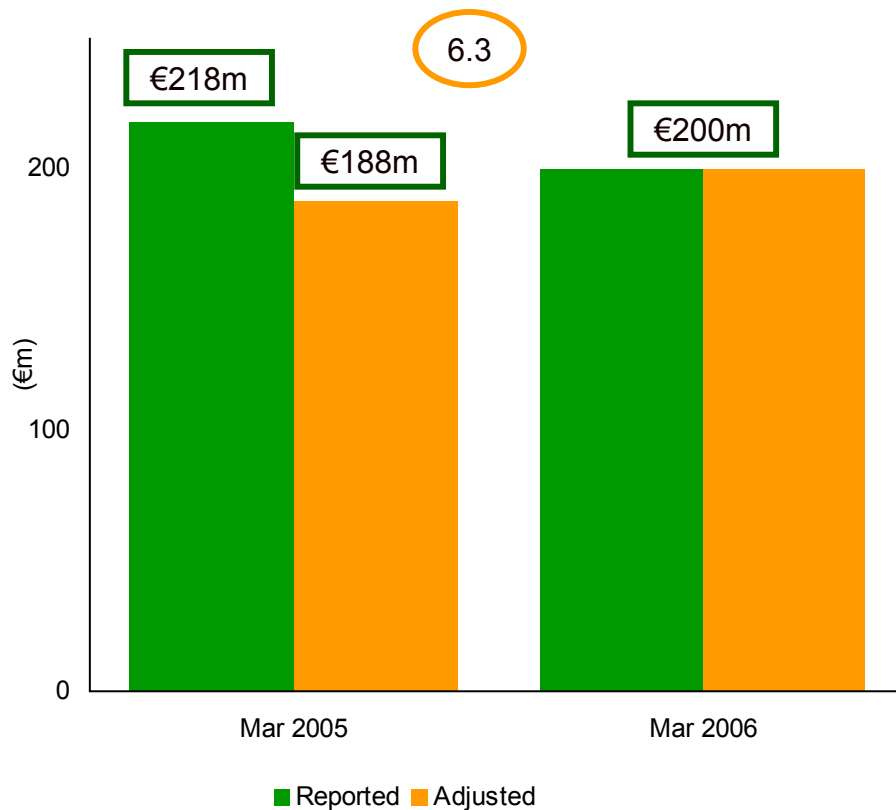
Note:

<sup>1</sup> Bank only figures

# Net interest income

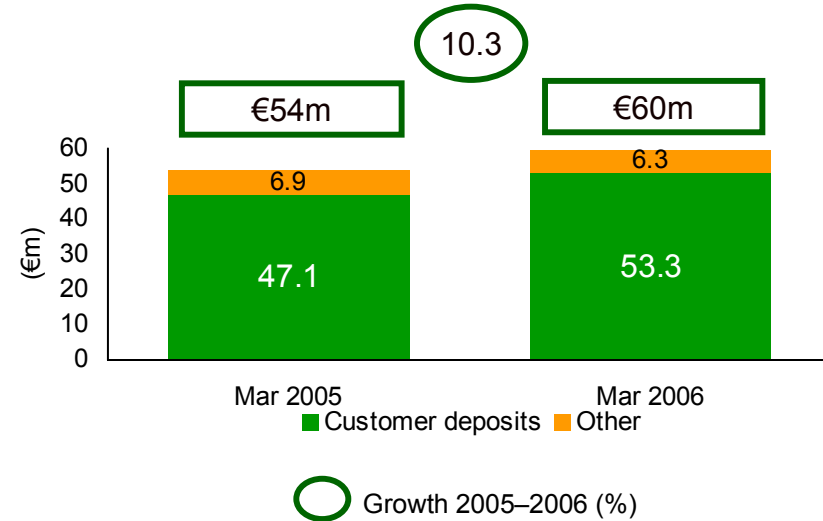
Margins on recurrent basis at satisfactory levels despite strong competition

### Interest income

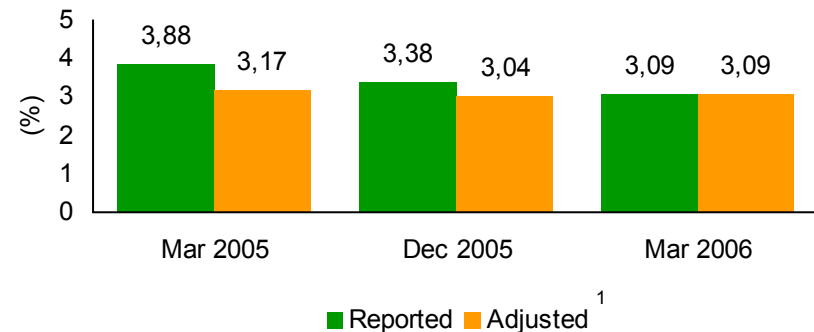


○ Growth Mar 2005 – Mar2006 (%) on a recurrent basis

### Interest expense



### Net interest margin<sup>2</sup>



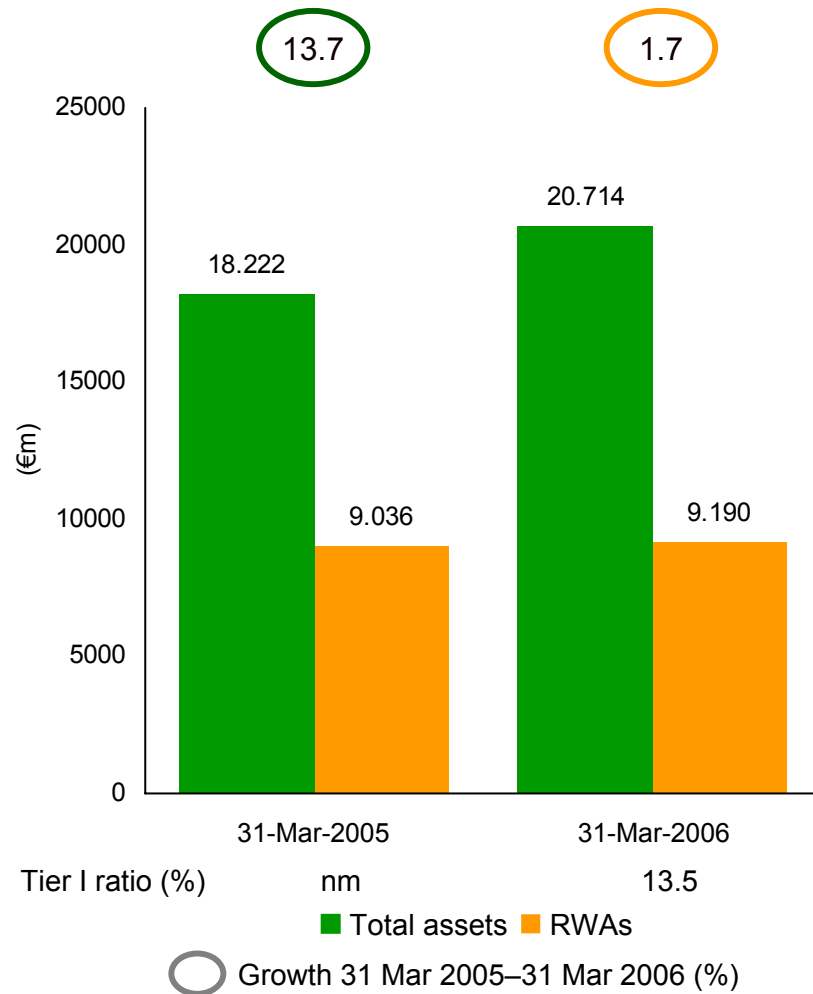
Note:

- Adjusted for non-recurring interest income of 30m in 1Q 2005
- Net interest income over average interest earning assets

# Capital position

## Robust capital adequacy

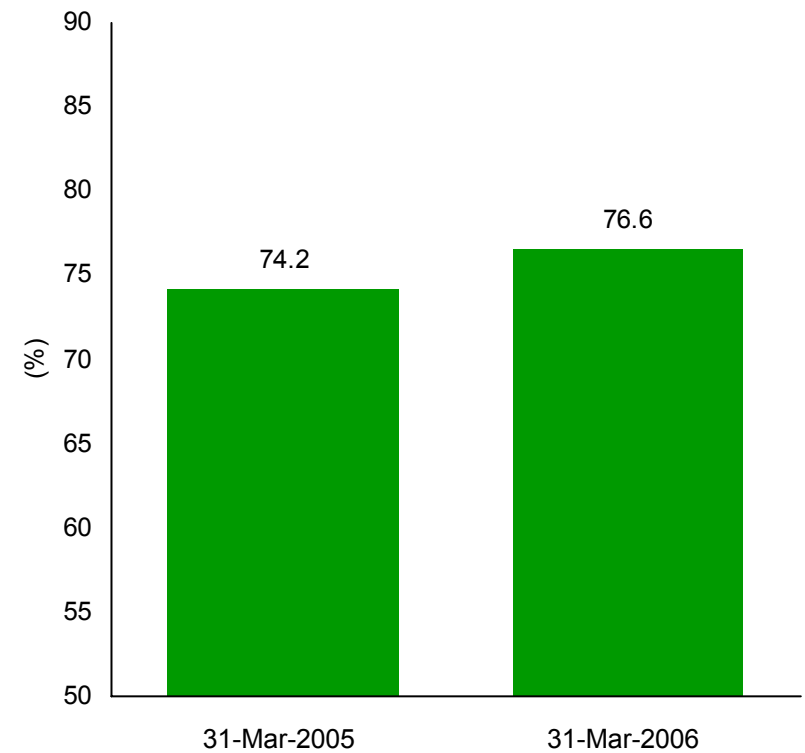
### Risk weighted assets



Note:

1 Gross customer loans over customer deposits

### Loans/deposits ratio <sup>1</sup>



# Non-interest income

## Non-interest income items represent 29% of total operating income

	(€m)		Comment
	2006	2005	
Net fee and commission income	18.1	14.7	◆ Fee and commission income and expenses from banking and non-banking products
Net trading income	7.5	7.3 <sup>1</sup>	◆ Gains and losses from financial transactions
Income from investments	0.8	1.2	◆ Gains and losses from disposal of financial assets available-for-sale
Dividend income	6.2	4.7	◆ Dividend income derived mostly from available-for-sale securities
Other operating income	23.7	27.8	◆ Results from sale of goods, insurance contracts and other
<b>Total non-interest income</b>	<b>56.4</b>	<b>55.8</b>	

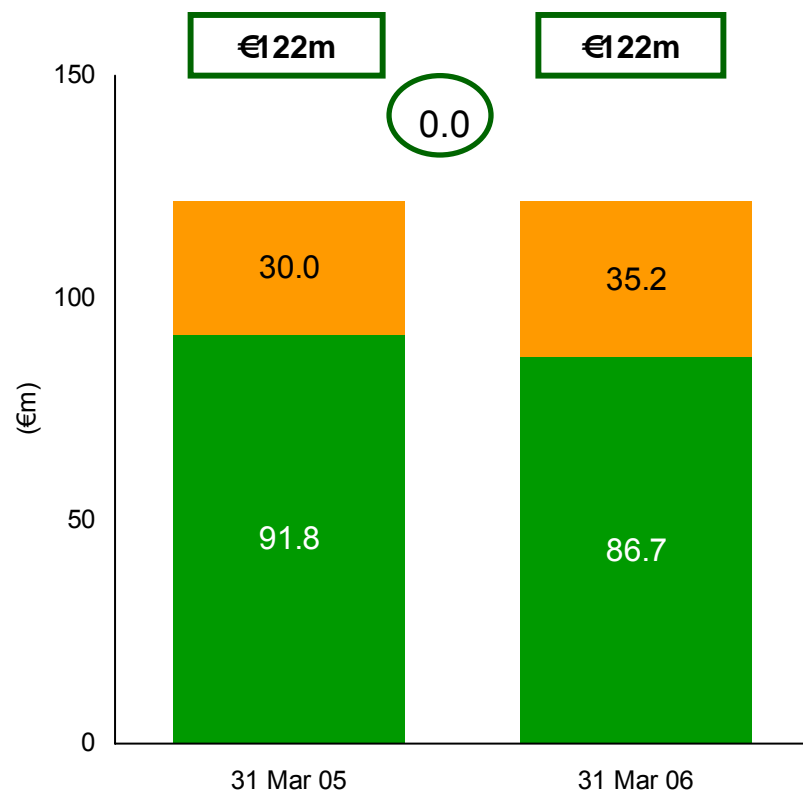
### Notes:

1 According to the amendment of I.A.S. 39 "Recognition and Measurement – The Fair Value Option" (June 2005) regarding hedging and accounting "mismatch", the Bank restated the published Interim Income Statement of 31 March 2005 by decreasing the revaluation of derivative financial instruments by EUR 4.417 thousand in order to be comparable with the Interim Financial Statements of 31 March 2006.

# Operating expenses

## Successful cost containment

### Operating expenses



Employees<sup>1</sup>

9.475

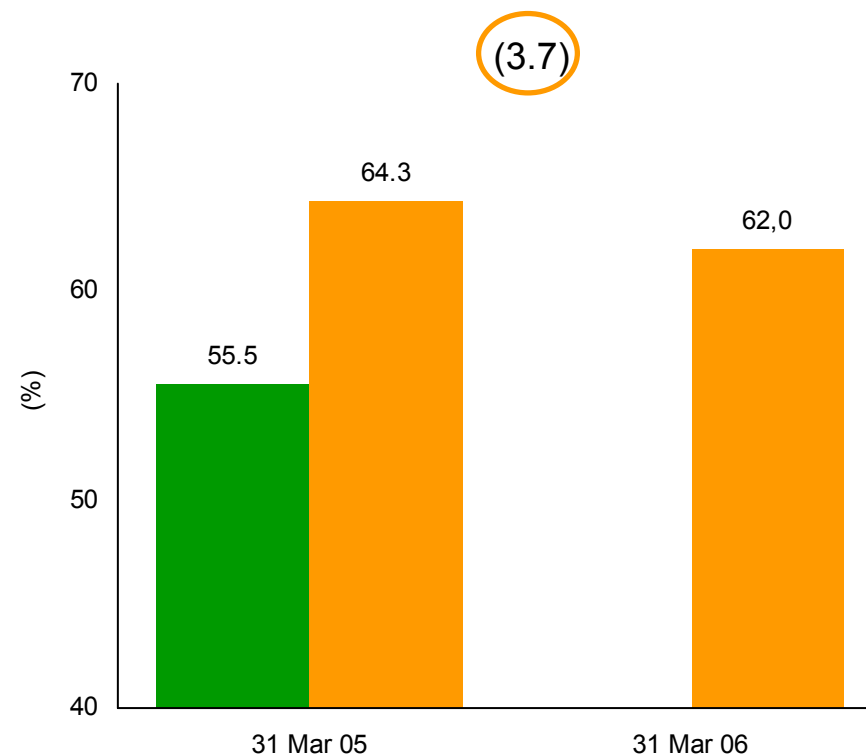
8.713

○ Growth Mar2005 – Mar2006 (%)

■ Personnel expenses

■ Other operating expenses

### Cost income ratio<sup>2</sup>



■ Non-Recurring ■ Recurring

○ Growth Mar2005 – Mar2006 (%) on recurrent basis

Notes:

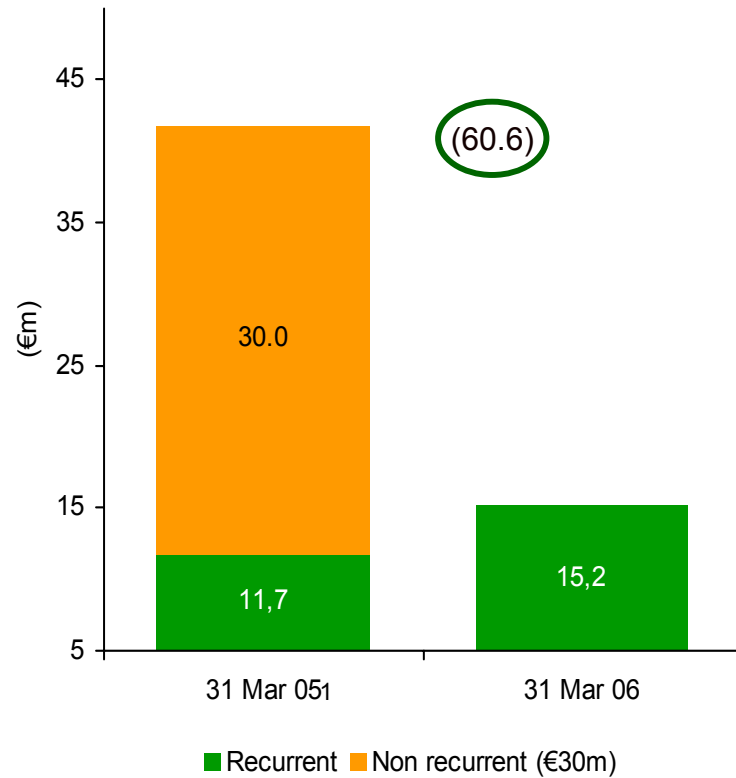
1 Average number of employees at the end of the period

2 Operating expenses over operating income

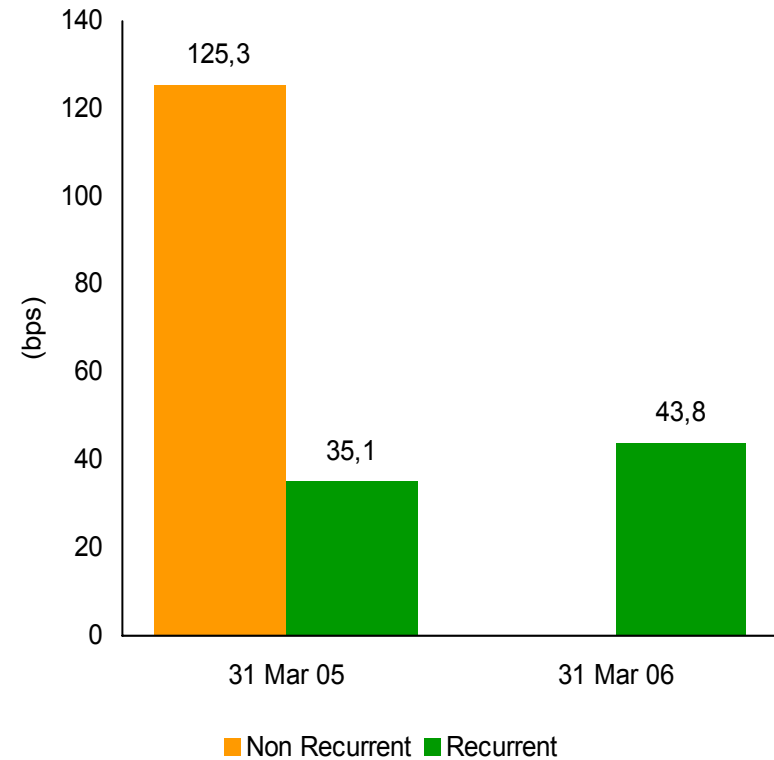
# Impairment losses on loans

## Annual provision charges follow restructuring of loan portfolio

### Impairment losses on loans



### Cost of risk <sup>2</sup>



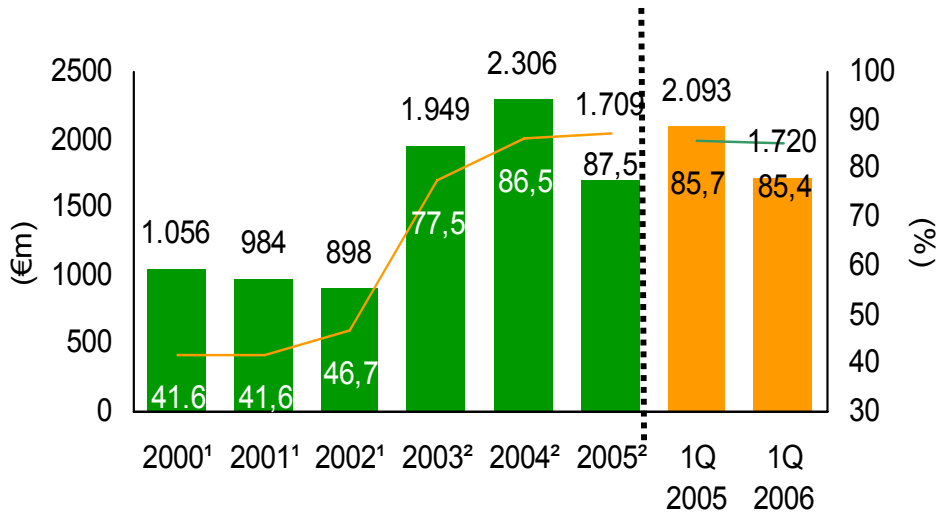
#### Notes:

- 1 First quarter 2005 includes €30m non-recurring provisions recognized pursuant to loan restructuring under law 3259/04
- 2 Impairment losses on loans over average gross customer loans.

# Provisioning Level

## Provision level at satisfactory levels

### Provisioning level

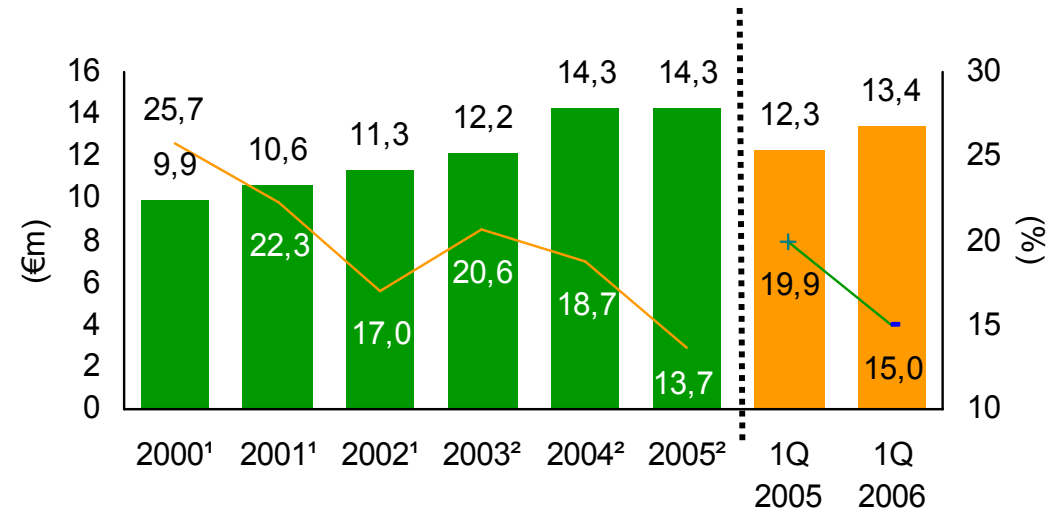


■ Allowances for loan losses — Provision coverage<sup>3</sup>

#### Notes:

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

### Non-performing loans



■ Gross customer loans — NPL ratio<sup>3</sup>

#### Notes:

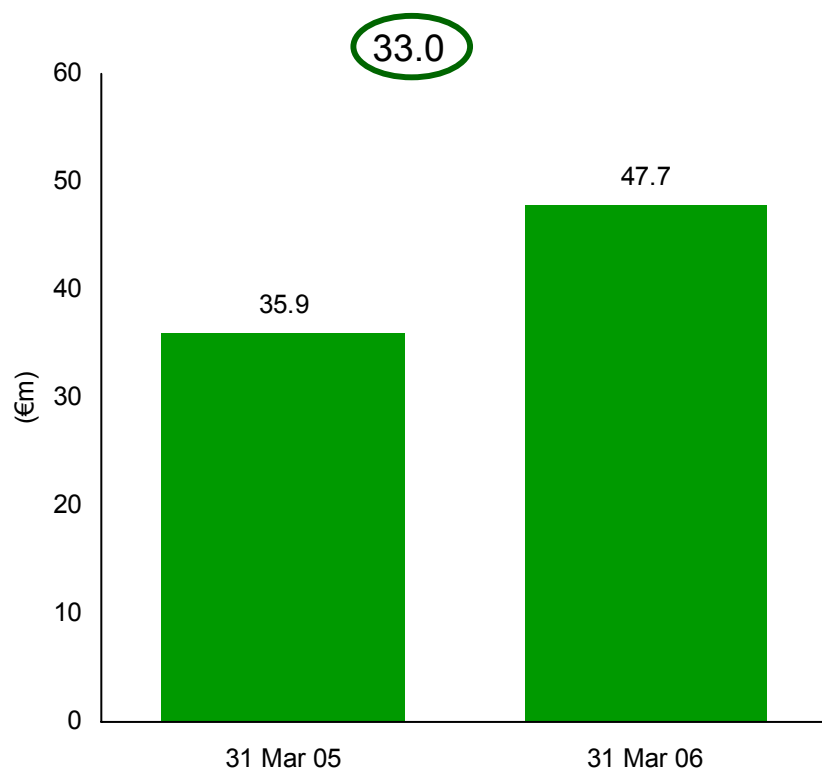
- 1 Greek GAAP
- 2 IFRS
- 3 Defined as loans in arrears for over a period of 180 days over gross customer loans

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

# Profit of the period

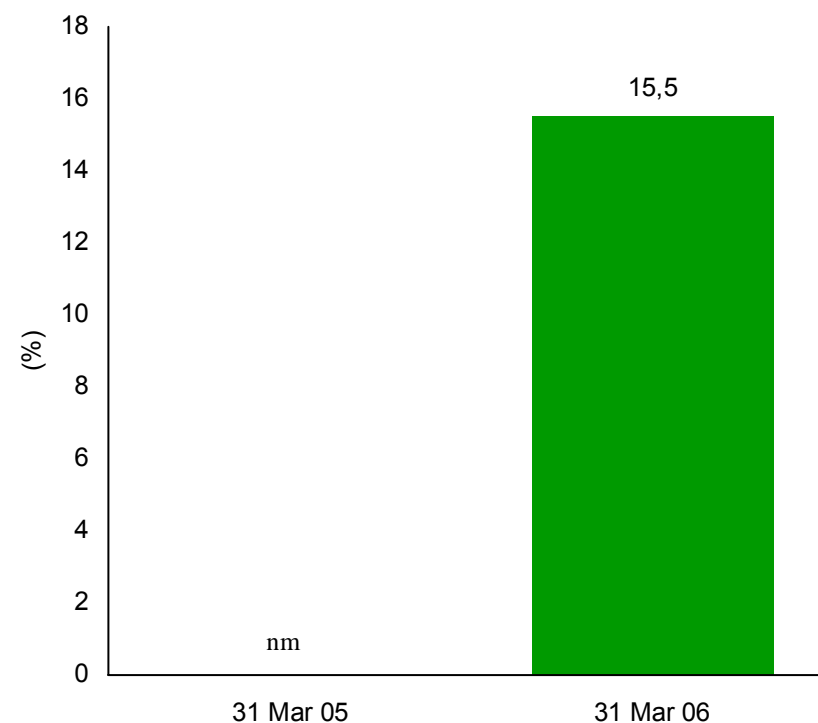
## Sustained bottom line improvement

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



○ Growth Mar 2005 – Mar2006 (%)

### Return on equity



Notes:

<sup>1</sup> Profit after tax and minorities

# Analysis of non-recurrent items

Income statement item	1/1- 31-3-2005 (€m)			Comment
	Reported	Non-recurrent item	Adjusted	
Interest income	217.9	(30)	187.9	◆ Interest income recognised pursuant to loan restructuring under the law 3259/04
Impairment losses on loans	(41.7)	30	(11.7)	◆ Provisions recognised pursuant to loan restructuring under the law 3259/04
<b>Net profit attributable to shareholders</b>	<b>35.9</b>	<b>0</b>	<b>35.9</b>	

## Income statement—selected ratios Reported vs Adjusted

%, for the twelve month period ending	31 Mar 2006	
	Reported	Adjusted <sup>1</sup>
Net interest income growth y-o-y	(14.5)	4.7
Non-interest income growth y-o-y	0.3	0.3
Total operating income growth	(10.5)	3.7

Notes:

1 Adjusted for the €30m non-recurrent interest income and €30m non-recurrent provisions in 1Q 2005