

## 2007 FINANCIAL RESULTS

- **Group Net Profit rises by 32.1% to €51m., exceeds upward revised target of €20m.**
- **New Europe Net Income reaches €73m., against a target of €60m.**
- **Revenues increase by 26.1% to €2.8bn**
- **Robust Deposit Growth of 30.5%**
- **Brisk Credit Demand - Loans up by 33.7%**
- **Improved Credit Quality – NPLs at 2.4% of total loans**
- **Strong Capital Position (RAR at 12.2%)**
- **Network of 1,523 branches, points of sale and business centres in New Europe and Greece at the end of 2007**
- **Distribution of €0.82 Dividend per share**
- **2008 Group Net Profit Target of at least €1,030m.**

2007 was another year of robust expansion in Greece and New Europe for Eurobank EFG. At the end of the year, the Group had established a presence in 8 countries, with total assets of €68bn, a network of more than 1,500 branches, points of sale and business centers, and a labor force of 22,000 employees. In a challenging environment, strong business development in Greece and New Europe led to profits higher than the upward revised targets announced by Management. As such, **Group net profit**<sup>1</sup>, which stems purely from organic sources, increased by **32.1%** and reached **€51m.** in 2007, against a target of €20m. Taking into account trading gains tax and one-off wildfire donations, Group net profit stood at €815m. Results outside of Greece were particularly impressive, as net income from New Europe surpassed the €60m. target and topped €72.6m., against losses of €3.5m. in 2006. Net profit from the established operations in New Europe (excluding Poland & Ukraine) surged to €115m., from €29m. a year ago.

The positive results of 2007 allow the Board of Directors of the Bank to propose to the Annual General Meeting of Shareholders the distribution of €0.82 dividend per share, which corresponds to total dividend of €425m. versus €350m. last year, an increase of 21.5%. The Group announces today specific financial targets for 2008, while maintaining those set for 2010. More specifically, the Group aims at:

- ✓ Net Profit at least €1,030m. in 2008 and €1,550m. in 2010
- ✓ New Europe Net Income at least €170m. in 2008 and €550m. in 2010
- ✓ Cost to Income Ratio below 45% in 2010
- ✓ ROE above 25% in 2010

<sup>1</sup> Excluding trading gains tax (€16.6m.) and one-off wildfire donations (€20m.)

Summary Figures	2007	2006	% Change
Total Assets	€68.4bn.	€53.8bn.	27.1%
Total Loans	€46.7bn.	€34.9bn.	33.7%
Total Deposits	€36.2bn.	€27.7bn.	30.5%
Total Revenues	€2,816m.	€2,234m.	26.1%
Net Profit	€851.3m. <sup>2</sup>	€644.5m. <sup>3</sup>	32.1%
ROA (after tax)	1.4% <sup>2</sup>	1.3% <sup>3</sup>	
ROE (after tax & minorities)	23.5% <sup>2</sup>	23.0% <sup>3</sup>	
Cost to Income	48.1%	47.5%	

## Analysis of 2007 Results

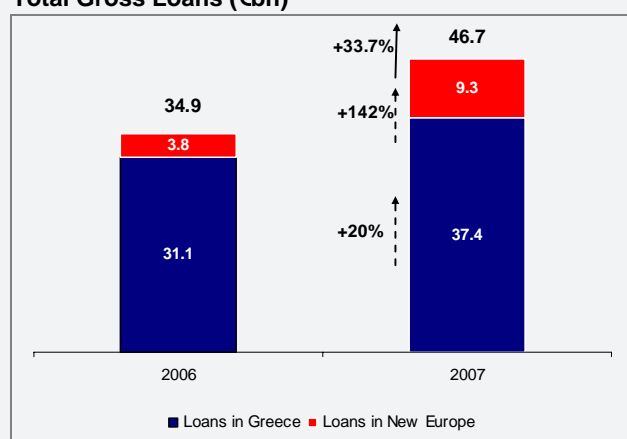
### Loan Portfolio

**Group Total Loans** recorded a robust increase of **33.7%** y-o-y and amounted to **€46.7bn** at the end of 2007, driven by brisk credit demand in Greece and New Europe. Loan balances in Greece rose by 20.4% and reached €37.4bn, whereas outstanding loans in New Europe more than doubled and stood at €9.3bn in 2007, from €3.8bn last year. Net loan additions had another record quarter with €3.5bn added. New Europe net loan additions were impressive at €1.8bn; for the first time higher than the Greek additions.

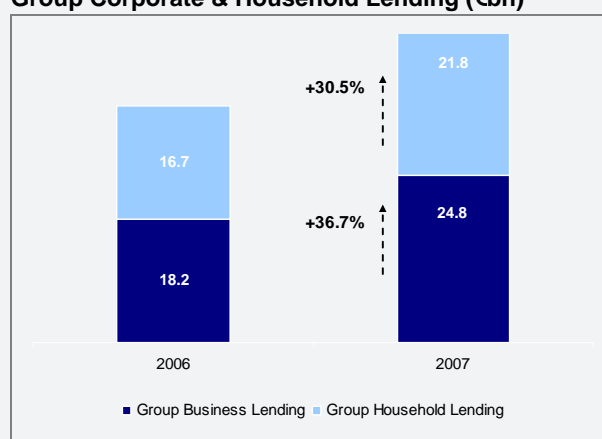
**Group corporate lending** grew at very high rates, as a result of the continuous offering of innovative and alternative products to the Bank's corporate clients in Greece and New Europe. Business lending rose by a strong 36.7% and stood at €24.8bn, with loans to large corporates increasing by 42.5% at €7.7bn, loans to SMEs by 31.7% at €9.5bn and loans to small businesses by 37.6% at €7.6bn.

Robust growth rates were recorded in **Group household lending** as well, due to the strong demand for consumer loans and mortgages in the domestic market and in New Europe. Loans to households expanded by 30.5% and reached €21.8bn at a group level, with consumer credit increasing by 28.9% to €10.6bn and mortgages rising by 32.2% to €11.3bn.

**Total Gross Loans (€bn)**



**Group Corporate & Household Lending (€bn)**



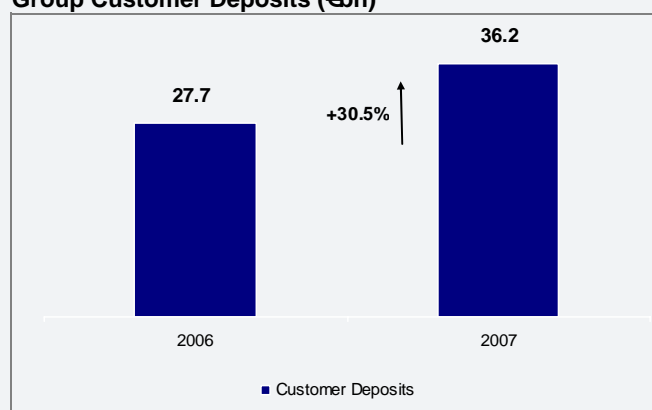
<sup>2</sup> Excluding trading gains tax (€16.6m.) and one-off wildfire donations (€20m.)

<sup>3</sup> Excluding reserves tax (€43m.)

## Deposits and Asset Management

**Group Customer Deposits** recorded vigorous growth of **30.5%** and stood at **€36.2bn** at the end of 2007, as a result of the gradual maturing of the new branches and expanded client base. It is pointed that net deposit additions in the fourth quarter of 2007 reached record levels of €3.8bn and exceeded net loan additions by 7%. As a result, the loans to deposits ratio receded to 126% at the end of 2007, from 130% in the nine months. Private Banking funds under management (FUM) posted also notable growth of 13% and reached €8.2bn, supported by the offering of specialised and innovative services to the clients of the Bank. Furthermore, Life Insurance FUM advanced by 19% and stood at €1.3bn, through the successful implementation of the bancassurance model in Greece. Overall, Group Customer Funds under Management expanded by 17.4% y-o-y, reaching €52.4bn at the end of 2007. Particularly successful were the efforts to enhance funds under management in New Europe, with customer funds rising by 59.7% to €7bn, from €4.4bn in 2006.

**Group Customer Deposits (€bn)**



## Net Interest Income

The buoyant expansion of the loan portfolio in Greece and New Europe supported **Net Interest Income**, which grew strongly by **25.5%** and totalled **€2bn** in 2007. In the fourth quarter of the current year, net interest income amounted to €560m. and was 8.4% up compared to the third quarter. Net interest income generated by the operations in New Europe doubled in 2007 and amounted to €443m., from €215m. in 2006, contributing 22.1% to the Group net interest income. At the same time, the **net interest margin** (net interest income over avg. total assets) remained above 3.2%.

## Net Fee and Commission Income

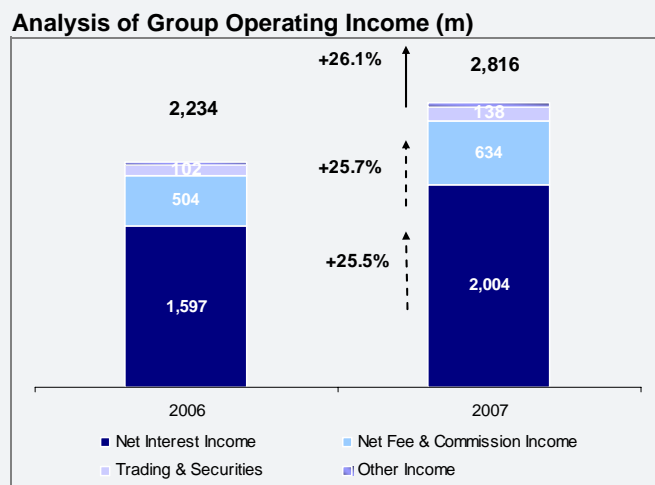
**Net Fee and Commission Income** registered remarkable growth of **25.7%** and reached **€634m.** in 2007. Fees from Banking Activities were up by 24.9% and stood at €558m., reflecting robust business at the branches and brisk lending volume growth especially in New Europe. Fees from insurance and other non-banking services strengthened by 32.4% and amounted to €76m. in 2007. New Europe fees and commissions more than doubled and stood at €179m., versus €82m. in 2006, contributing 28.2% to the total fees of the Group.

## Trading Gains and Other Income

The effective management of Treasury positions led **Trading Gains** from Bonds, Equities and Foreign Exchange to grow by **35.2%** to **€138m.**, from €102m. in 2006, despite the unfavourable conditions prevailing in the capital markets. Overall, trading gains together with dividend income and other operating income reached €179m., recording a y-o-y growth of 34.8%.

## Total Operating Income

**Group Total Revenues** increased by **26.1%** to **€2.8bn** in 2007, from €2.2bn in 2006. Fast business expansion in New Europe led revenues from this region to double and climb to €638m., from €313m. in 2006. The contribution of NE revenues to Group total revenues rose notably to 22.7%, from 14% a year ago.



## Operating Expenses and Efficiency

**Total Operating Expenses** were up **11.3%** in **Greece** and 27.5% at a **Group level**, whereas on a like-for-like basis<sup>4</sup>, Group costs increased by **16.1%**. Cost growth was affected by the opening of 266 new branches, business centers and points of sale in New Europe and Greece in 2007 for the strengthening of the Group's footprint. The **Cost-to-Income** ratio improved for the Greek operations to 40%, from 40.7% in 2006 and for New Europe to 75.8%, from 89.6% in 2006. The efficiency ratio for the Group reached **48%** in 2007.

## Return on Assets and Return on Equity

The strengthening of Group profitability by 32.1% led to a **Return on average Assets** (after tax) of **1.4%**<sup>5</sup>. The **Return on Average Equity**, after the share capital increase, reached **23.5%**<sup>5</sup> (after tax & minorities).

## Capital and Risk Management

Eurobank EFG is strongly capitalised. Following the successful completion of the Bank's share capital increase, the **Total BIS Ratio** under Basle II regulations was **12.2%** and exceeds the 8% limit set by the Bank of Greece. Further, the **Core Tier I Ratio** remained at high levels and reached **9.2%** at the end of 2007. It is noted that Eurobank EFG enjoys the best ratings among Greek banks by all rating agencies.

Apart from the strengthening of the capital structure, notable progress was also made in the quality of the loan portfolio, due to the efficient management of credit risk. More specifically, the total **NPL ratio** fell to a record low of **2.4%** for Eurobank EFG, a ratio which is already within the guidelines set by the Bank of Greece for the end of 2008. Provisions accounted for 1.01% of avg. net loans in 2007 and covered 92.1% of non-performing loans, which is among the highest ratios in the Greek market. Coverage of non-collateralized loans stood at 137%.

<sup>4</sup> Excluding one-off wildfire donations in Greece (€20m.) and new operations in Poland, Ukraine, TekfenBank and DZI Bank

<sup>5</sup> Excluding trading gains tax (€16.6m.) and one-off wildfire donations (€20m.)

## New Europe Business Developments

Eurobank EFG continued its robust expansion outside of Greece in 2007, strengthening its regional presence. Replicating its successful business model, the Group records high volume growth and gains clients' confidence in these very competitive markets. Prospects are positive, despite current macroeconomic instabilities, as in the rapidly growing economies of Central and Southeastern Europe disposable income is on a rising trend and penetration of banking products remains at low levels. These economies are expected to fuel Eurobank EFG growth in the coming years.

In 2007, 228 new branches, business centers and points of sale were established and the total network outside Greece reached 963 units. The network expansion along with the simultaneous strengthening of the centralised and back office operations and the establishment of specialised subsidiary companies contributed to the robust growth of volumes and profitability and to better client service. Net profit from New Europe stood at €72.6m. at the end of 2007, against losses a year ago, whereas net profit excluding the most recent operations in Poland and Ukraine climbed to €115m., from €29m. in 2006.

In **Bulgaria**, the operational and legal merger of Postbank with DZI Bank was completed. The brand name of the new bank is Postbank, whereas its legal name is "Eurobank EFG Bulgaria AD". Postbank enjoys the third largest network in the country with 224 branches and 9 business centres. Business growth remained robust, with outstanding loan balances of the bank expanding by 64% to €2.4bn at the end of 2007. Postbank received a number of awards during the year, among which two prizes at the international banking exhibition "Banks Investments Money" and the "Bank of the Year" 2006 prize at the annual Pari Daily banking awards.

In **Romania**, BancPost continued the expansion of its network, which reached 237 branches and 17 business centres at the end of the year. Business growth accelerated substantially, with the loan portfolio rising by 86% yoy to €3.1bn in 2007. BancPost nomination as The "Bank of the Year" by Bucharest Business Week and the "Best Managed Banks in Central and Eastern Europe" by Euromoney verified the high quality of the products and services offered to the bank's clients.

In **Serbia**, the operational and legal merger of Eurobank EFG with NSB was completed. The new, unified bank, which was renamed Eurobank EFG štedionica a.d. Beograd., had a network of 101 branches and 5 business centres at the end of 2007 and offered high quality services to individuals and companies. The merger process did not distract business expansion, as the Bank achieved outstanding growth with the loan portfolio doubling to €847m. at the end of 2007.

In **Poland**, the growth of the network continued at a rapid pace, reaching 248 branches and points of sale at the end of 2007. Retail loan balances stood at €1.7bn at the end of 2007, from €230m. in 2006, accounting for 1.3% of total credit in the country. Last but not least, corporate banking operations were launched with the set up of 6 business centres to cater for the needs of corporate clients.

In **Turkey**, the acquisition of a 70% stake in Tekfenbank and the change of the bank's name to Eurobank Tekfen signalled the launching of corporate banking business by the Eurobank EFG Group. The total network stood at 36 branches-business centres and the loan portfolio reached €711m. at the end of 2007. In equity capital markets, EFG Istanbul Securities continued its robust performance, increasing its market share in overall transactions to 3.3%, from 2.8% in 2006.

In **Ukraine**, Universal Bank continued strengthening its network, which totaled 75 branches and 3 business centres at the end of 2007, versus 33 at the time of the bank's acquisition from Eurobank EFG. In 2007 the foundations were laid and the infrastructure was set up for the bank to operate according to the standards of the Eurobank EFG Group. The loan portfolio of Universal Bank reached €336m. at the end of 2007, in just six months of operation.

Last but not least, the Eurobank EFG Group successfully launched operations in **Cyprus**, aiming to cater for the needs of corporate banking clients, SMEs, institutional asset management, high net worth individuals and international business companies.

## 2007 Financial Data

Summary Figures	2007	2006	% Change	New Europe
Net Interest Income	€2,004m.	€1,597m.	25.5%	€443m.
Net Banking Fees & Commissions	€558m.	€447m.	24.9%	€177m.
Net Non Banking Fees	€76m.	€58m.	32.4%	€2m.
<b>Total Operating Income</b>	<b>€2,816m.</b>	<b>€2,234m.</b>	<b>26.1%</b>	<b>€638m.</b>
Operating Expenses	€1,354m.	€1,062m.	27.5%	€484m.
Impairment losses on loans	€401m.	€344m.	16.3%	€70m.
Profit before tax after & minorities	€1,053m.	€825m.	27.6%	€76m.
<b>Net Profit</b>	<b>€351m.<sup>6</sup></b>	<b>€344m.<sup>7</sup></b>	<b>32.1%</b>	<b>€73m.</b>

Loan Portfolio (Gross)	2007	2006	% Change
Consumer Loans	€10,580m.	€8,210m.	28.9%
Mortgages	€11,270m.	€8,527m.	32.2%
<b>Loans to Households</b>	<b>€21,849m.</b>	<b>€16,737m.</b>	<b>30.5%</b>
Small Business Loans	€7,614m.	€5,534m.	37.6%
Loans to Medium-Sized Enterprises	€9,516m.	€7,227m.	31.7%
Loans to Large Corporates	€7,691m.	€5,397m.	42.5%
<b>Business Loans</b>	<b>€24,821m.</b>	<b>€18,158m.</b>	<b>36.7%</b>
<b>Total Gross Loans</b>	<b>€46,671m.</b>	<b>€34,895m.</b>	<b>33.7%</b>

Financial Ratios	2007	2006
Net Interest Margin	3.3%	3.3%
Cost to Income	48.1%	47.5%
NPLs (% of loans)	2.40%	2.76%
NPLs Coverage	92.1%	89.3%
Provisions to Loans	1.01%	1.14%
Tier I Ratio	9.2% <sup>8</sup>	8.5%
Risk Asset Ratio	12.2% <sup>8</sup>	10.4%
ROA after tax	1.4% <sup>6</sup>	1.3% <sup>7</sup>
ROE after tax and minorities	23.5% <sup>6</sup>	23.0% <sup>7</sup>
EPS (€)	1.67 <sup>6</sup>	1.29 <sup>7</sup>

<sup>6</sup> Excluding trading gains tax (€16.6m.) and one-off wildfire donations (€20m.)

<sup>7</sup> Excluding reserves tax (€43m.)

<sup>8</sup> Under Basle II regulations

**CONSOLIDATED BALANCE SHEET**

	In €million	
	31 Dec 2007	31 Dec 2006
<b>ASSETS</b>		
Cash and balances with central banks	2,732	2,654
Loans and advances to banks	4,577	2,938
Financial instruments at fair value through profit or loss	960	807
Derivative financial instruments	738	518
Loans and advances to customers	45,638	34,046
Available-for-sale investment securities	10,477	10,936
Held-to-maturity investment securities	618	-
Investments in associated undertakings	46	48
Intangible assets	735	354
Property, plant and equipment	1,120	974
Other assets	748	545
<b>TOTAL ASSETS</b>	<b>68,389</b>	<b>53,820</b>
<b>LIABILITIES</b>		
Due to other banks	2,012	1,536
Repurchase agreements with banks	10,754	9,387
Derivative financial instruments	1,050	709
Due to customers	36,151	27,707
Debt issued and other borrowed funds	11,238	9,367
Other liabilities	1,825	1,490
<b>TOTAL LIABILITIES</b>	<b>63,030</b>	<b>50,196</b>
<b>EQUITY</b>		
Share capital	1,432	1,242
Share premium and other reserves	2,820	1,415
<b>Ordinary shareholders' equity</b>	<b>4,252</b>	<b>2,657</b>
Preferred securities	777	786
<b>Ordinary and Preferred shareholders' equity</b>	<b>5,029</b>	<b>3,443</b>
Minority interest	330	181
<b>Total</b>	<b>5,359</b>	<b>3,624</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68,389</b>	<b>53,820</b>

**CONSOLIDATED INCOME STATEMENT**

	In €million	
	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2006
Net interest income	2,004	1,597
Net banking fee and commission income	558	447
Net insurance income	53	37
Income from non banking services	23	20
Dividend income	13	9
Net trading income/(loss)	33	32
Gains less losses from investment securities	105	70
Other operating income	28	21
<b>OPERATING INCOME</b>	<b>2,817</b>	<b>2,233</b>
Operating expenses	(1,374)	(1,062)
Impairment losses on loans and advances	(401)	(344)
<b>PROFIT FROM OPERATIONS</b>	<b>1,042</b>	<b>827</b>
Share of results of associates	8	5
<b>PROFIT BEFORE TAX</b>	<b>1,050</b>	<b>832</b>
Income tax expense	(220)	(225)
<b>PROFIT FOR THE YEAR</b>	<b>830</b>	<b>607</b>
Minority interest	16	6
<b>NET PROFIT FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS</b>	<b>814</b>	<b>601</b>
- Taxation on reserves	(17)	(43)
- Donation to fire victims	(20)	-
<b>NET PROFIT EXCLUDING TAXATION ON RESERVES AND DONATION</b>	<b>851</b>	<b>644</b>
<b>Earnings per share - basic in euros</b>	<b>1.60</b>	<b>1.19</b>
<b>Earnings per share - diluted in euros</b>	<b>1.59</b>	<b>1.19</b>
<b>Earnings per share - excluding taxation on reserves and donation in euros</b>	<b>1.67</b>	<b>1.29</b>

Athens, 11 February 2008

Notes: 1. The above information is unaudited.  
 2. The audited financial statements for the year ended 31 December 2007, as stipulated by the L.2190/1920 a.135, will be posted to the Bank's website on 26 February 2008. The condensed financial statements, as stipulated by the Ministerial Decree 6511/172/2006, will be published in the press and will be posted to the Bank's website on the same date.