



FINANCIAL RESULTS 2012

For the year ended on December 31, 2012, **the operating income** amounted to €96.5 million, lower by 23.1% compared to 2011. This decrease was primarily due to the lower net interest income (-41%), which was affected by both the increase of the non-performing loans and the decrease of the loans portfolio.

The operating expenses (excluding provisions and impairment of assets) amounted to €120.4 million, displaying a 13.2% decrease compared to the previous year. The cost reduction was achieved by implementing expense containment policies on both administrative and personnel expenses.

The operating results (before provisions and impairment of assets) amounted to €-23.9 million.

Despite the difficult financial environment, the provisions for the non-performing loans amounted to €99.2 million, lower by 79.5%, compared to the previous year.

The net loss of the Group amounted to € 105.2 million, in comparison to the net loss of €795.6 million for the previous year.

As at December 31, 2012, loans and advances amounted to €1.9 billion displaying a 27% decrease compared to December 2011.

As at the same date, the deposits amounted to €2.04 billion, displaying a 11.7% increase compared to December 2011.

As at the end of 2012, the Bank network was 104 branches.

Important events

At a business level, in 2012, the performance of the Bank remained negative, significantly affected by the general deterioration of the economic environment. However, it was also a year of transformational change following the acquisition of Geniki by Piraeus Bank Group.

On 14.12.2012, Piraeus Bank announced that the acquisition of the entire stake of Société Générale (99.08%) in Geniki Bank had been completed, following the receipt of all necessary approvals. As part of the transaction, Société Générale agreed to advance to Geniki the amount of €281 million, as requested by the Bank of Greece, for the recapitalisation of the Bank. Based on the due diligence performed by the Hellenic Financial Stability Fund (HFSF), this amount was adjusted to €290 million. This was in addition to an earlier advance of €60 million.

Capital adequacy and liquidity

Our Capital Adequacy ratio, under Basel II (standardized methodology for credit and operational risk), following the conversion of the two advances mentioned above (€350.03 million) to equity, stands at 14.70%, compared to 8.96% in 2011.

The loans to deposits ratio has improved significantly to 94% at year-end 2012 from 143% at year-end 2011.

Following the recent capital inflows, Geniki is self funded, has no reliance on Eurosystem funding and both capital adequacy and liquidity ratios exceed the thresholds required by the Bank of Greece.

Business prospects and risks

The Greek economic outlook for 2013 is impacted by the ongoing efforts of the Greek Government to deal with the fiscal and structural adjustments. This is expected to continue to have an adverse impact on the real economy and, by extension, the banking sector, during 2013.

In this challenging environment, Geniki Group will seek to take advantage of its capital base, its liquidity position and the support of its parent company in order to improve its operational efficiency and its service offering to existing and new clients.

Press Release of Financial Statements of Geniki Group

Income Statement for the year ended on December 31, 2012

Amounts in € millions

	1 Oct to 31 Dec 2011	1 Oct to 31 Dec 2012	% Change	1 Jan to 31 Dec 2011	1 Jan to 31 Dec 2012	% Change
Net interest income	23.9	10.0		105.1	61.9	
Net fee & commission income	3.0	3.6		23.6	16.9	
Total Net Interest & Commission Income	26.9	13.5	-49.7%	128.8	78.8	-38.8%
Net Income from Financial Instruments	1.3	17.1		-3.5	17.6	
Other Operating Income & Dividend Income	0.0	-0.1		0.2	0.1	
Total Net Operating Income	28.2	30.5	8.1%	125.5	96.5	-23.1%
Personnel Expenses	-20.7	-18.3		-80.4	-71.9	
Administrative Expenses & Depreciation	-15.2	-10.3		-58.3	-48.5	
Total Net Operating Expenses	-35.9	-28.5	-20.5%	-138.7	-120.4	-13.2%
<i>Income/Expenses</i>	<i>133.4%</i>	<i>210.7%</i>		<i>107.7%</i>	<i>152.8%</i>	
Operating profits / Losses before provisions	-7.7	1.9	-125.3%	-13.2	-23.9	80.6%
Impairment of Loans & Other Provisions	-107.9	-14.6		-485.1	-102.6	
Impairment of assets	-3.7	-3.7		-6.3	-7.4	
GGB Impairment	-57.5	-		-287.7	-15.3	
Losses of year before taxes	-176.8	-16.4	-90.8%	-792.2	-149.2	-81.2%
Losses of year after taxes – Geniki Bank	-177.0	-13.6	-92.3%	-778.3	-94.6	-87.8%
Losses of the year after taxes - Group	-177.8	-16.4	-90.8%	-795.6	-105.2	-86.8%

	Dec 2011	Dec 2012	% Change
Loans and advances to customers	2.621	1.913	-27.0%
Due to customers	1.828	2.043	11.7%