

# 29<sup>th</sup> THE GREEK ECONOMY CONFERENCE



Ταμείο Χρηματοπιστωτικής Σταθερότητας  
Hellenic Financial Stability Fund

***“The present and future of the financial and banking environment”***

**Presented by:**

**Dr. Martin Czurda**  
Chief Executive Officer  
**Hellenic Financial Stability Fund**

**Disclaimer** : The material presented herein, in total or partly, cannot be copied, reproduced, distributed, or in any other way made available to any party, other than the ones, to which it has been specifically delivered by HFSF, without the HFSF’s prior consent. Responsibility, for the information and views set out in this presentation, lies with the presenter-

***Athens, December 3<sup>rd</sup> 2018***

# Contents

---

**1** Snapshot of Greek Banks' NPEs evolution & Main indicators

**2** HFSSF's Vision for Greek Banks regarding NPL burden

**3** Levers to Support the real Economy



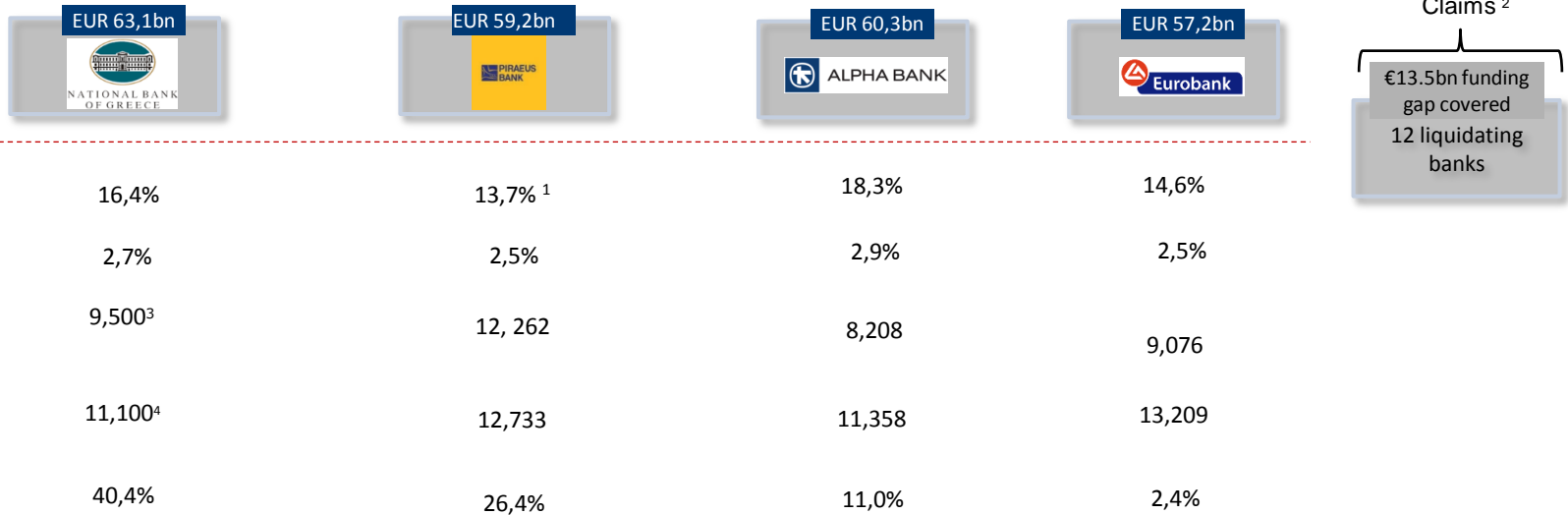
---

1

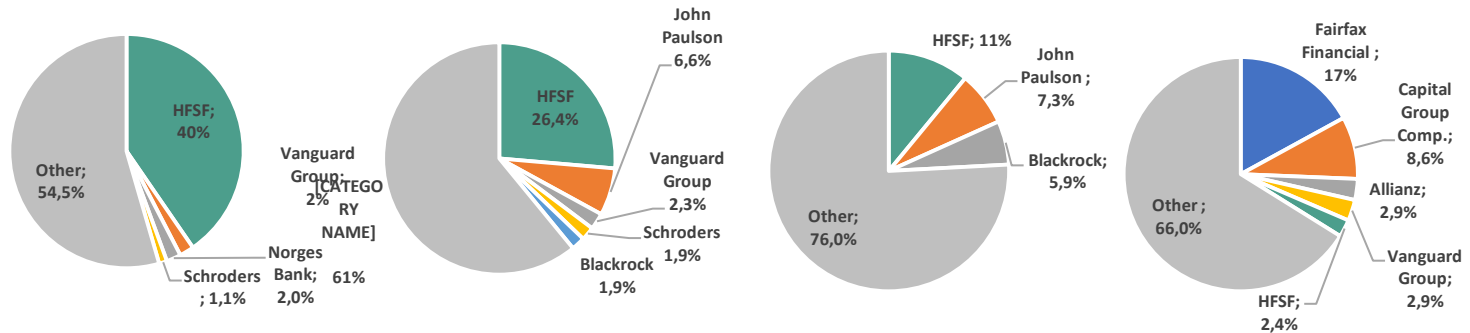
## Snapshot of Greek Banks' NPEs evolution & Main indicators



# Currently, HFSF is the largest shareholder & maintains oversight in the 4 systemic banks



Greek Banks Shareholder Structures (%)



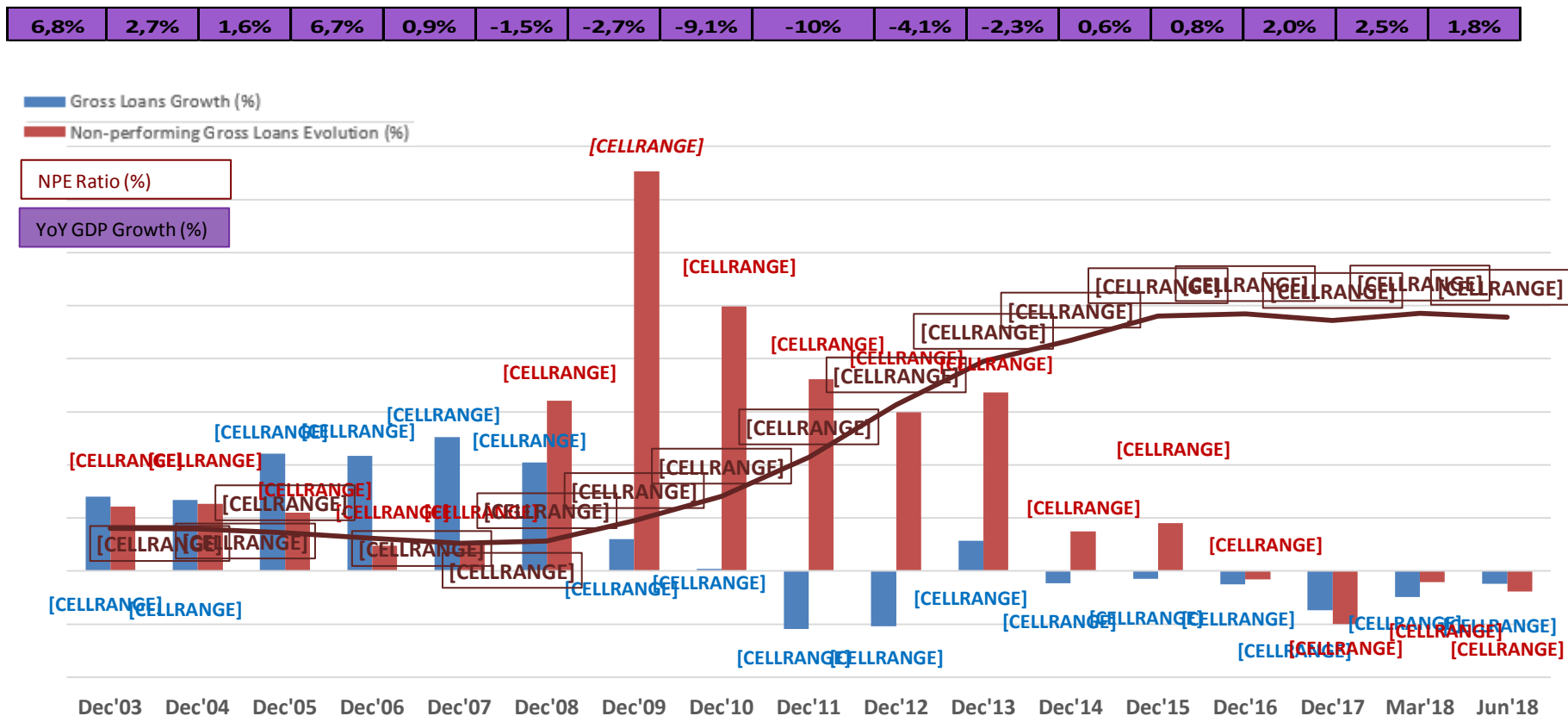
Source: Bloomberg, 17/09/2018

Source: Banks Corporate Presentations, Financial Statements.

1. Pro-forma ratio, thus adjusted for the Risk Weighted Assets relief from the capital plan actions (i.e. the sale of the 2 NPE portfolios (Amoeba and Arctos), Albania, Bulgaria and other disposals (€1,6bn in total) 14,2%.
2. Up to 31/03/2018 the total amount provided by the Fund to cover funding gap reached the amount of € 13,489mn, out of which € 656mn were recovered and € 11,182m were assessed as non-recoverable.
3. As of November 2018, VES has exceeded 500 employees. Only round figures were provided in the Group's 3Q Financial Results' presentation.
4. Excludes Ethniki Insurance, SABA and BROM employees. Only round figures were provided in the Group's 3Q Financial Results' presentation.

# Greek Banking sector's asset quality profile

Evolution of Gross Loans' against Non performing volumes' evolution (%)



Sources: Hellenic Statistical Authority GDP (Seasonally and calendar adjusted figures) & BoG data on Loans & NPLs/NPEs

Comments

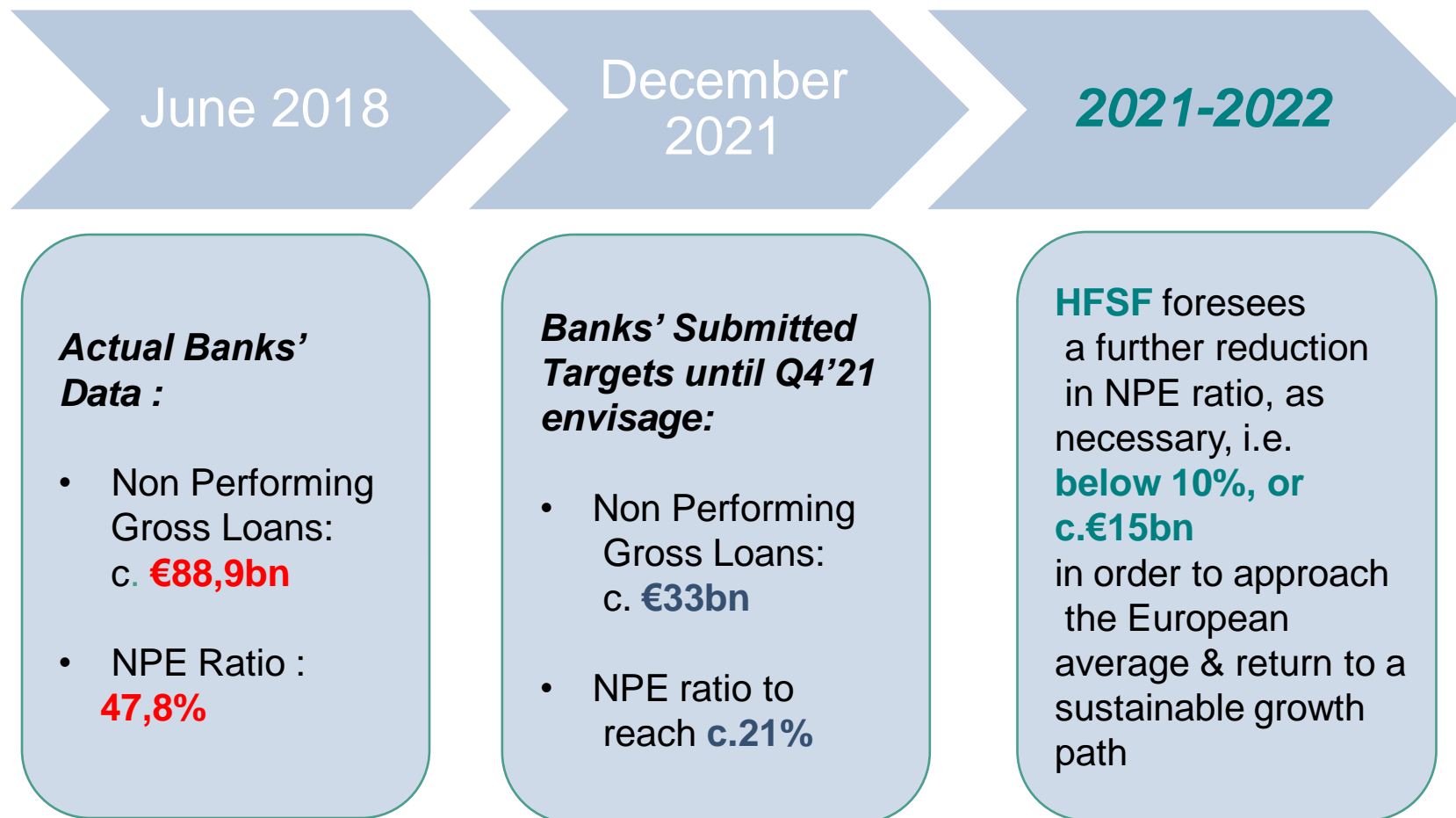
- All items are on solo basis and refer to on-balance sheet gross loans and advances of Greek commercial and cooperative banks.
- For 2014 onwards, the source is data from banks' submissions according to Act 42/2014 (as applicable) and European Banking Authority (EBA) rules and definitions.
- For 2002 - 9M 2014, the source is data from banks' submissions according to Act 2442/1999 with the following assumption:
  - Non-performing loans include also loans that have been restructured over the past 12 months.
- Balance changes between some quarters may be affected by the restructuring of the Greek banking system (resolution of banks, sale of foreign branches e.t.c.)
- All items refer to on-balance sheet loans and advances, in consistency with the operational targets for the reduction of non-performing loans. For that reason, balances and indicators may differ from previously published figures, where off-balance sheet items were also included in the perimeter.

---

## 2 HFSF's vision for Greek Banks regarding NPL burden



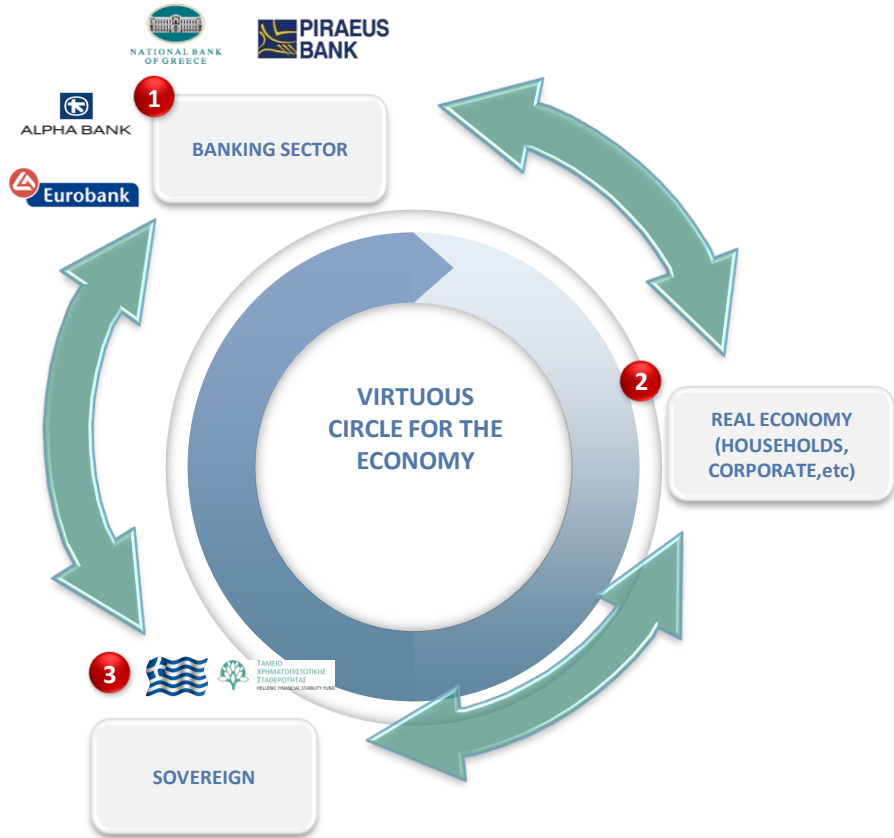
## HFSF's view on NPL/NPE resolution 2021-2022



### 3 Levers to support the real economy



# Issues to Be Addressed to Enable Greek Banks to Break the Virtuous circle & Fuel the Greek Economy



## 1 THE RETURN OF GREEK BANKS TO SUPPORT THE GREEK ECONOMY

- Continue to pursue **NPE reduction**, employing **internal & external** solutions
- Promote **business models transformation** by reinventing their **customer engagement model**
- Boost **competitiveness** by becoming **digital for operational & cost efficiency**
- Endorse **holistic** balance sheet management

## 2 A KEY MILESTONE IN THE RECOVERY OF THE GREEK REAL ECONOMY

- **Greek SME/corporate borrowers** with debt trouble refocus on business expansion and employment creation
- **Restructure retail loans (especially SBBs & Mortgages)** to fuel the consumption and generate GDP growth

## 3 POSITIVE IMPACT ON SOVEREIGN

- **Improvement of the real economy and accompanying indicators**
- **Promote sustainable growth, value creation & financial stability**

*Thank you*

Q & As

In case you require any further information, do connect with us:

- **Dr. Martin Czurda**  
Chief Executive Officer  
T : +30 215 5606 910  
[mczurda@hfsf.gr](mailto:mczurda@hfsf.gr)

- **Ilias Xirouhakis**  
Executive Board Member  
T : +30 215 5606 912  
[ilias.xirouhakis@hfsf.gr](mailto:ilias.xirouhakis@hfsf.gr)

