

Finansbank Overview with Q3'13 Financial Results

Investor Relations
November 2013



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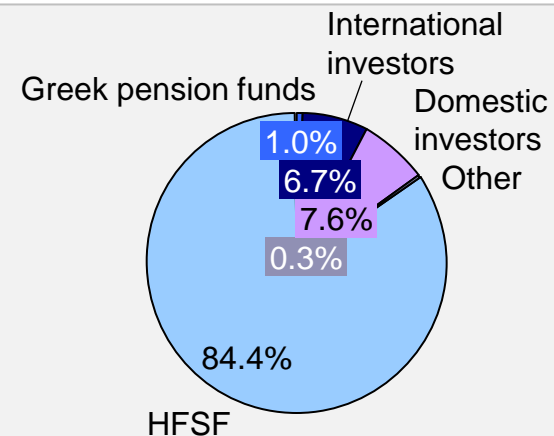
The NBG Group

Corporate information

- The National Bank, with dominant presence in the Greek banking market and strong profile in SE Europe and the Eastern Mediterranean, leads the largest and strongest financial group in Greece
- The Group operates in 12 countries and controls, apart from NBG, 9 banks and 58 companies providing financial and other services, with a workforce of 35,078 employees. It has the most complete network in Greece with 511 branches and 1,348 ATMs (data as of 31/12/2012)
- The NBG Group is the first Greek financial group to successfully float its stock on the New York Stock Exchange, the world's principal capital market

Ratings and shareholder structure (30.06.2013)

	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
• Long-term	Caa2	CCC	B-
• Short-term	NP	C	B
• Financial strength/ Viability	E		b-



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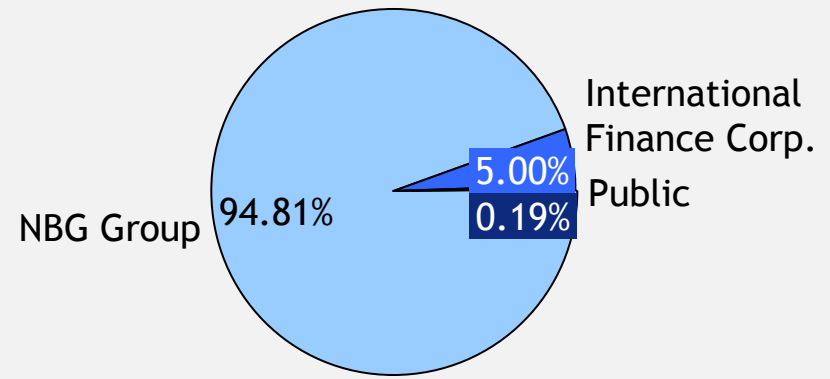
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At a glance

Ratings and shareholder structure

Foreign currency	Moody's	Fitch	CI
• Long-term	Ba2	BBB-	BB+
• Short-term	NP	F3	B



Corporate information

- Turkey's 5th largest private bank with USD 31bn of assets*
- Highest capital adequacy ratio among peer group private banks at 17.7%
- Tier 1 ratio is at 13.2%

(Million)	
Paid-in capital	TRY 2,700 (USD 1,327)
Shareholders' equity	TRY 7,497 (USD 3,686)

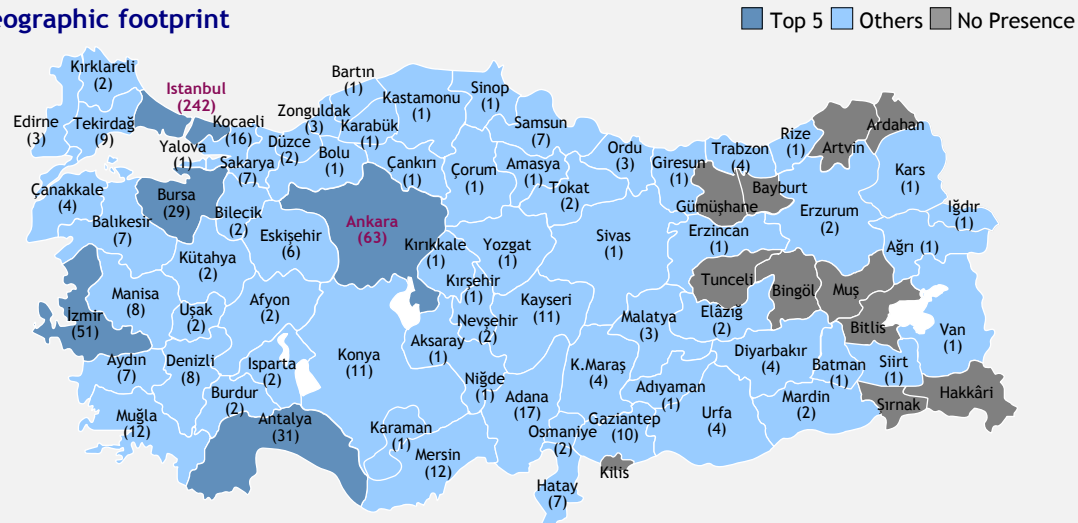
* According to bank only data

Efficient branch network

- Comprehensive network covering 97% of GDP
- One of the youngest networks: 6.8 years average age
- High branch efficiency: TRY 35.5mn retail loans per branch

	2009	2010	2011	2012	Q3'13
Corporate	8	4	4	4	4
Commercial	53	5	0	0	0
Retail	251	0	0	0	0
Consumer	99	1	0	0	0
Joint Branch	0	446	479	569	645
In-store	6	11	7	5	4
Collection points	41	32	29	0	0
Free Trade Zone	1	1	1	1	1
International	1	1	1	1	1
Mobile	1	1	1	1	1
Enpara	0	0	0	1	1
Wealth Banking	0	0	0	0	1
Total	461	502	522	582	658

Geographic footprint



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Q3'13 financial highlights

B/S

- Total assets expanded to TRY 63bn, growing 16% since the beginning of the year
- Net loans increased 14% to reach TRY 42bn, mainly due to the continued aggressive growth in SME loans
- Securities increased 10%, constituting 13% of assets
- Customer deposits expanded by 15%, mainly as a result of the rapid increase in TRY demand deposits

P&L

- Net interest income rose 18% when compared to Q3'12, while provision expenses increased 39%
- Net fees and commissions income stayed flat at TRY 769mn, indicating some normalization compared to last year's aggressive growth
- Operating expenses increased 33% mainly due to the addition of 128 new branches during the 12 month period
- Net income reached TRY 627mn, registering a 5% contraction compared to Q3'12 figure due to contracting margins

Solid financial performance

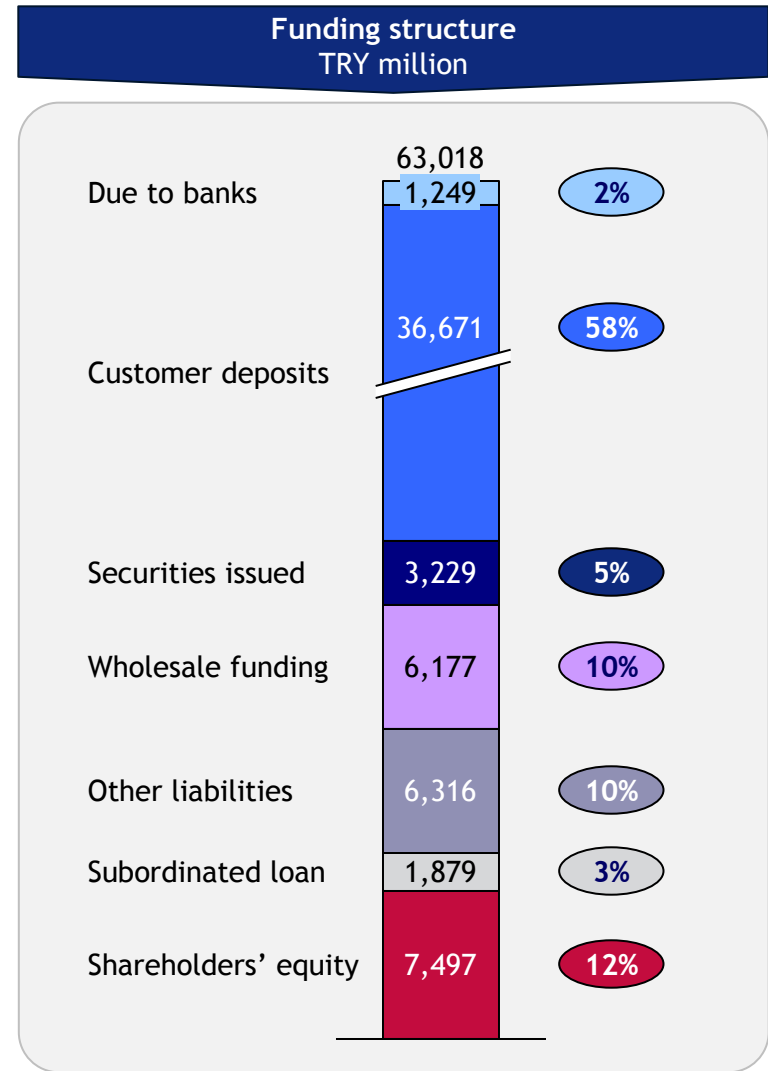
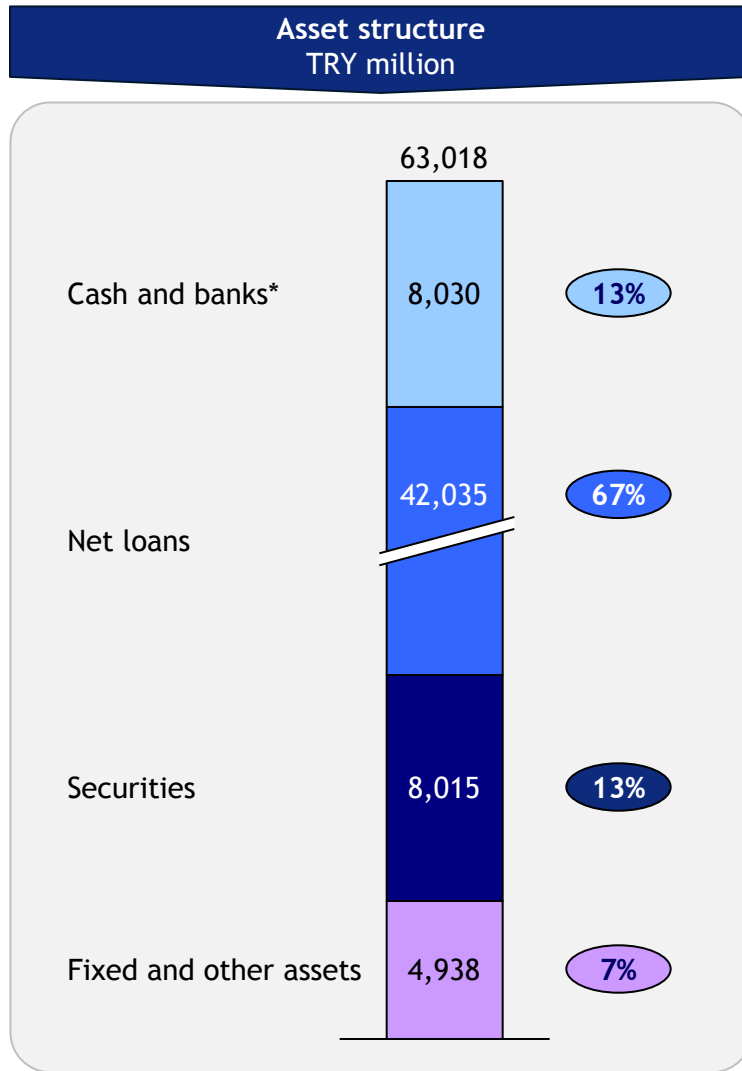
B/S

	2012		Q3'13	
	USD million	TRY million	USD million	TRY million
• Total assets	30,518	54,402	30,979	63,018
• Securities	4,101	7,310	3,904	8,016
• Loans, net	20,640	36,793	20,664	42,035
• Customer deposits	17,881	31,874	18,027	36,671
• Funds borrowed & issuances	4,626	8,247	4,065	8,269
• Shareholders' equity	4,109	7,325	3,686	7,497

P&L

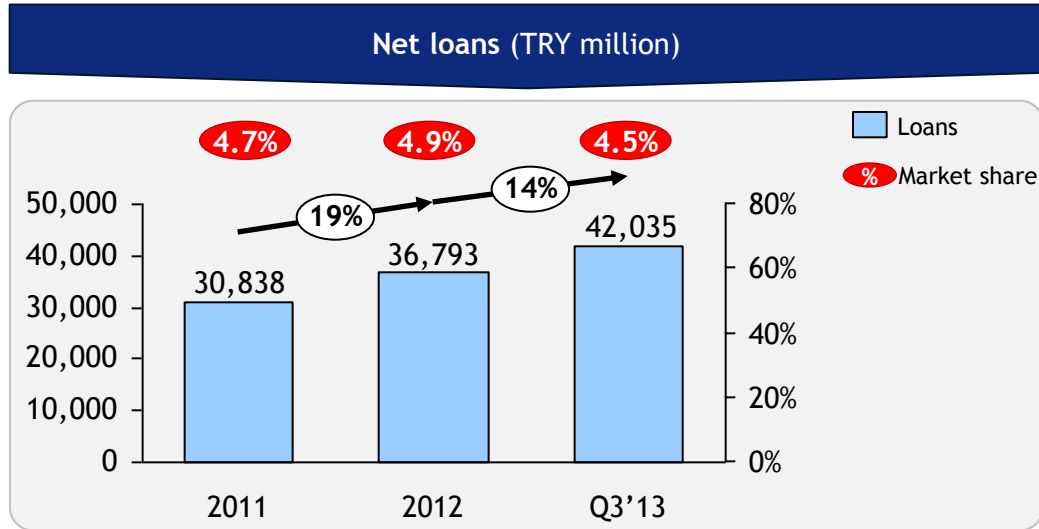
	Q3'12		Q3'13	
	USD million	TRY million	USD million	TRY million
• Net interest income	1,162	2,072	1,197	2,435
• Provisions	(319)	(569)	(388)	(789)
• Adjusted NII	843	1,503	809	1,646
• Net fees and commissions	430	767	378	769
• Opex	716	1,276	834	1,697
• Net Income	370	660	308	627

Loan driven business model with diversified funding

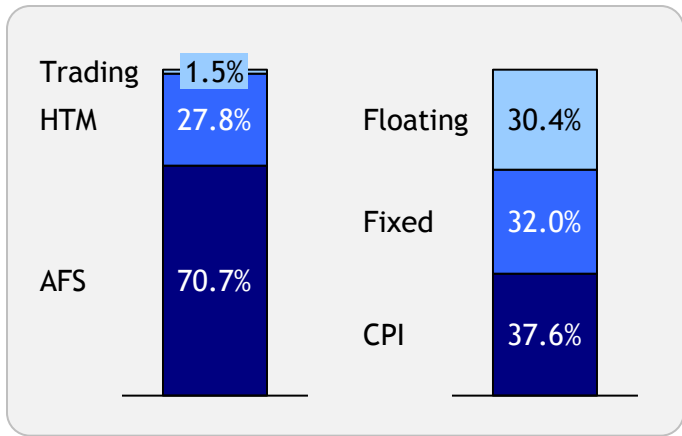


* Including MMS

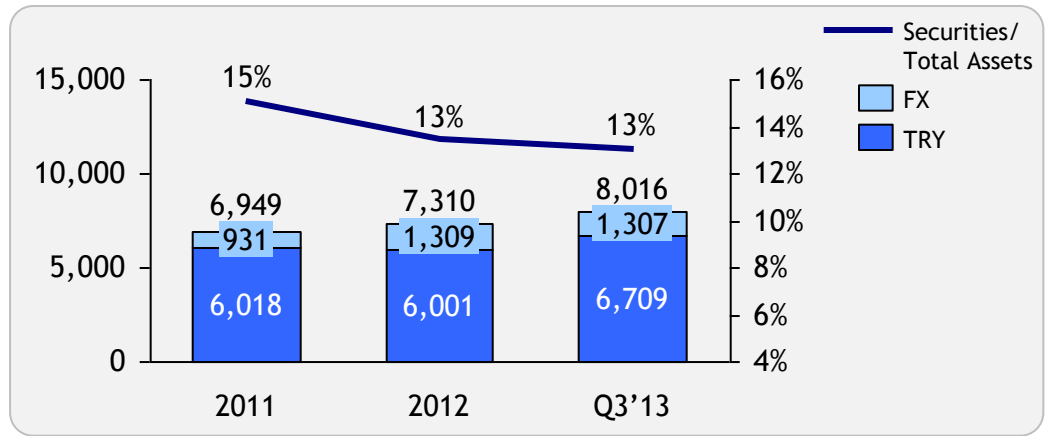
Focus on real banking



Securities breakdown



Securities/Assets (TRY million)



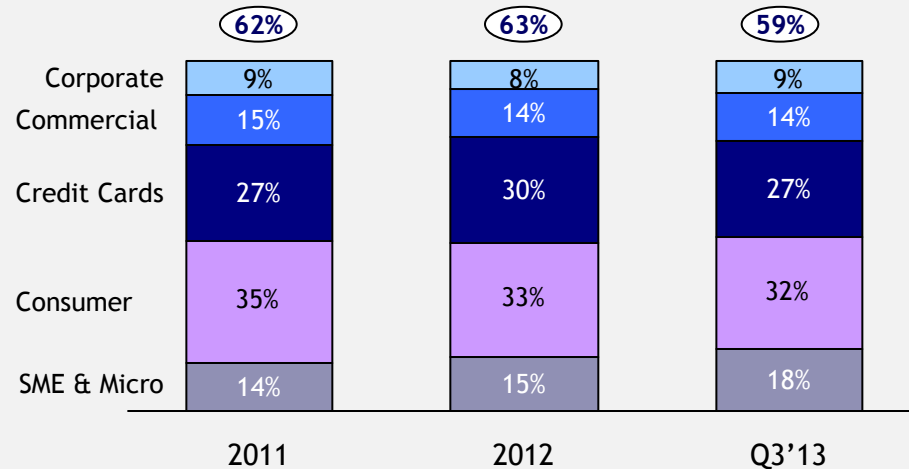
Significant presence in high margin segments

CC + Consumer

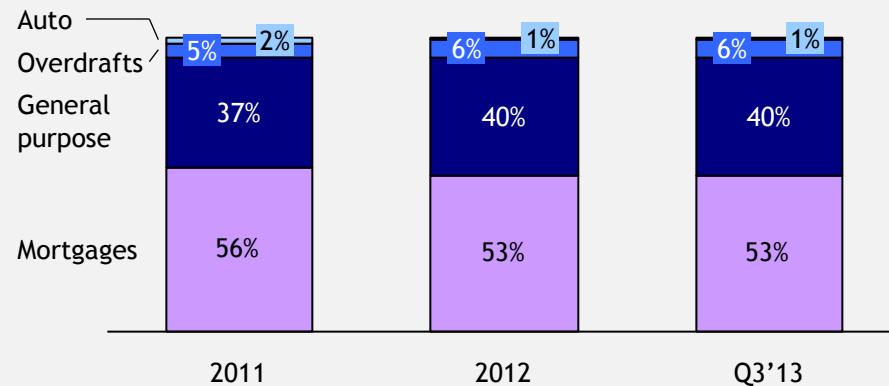
Business segmentation (By annual turnover)

- Corporates
> TRY 100mn
- Commercial companies
TRY 20mn-100mn
- SME
TRY 2mn-20mn
- Micro
< TRY 2mn

Loan breakdown



Retail loans

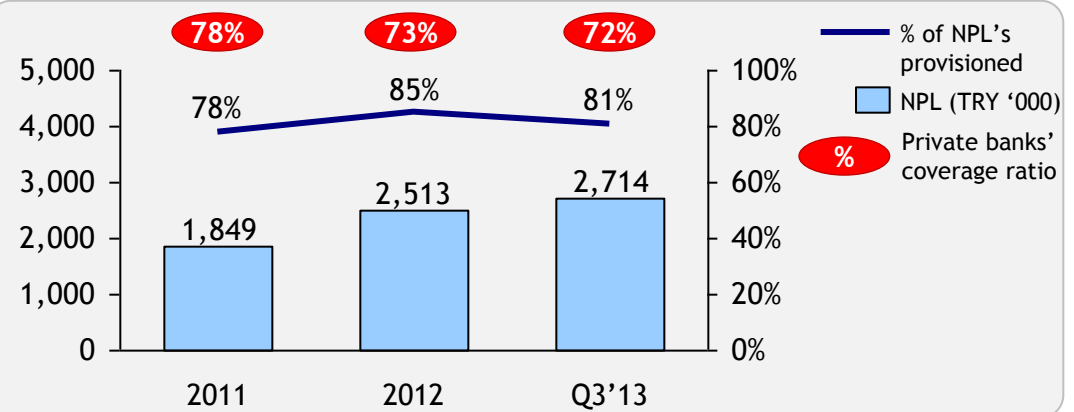


- General purpose loans make up 40% of retail loans
- Mortgage loan growth slowing in line with the strategy of the Bank

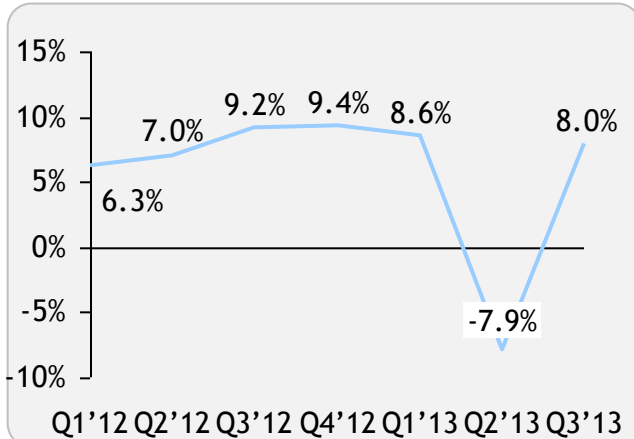
Higher coverage for better risk management

- TRY 768mn reserved in general provisions
- TRY 107mn in general provisions spared for possible loan losses
- Very limited loan write-off of TRY 6.5mn in 2011 and TRY 5.1mn in 2012
- Total NPL sale of TRY 786mn since Sep'11

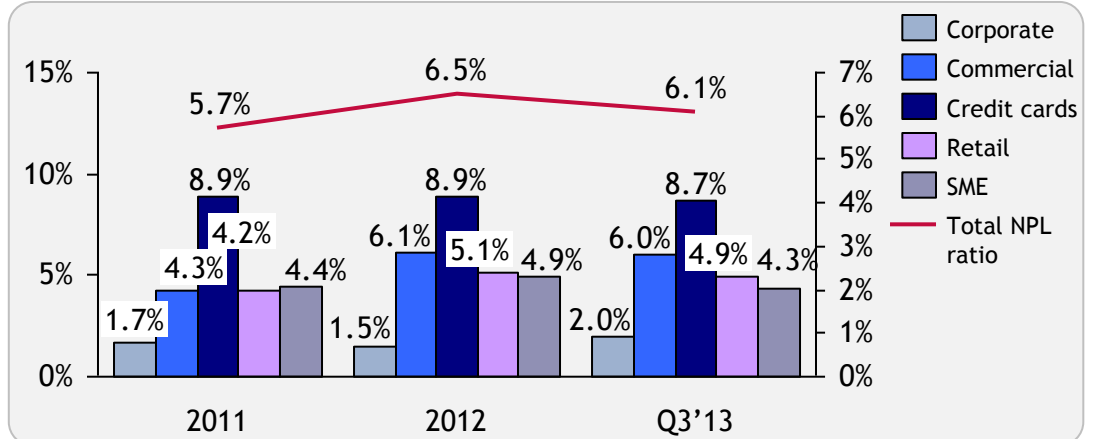
NPL provisioning



Change in NPLs



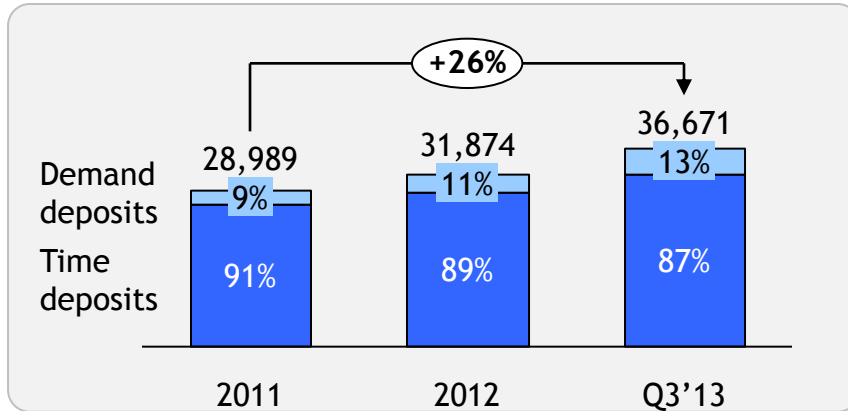
NPL ratio by segments



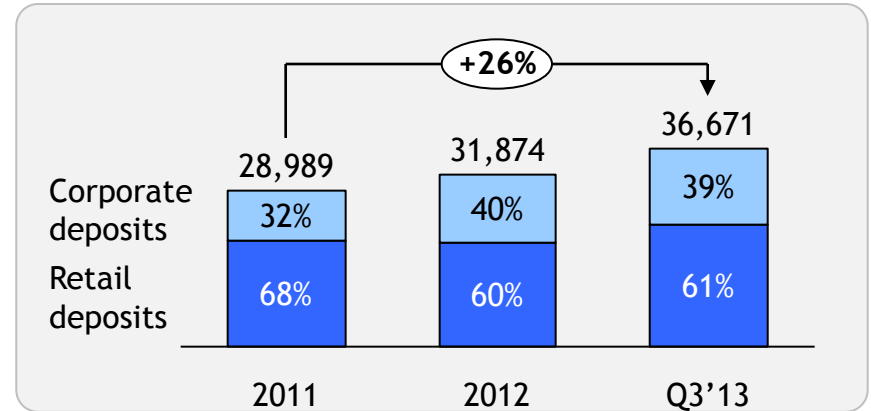
Growing deposit base

TRY million

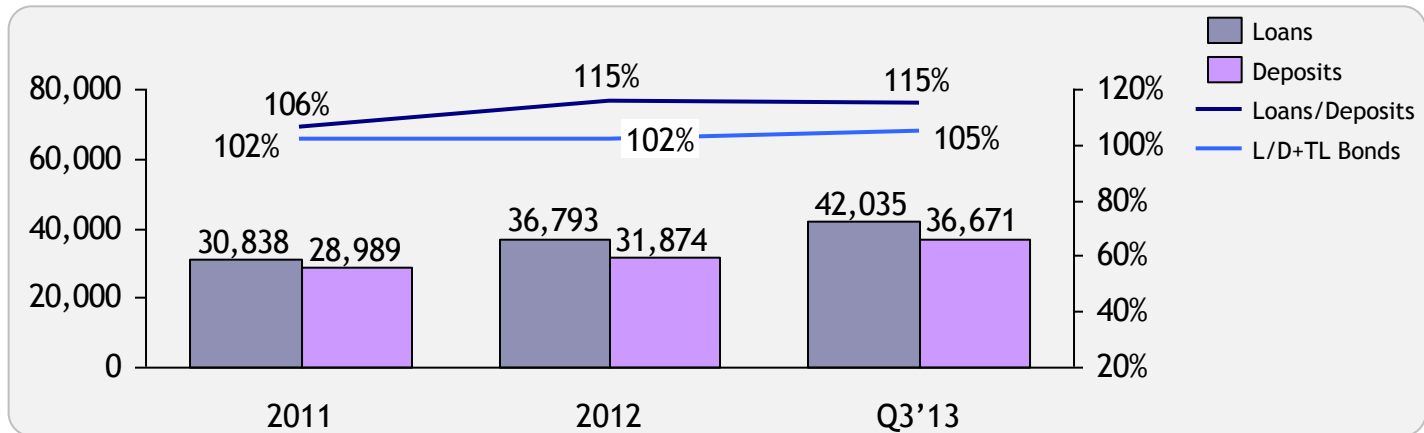
By type



By segment



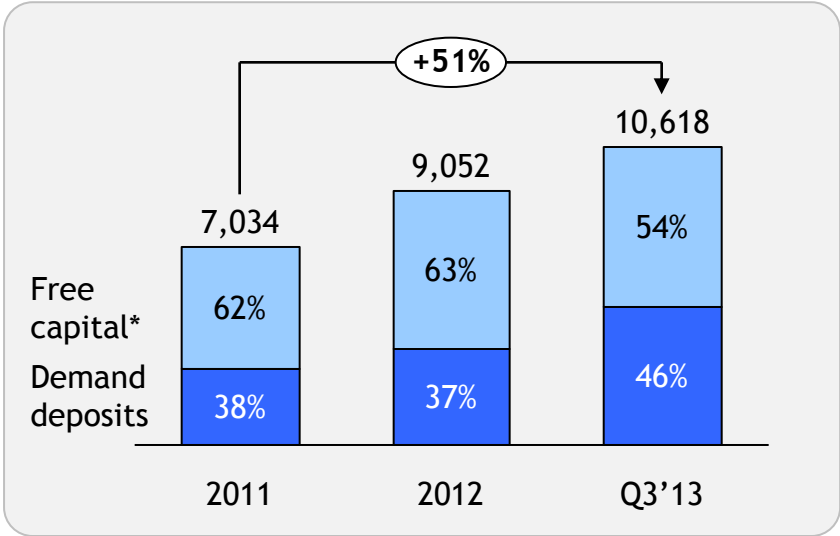
Loans/Deposits



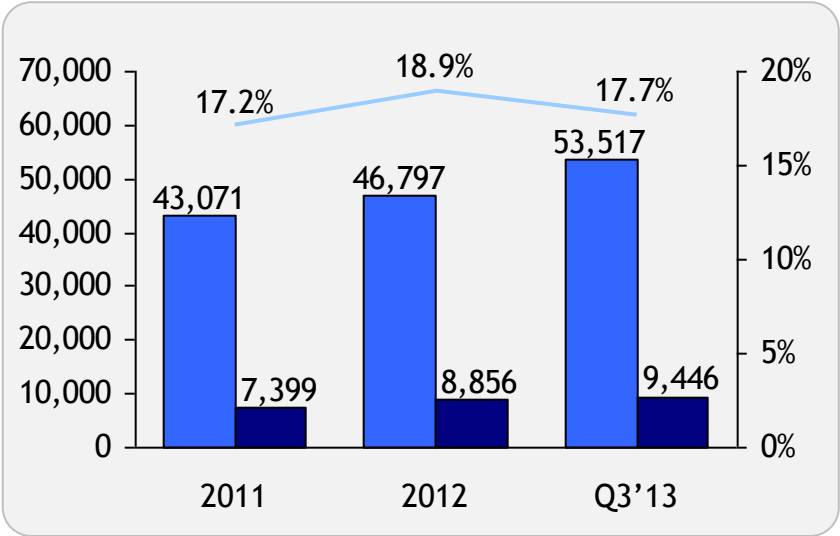
Strong capital and high liquidity

■ RWA+Market risk+Operational risk
■ Total Tier I and Tier II capital
— CAR

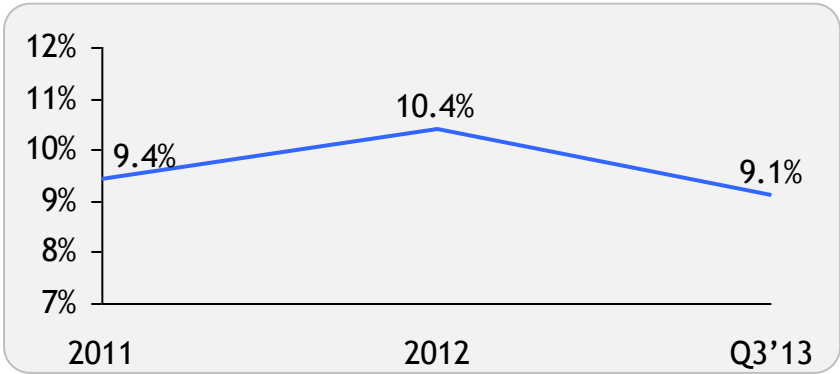
Free funds (TRY million)



Capital adequacy ratio (TRY million)



Free capital / Assets

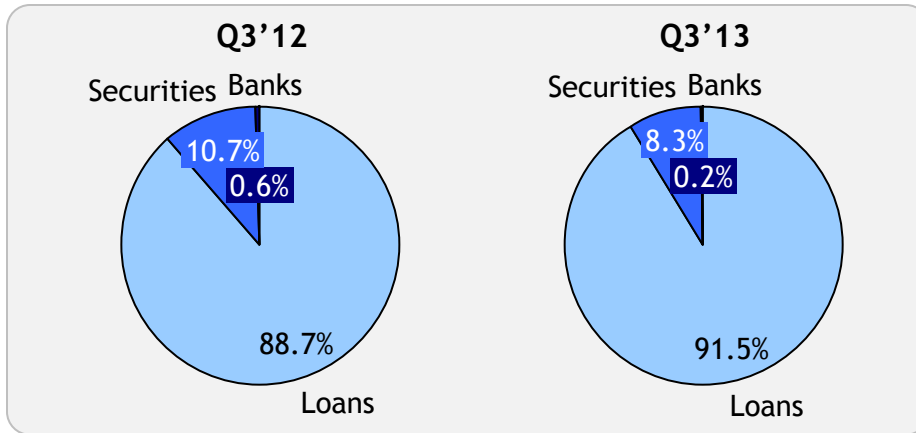


- The new Basel II compliance initially helped increase Finansbank's CAR by 110bps
- Tier 1 ratio is at 13.2%

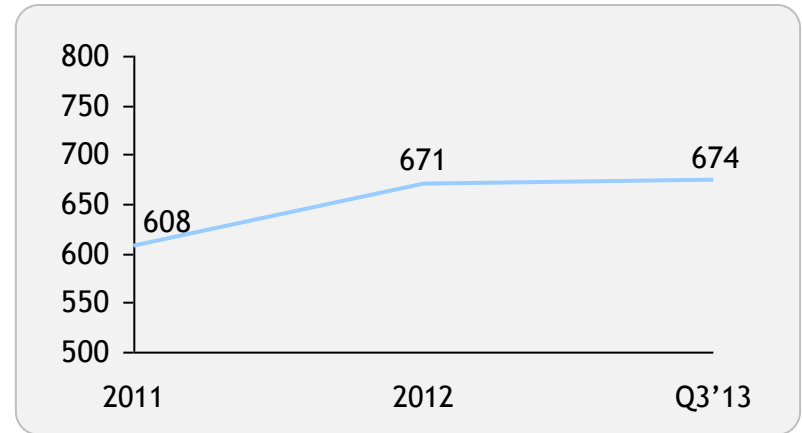
* Free capital = Shareholders' Equity - (Subsidiaries + Fixed Assets + Unprovisioned NPL)

High margins with strong fee income growth

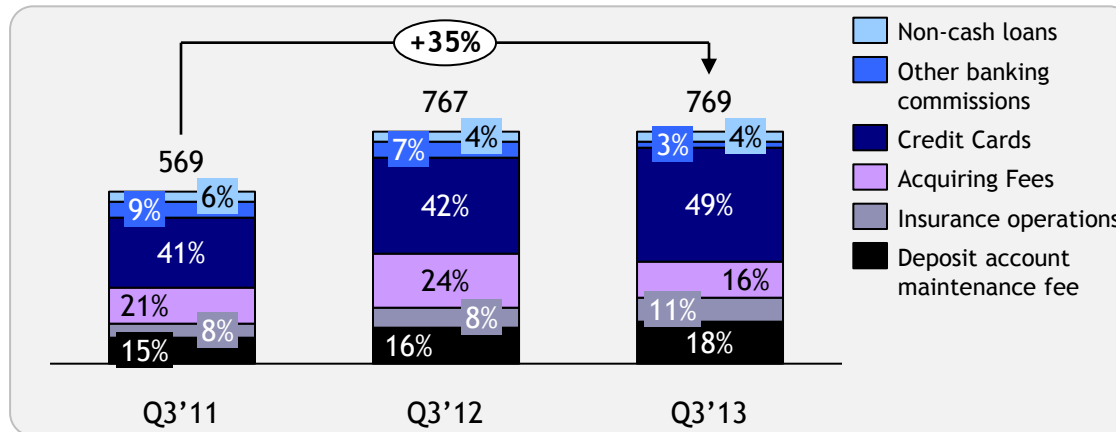
Breakdown of interest income



NIM evolution (bps)

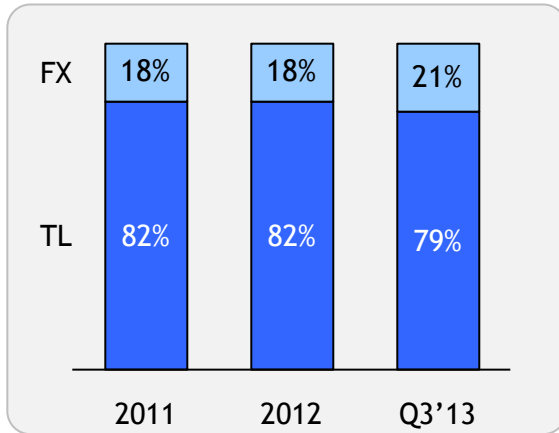


Breakdown of net fee income (TRY million)

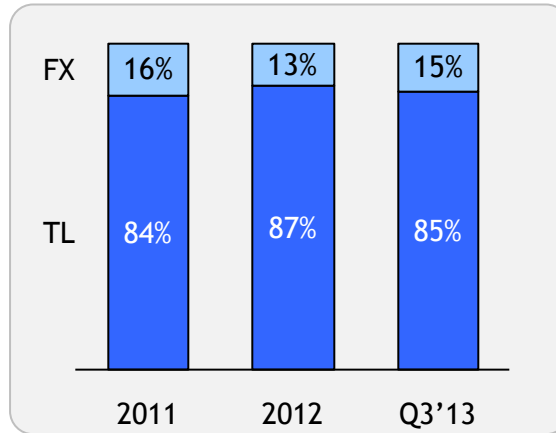


TRY dominated balance sheet

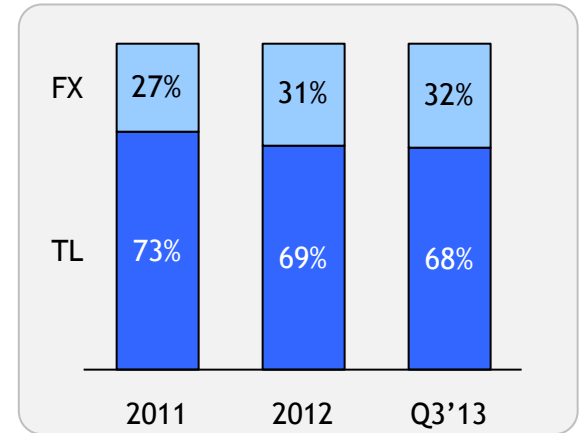
Currency breakdown; Assets



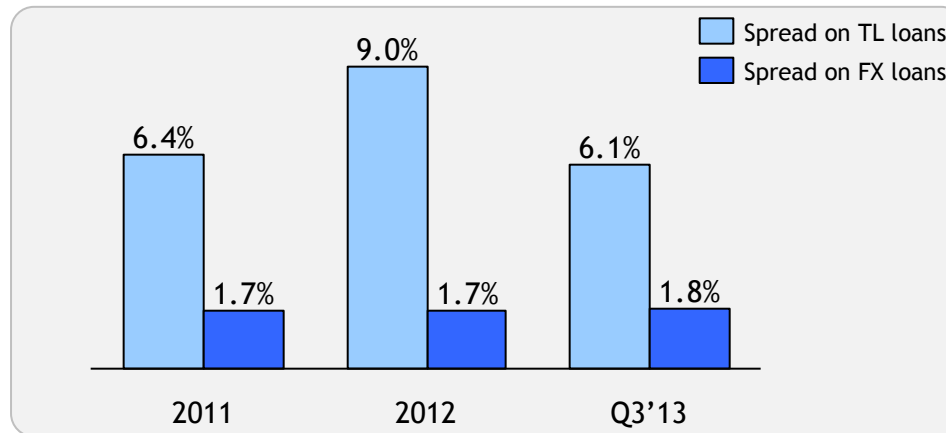
Currency breakdown; Cash loans



Currency breakdown; Deposits



Impact of TRY on asset profitability*



* Margins calculated by the deduction of last months time deposit rate from term-end loan book yield

Borrowings and issuances

Type of borrowing	Maturity		Outstanding principal Million	Tenor Years
DPR Securitisation	February 2015	USD	1	5
Syndicated Term Loan USD Tranche	November 2013	USD	188	1
Syndicated Term Loan EUR Tranche	November 2013	EUR	212	1
TRY Bond	November 2013	TRY	578	0.25
TRY Bond	December 2013	TRY	525.4	0.5
TRY Bond	December 2013	TRY	125	0.42
TRY Bond	April 2014	TRY	124.2	1
Eurobond	May 2016	USD	500	5
EIB	October 2017	EUR	54	7
Eurobond	November 2017	USD	350	5
DPR Securitisation	November 2017	USD	75	5
DPR Securitisation	November 2017	EUR	10	5
Subordinated Debt from NBG	October 2018	USD	325	10
Subordinated Debt from NBG	October 2019	USD	200	10
EIB	November 2019	USD	13	7
Subordinated Debt from NBG	December 2019	USD	125	10
Subordinated Debt from NBG	December 2021	USD	260	10
DPR Securitisation	November 2024	EUR	50	12

Source: Finansbank (11.11.2013)

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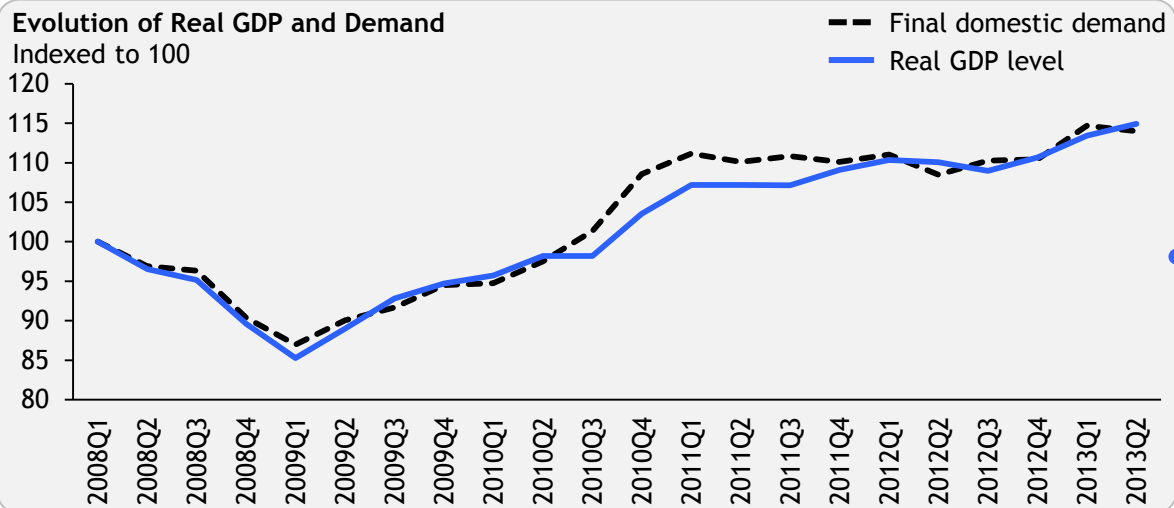
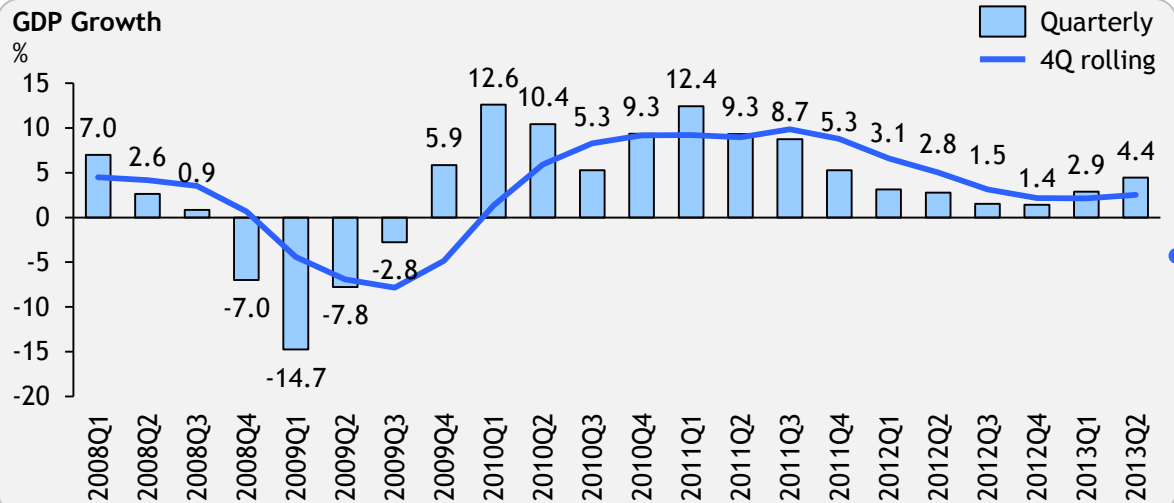
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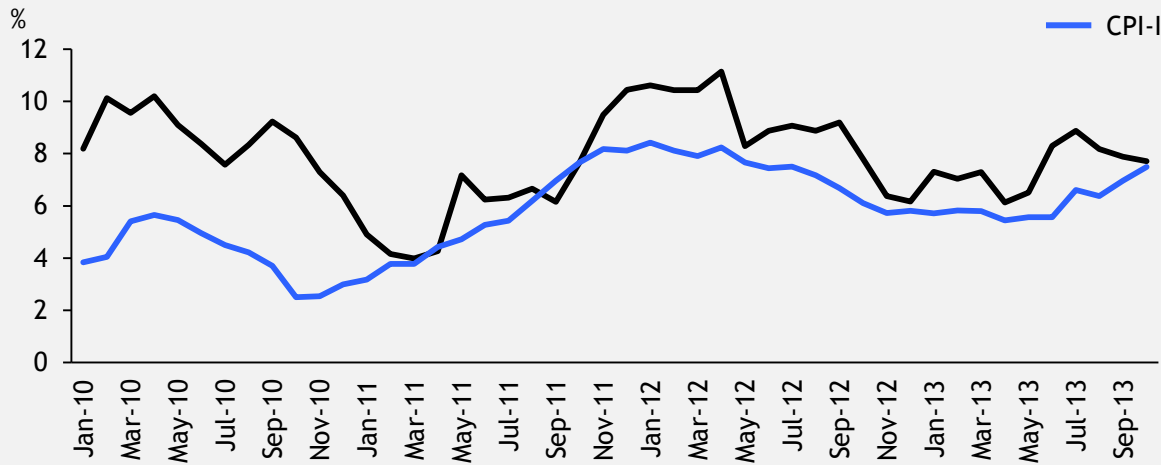
Economic activity



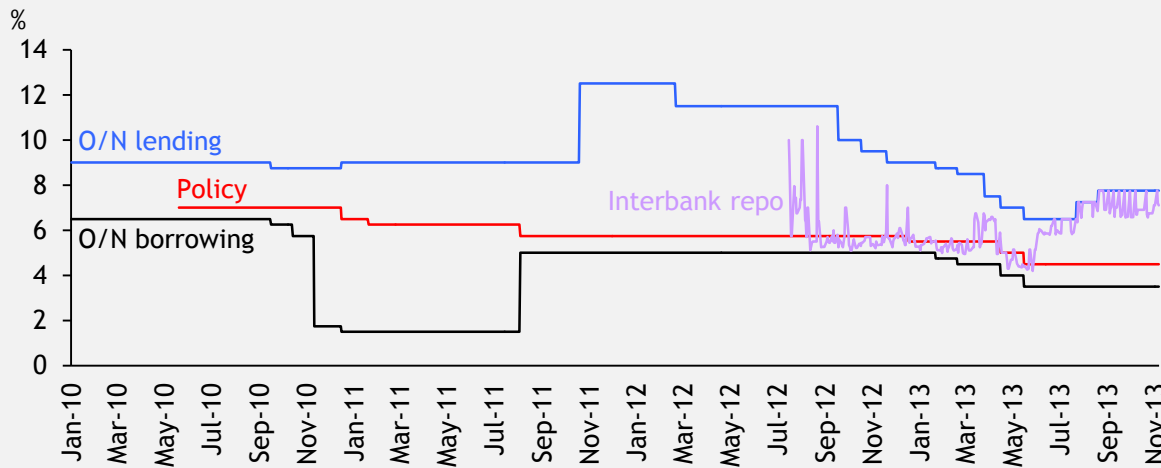
- Turkish economy went through substantial rebalancing in 2012 as domestic demand weakened on the back of tight monetary conditions. Current account deficit narrowed to 6% of GDP, down from 10% at the end of 2011; yet at the expense of a slower GDP growth. Consequently, full-year GDP growth rate stood at a meager 2.2%
- Both domestic demand and GDP growth has recovered at a moderate pace since the beginning of 2013. GDP grew by 2.9% YoY in 1st quarter and 4.4% in the 2nd quarter
- Leading economy indicators displayed robust performances in the 3rd quarter; thereby indicating continuation of the recovery. Pace of growth is likely to slow down in 4th quarter due to tighter financial conditions, yet we forecast 2013 FY growth rate at a still healthy 4%.

Inflation and monetary policy

Inflation Rate Evolution



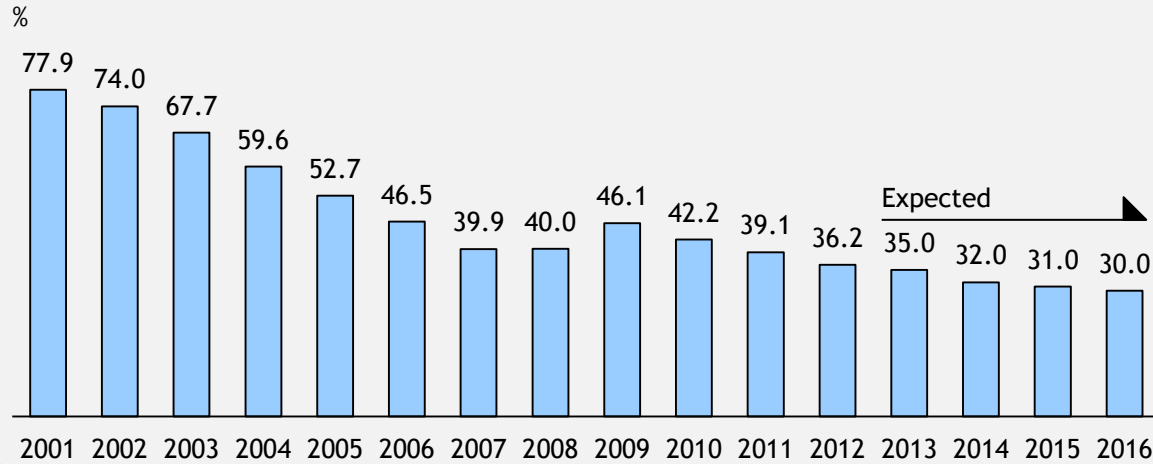
Interest Rate Evolution



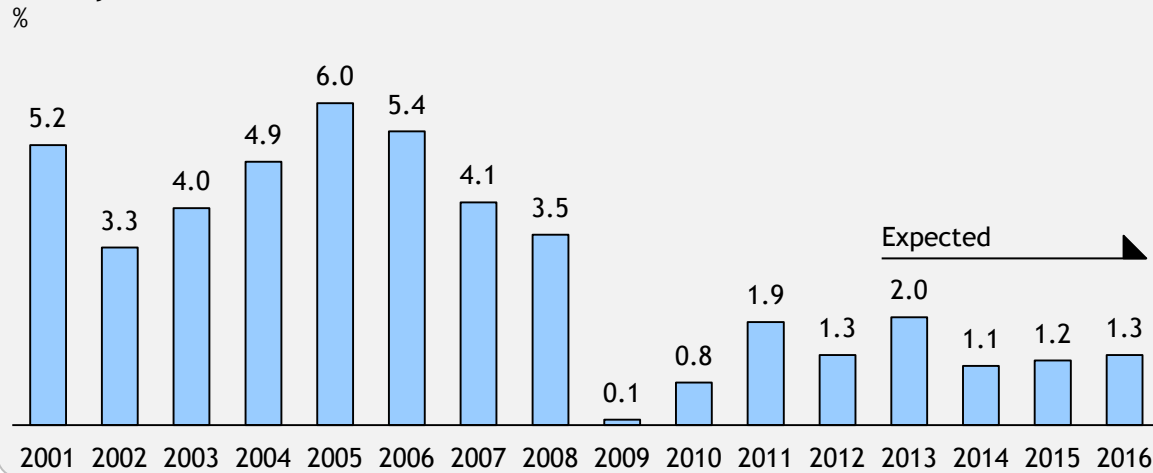
- Annual inflation rate hit 2013 low at 6.1% in April, before trending upward and reaching 8.9% in July, mainly on the back of the weakening in currency from mid-May onwards.
- Headline annual inflation has declined after July due to a favorable base effect in energy prices. Nevertheless, the deterioration of core inflation indicators has not been interrupted. The annual inflation rate of CPI-I index has increased to 7.49% in October, from the year-low at 5.44% in April.
- We see year-end inflation exceeding CBRT's current projection at 6.8% and standing at 7.8% with risks accumulating on the upside if depreciation pressures on TRY accelerate again.
- After delivering a series of rate cuts during early 2013 on the back of the strong capital inflows, CBRT revised these cuts partially, via O/N lending rate hikes in July and August in response to currency depreciation stemming from the upward adjustment in global interest rates.

Debt & deficit

Public Debt / GDP



Primary Balance / GDP



- Strong economic growth and commitment to fiscal discipline brought the gross public debt burden declined to 36.2% as of end-2012, from its peak of 77.9% in 2001.
- Despite smaller primary balances in recent years, the declining trend of public debt/GDP ratio has continued thanks to sufficiently high GDP growth and lower interest rates.

Key macroeconomic indicators

Monetary and Financial Indicators	Q3-2013	2012	2011
USD/TRY	2.0159	1.7840	1.8909
EUR/TRY	2.7291	2.3547	2.4498
Central Bank Policy Rate	4.50%	5.50%	5.75%
Interbank O/N Repo Rate (10-D MA)	6.7%	5.4%	11.4%
Benchmark Treasury Bond Yield	8.1%	6.0%	10.7%
CPI	7.9%	6.2%	10.5%
CPI Expectation (1-Y ahead)	6.3%	6.3%	7.2%
CBRT Gross FX Reserves (bn USD)	108.9	100.3	78.9

Macroeconomic Indicators*	Q3-2013	2012	2011
GDP**	819.9	785.7	774.0
GDP growth rate (constant TRY, YoY)**	2.5%	2.2%	8.8%
Exports	152.1	152.5	153.3
Imports	247.2	236.5	245.0
Merchandise Trade Balance	-95.1	-84.1	-91.7
Current Account Balance***	-56.7	-47.8	-54.1
Primary Surplus (bn TRY)	33.8	19.6	24.8

Banking System Indicators***	Q3-2013	2012	2011
Assets (bn TRY)	1,611.2	1,370.7	1,217.7
Loans to Assets	59.9%	58.0%	56.1%
Securities to Assets	17.6%	19.7%	23.4%

* The figures are 12-month rolling and measured in billions of USD unless stated otherwise

** The latest figures are as of Q2 2013

*** The latest figures are as of August 2013

Disclaimer

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