ΤΡΑΠΕΖΑ ΤΗΣ ΕΛΛΑΔΟΣ 1928

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EUROSYSTEM

Greek banking sector Achievements over the past decade*

Athens, 26 February 2026

**the views and opinions expressed in the presentation do not necessary represent the views of the Bank of Greece*

Brief retrospective

The twin deficits led to an acute sovereign debt crisis

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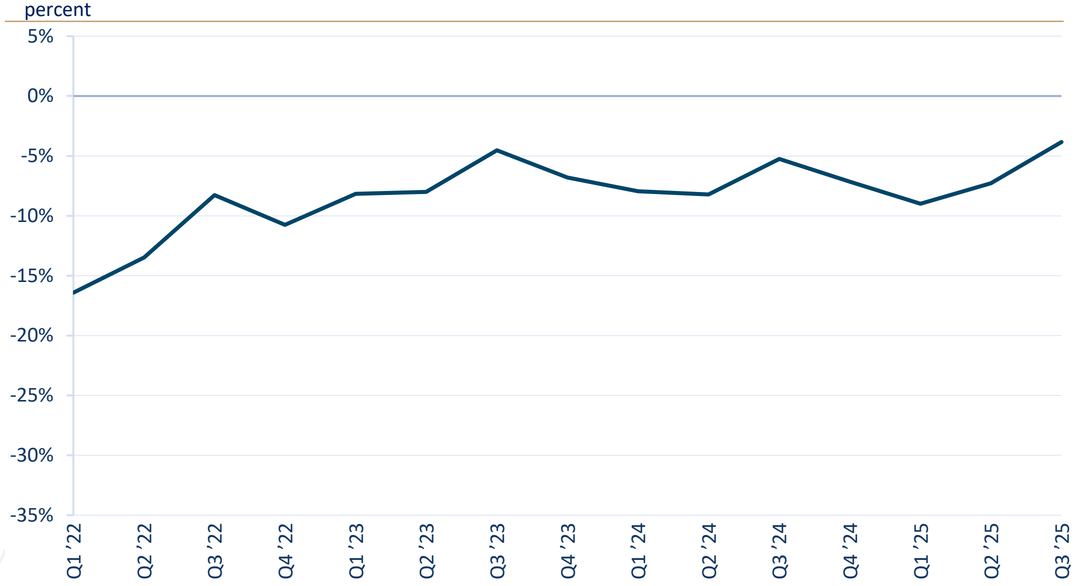
- Concerns over the country's debt sustainability and economic outlook led to a series of credit rating downgrades and loss of market access resulting in a severe and prolonged sovereign debt crisis. In 2015, the Greek government imposed a bank holiday and introduced capital controls to prevent a collapse of the banking sector.

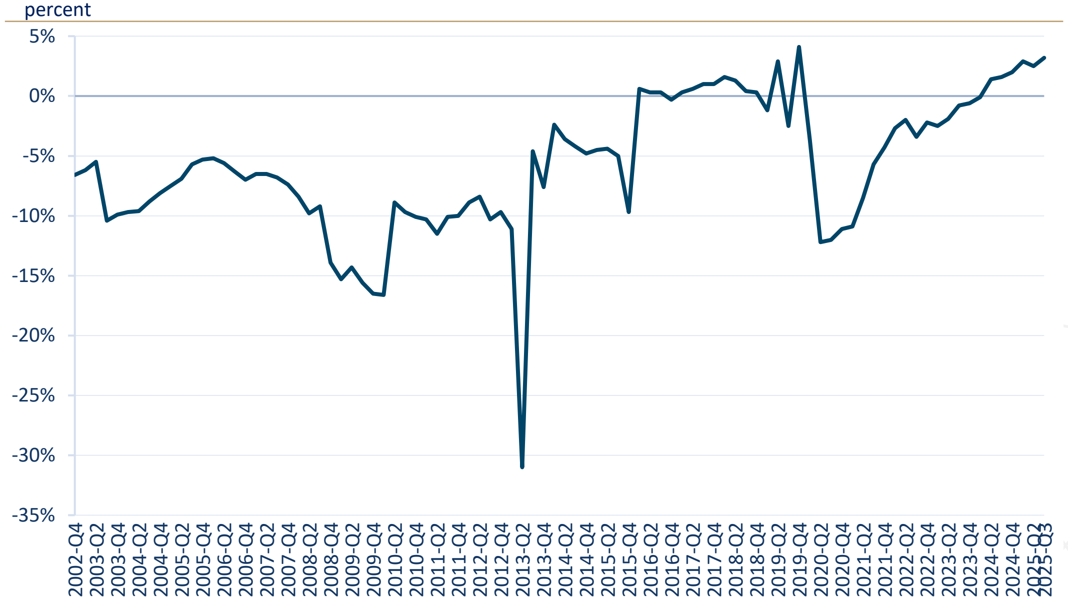
Current account balance as % of GDP



Source: BoG

Notes: twelve-month aggregates, neither seasonally nor calendar adjusted figures

General Government deficit/surplus as % of GDP



Source: Eurostat

Notes: seasonally and calendar adjusted figures

The acute sovereign debt crisis took its toll on Greek banks

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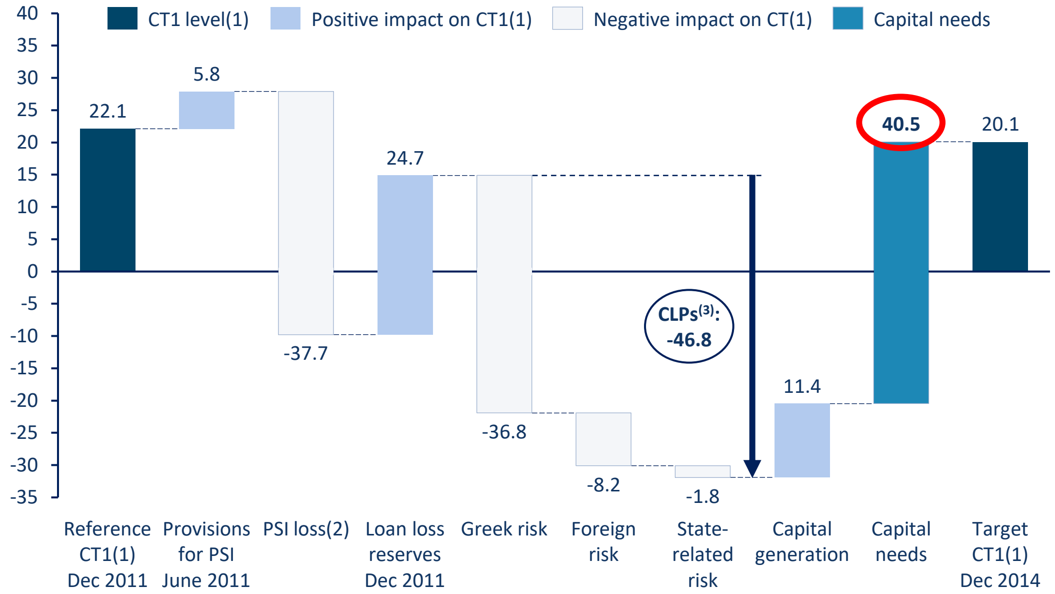
- Several rounds of recapitalisations along with the exit of non-viable players were necessary to restructure and recapitalise the Greek banking sector. Banks relied for a prolonged period on the ELA mechanism to address deposits outflows and the impaired access to the wholesale money markets.

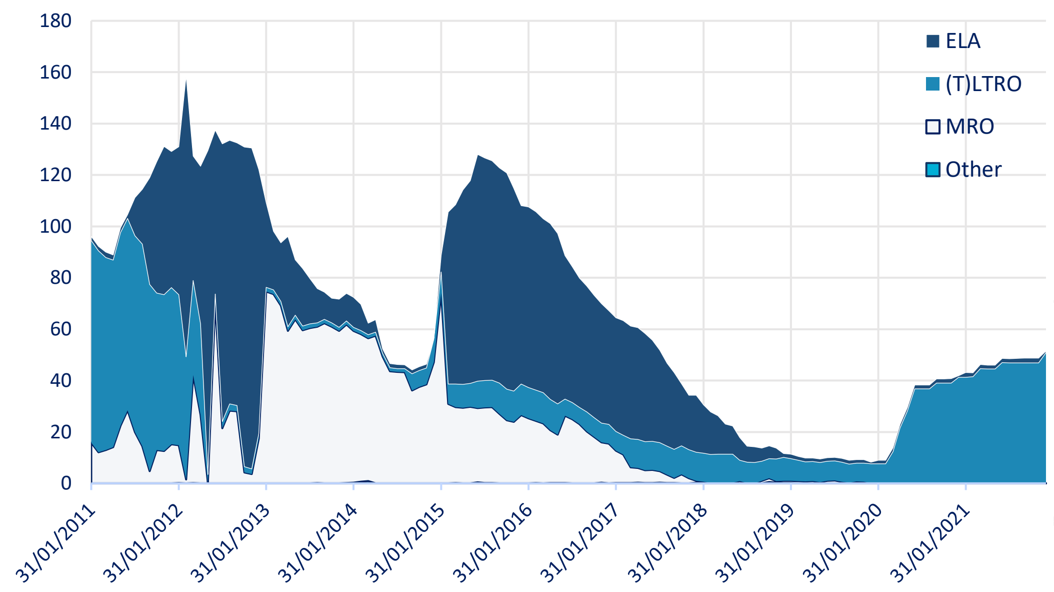
Capitals needs assessment - 2012



Source: BoG

Notes: (1) CT1: Core Tier 1, (2) Private Sector Involvement, (3) CLPs: Credit loss projections

Central bank funding to Greek banks



Source: BoG

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Achievements of the past decade

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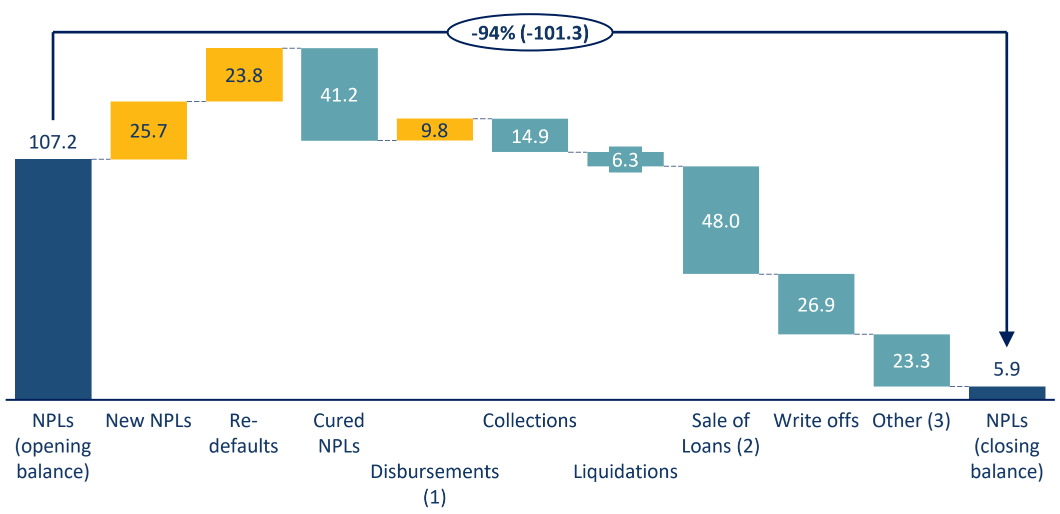
Impressive peak to date reduction of NPLs

- Since the peak of March 2016, the total reduction in the stock of legacy NPLs has reached 94% or €101 bn. Key driver for reduction has been the **Hellenic Asset Protection Scheme** facilitating securitisations amounting to c. €50 bn. As of September 2025, the NPL ratio on a solo basis stood at 3.6%.

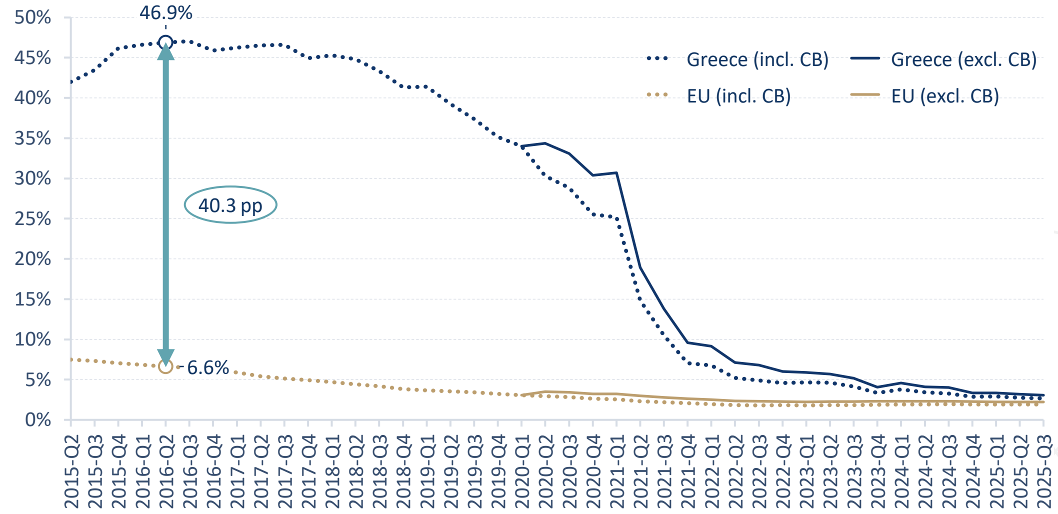
NPL flow March 2016 – September 2025



Source: BoG (supervisory reporting)

Notes: Individual basis. (1) Disbursements include *Purchase of Loans, Arrears Capitalisation and Accrued Interest,* (2) Sale of Loans includes *Transfer to Held for Sale,* (3) Other includes *Intragroup Transfer*

NPL ratio: SIs, Greece vs EU



Source: ECB

Notes: Consolidated basis

Significantly improved profitability in the past few years…

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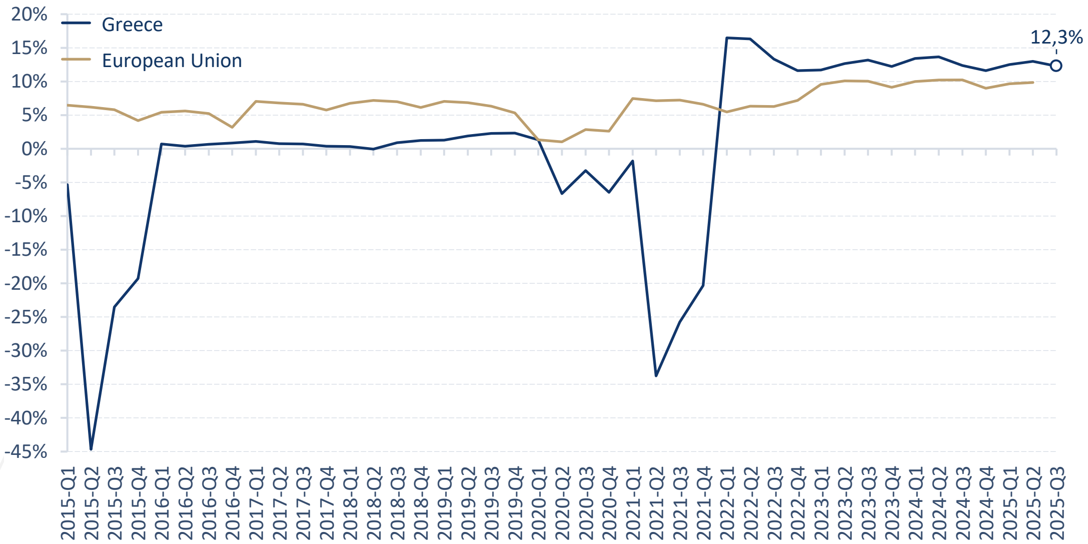
- **Return on Equity** currently at double digits after being negative or very low for several years. One of the lowest **cost-to-income ratios** in the EU, following cost containment actions, such as voluntary exit schemes and rationalisation of physical footprint.

Return on Equity (RoE): Greece vs European Union

Percent

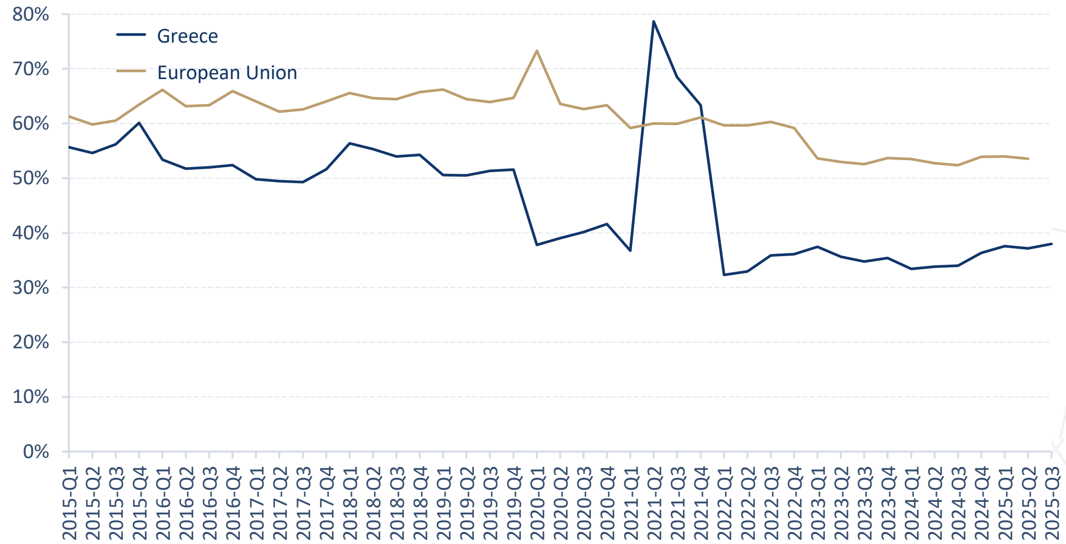


Source: ECB, BoG (supervisory reporting)

Notes: Consolidated basis

Cost-to-income: Greece vs European Union

Percent



Source: ECB, BoG (supervisory reporting)

Notes: Consolidated basis

…on the back of reduced CoR and high efficiency

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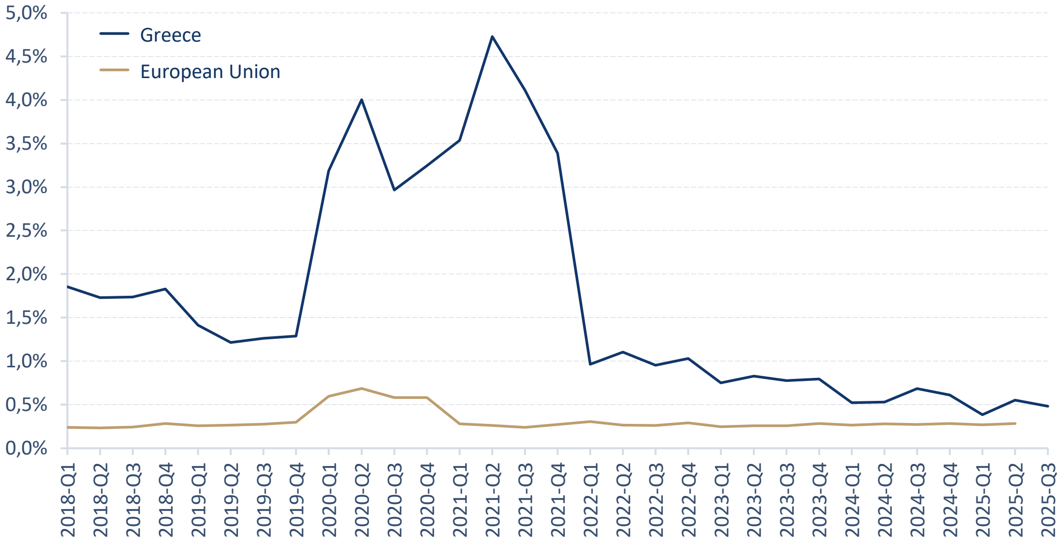
- After the clean-up of their loan portfolio, **cost of risk** of Greek banks declined approaching EU average.

Improved profitability is fueled by a strong **lending margin,** and lower **cost-to-income** than peers.

Cost of Risk (CoR) Greece vs European Union

Percent

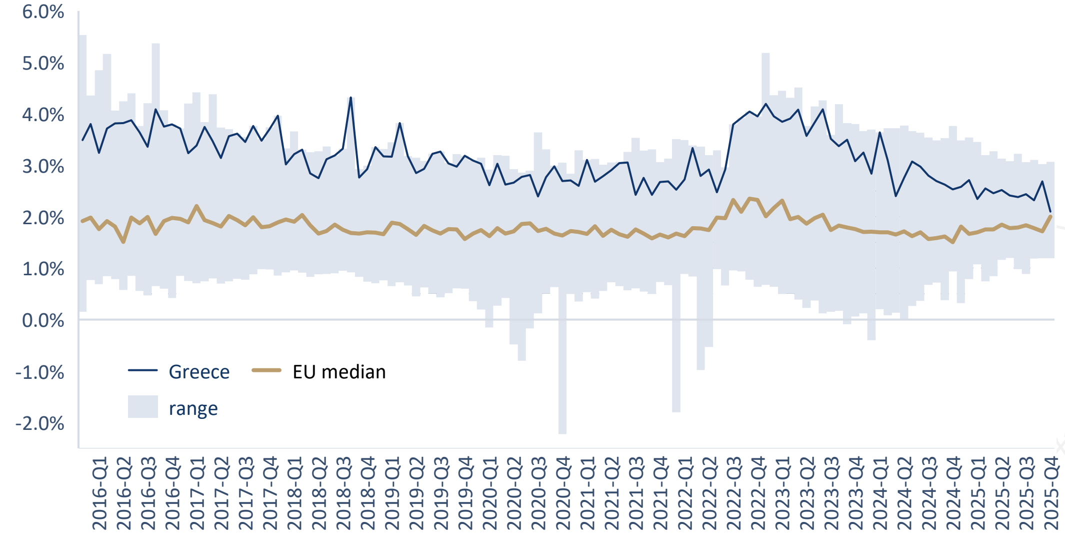


Source: ECB, BoG (supervisory reporting)

Notes: Consolidated basis

MFIs lending margins on new loans to households and NFCs

percent



Source: ECB

Notes: Individual basis

Also underpinning improvement in capital adequacy

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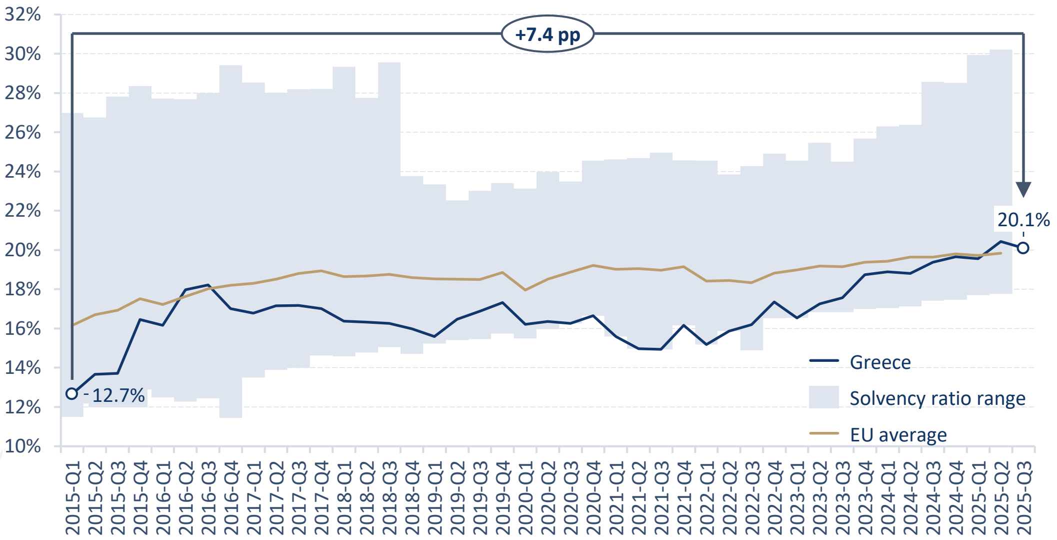
- **Capital adequacy** has improved significantly also on the back of capital accretive actions such as synthetic securitisations and issuance of AT1/T2 instruments. **TCR** reached 20.1%, well above supervisory demand. Accelerated prudential DTC amortization expected targeting DTC elimination 8-10 years earlier than 2041.

Total Capital Ratio (TCR): Greece vs European Union

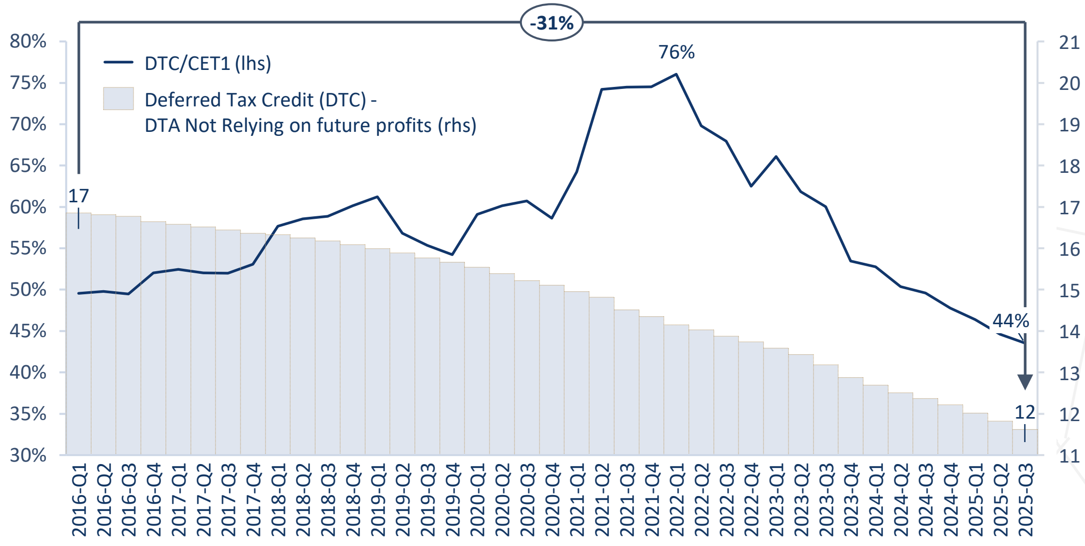
Percent



Source: ECB, BoG (supervisory reporting)
Notes: Consolidated basis

DTC over CET1

percent (lhs), € billion (rhs)



Source: BoG (supervisory reporting)
Notes: Consolidated basis

Credit expansion driven by the NFC segment

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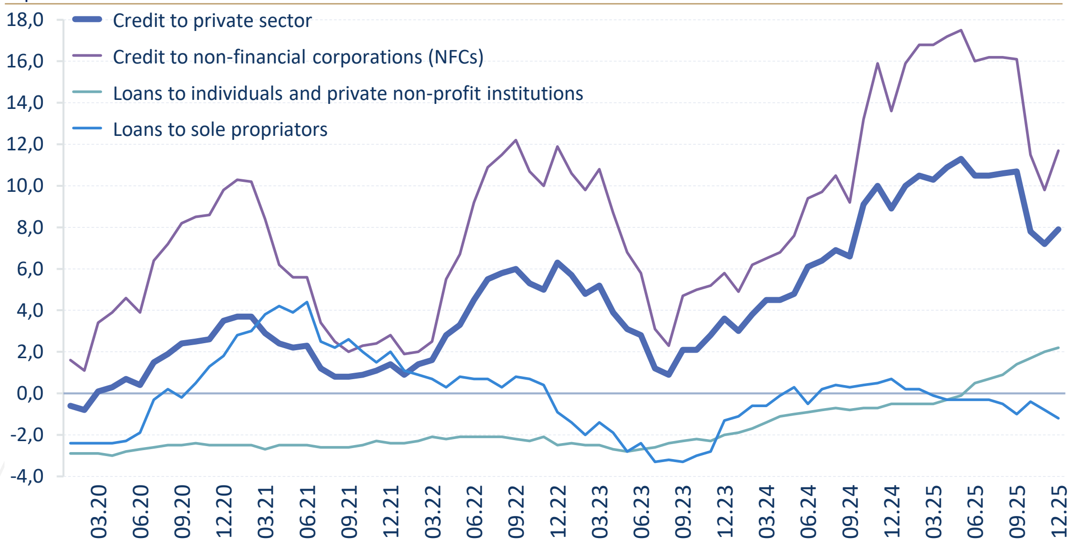
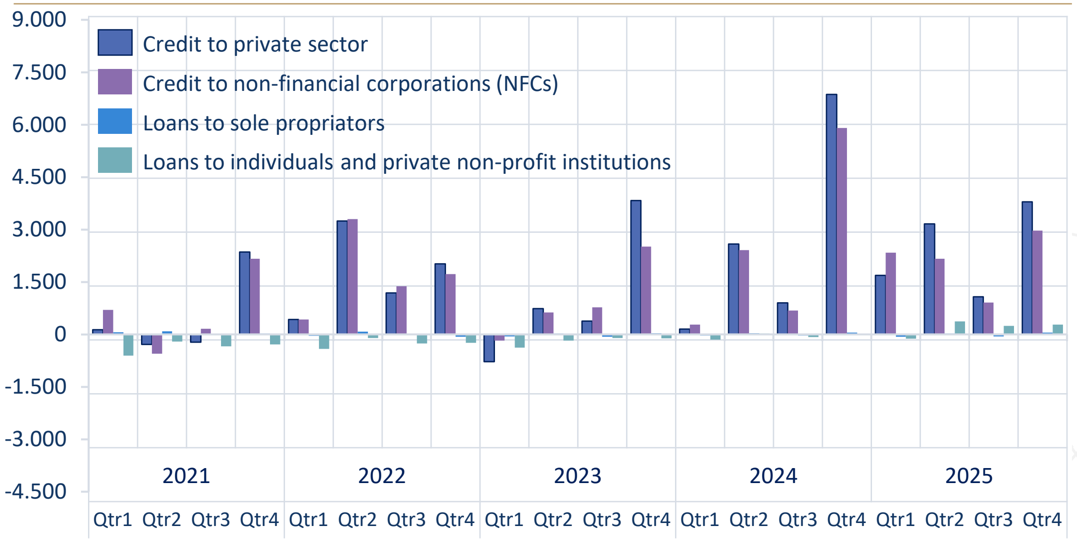
- Domestic credit growth focused on large non-financial corporates, inter alia thanks to Recovery and Resilience Facility (RRF) related lending. New lending to households turned positive in June 2025 after 15 years of deleveraging. International expansion through acquisitions contributes to inorganic business growth.

Annual growth rates of MFI loans to private sector



Source: BoG
Notes: individual basis

Net credit flows to domestic private sector by domestic MFIs



Source: BoG
Notes: Individual basis

Sustained market access and progress on MREL targets

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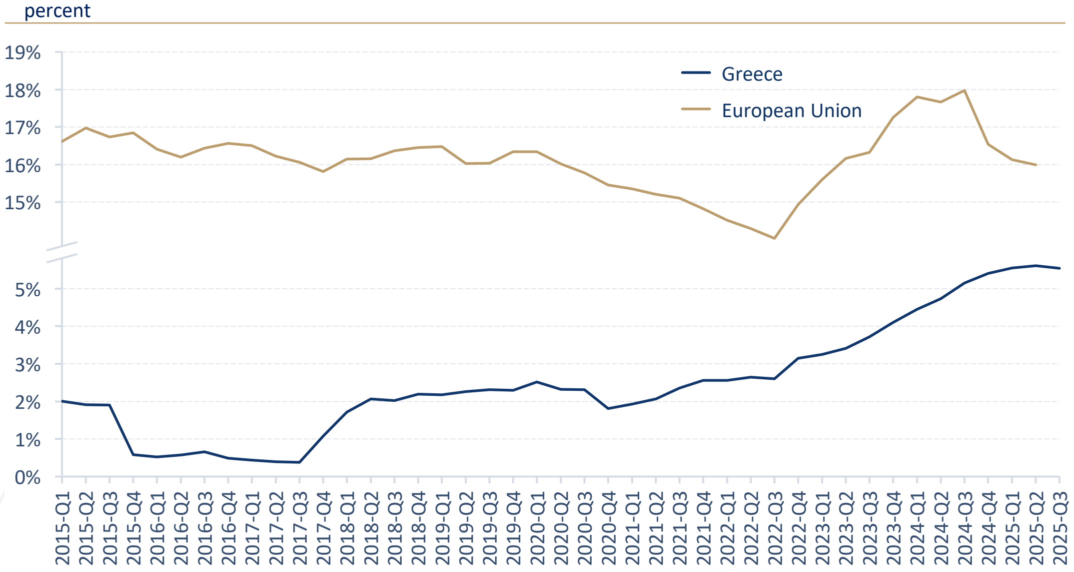
- Banks fully restored their access to the wholesale markets over the past few years.

Based on Q2 2025 figures, there is not any MREL shortfall when considering their final targets and including Combined Buffer Requirement. All banks meet their final MREL targets.

Outstanding debt securities issued [% of Total Assets]



Source: ECB, BoG (supervisory reporting)
Notes: Consolidated basis

SRB MREL Dashboard Q2 2025		Greece	BU
TREA	€ mn	156.444	7.686.915
MREL final target (incl. CBR)	% TREA	27,3%	27,9%
MREL final subordination target incl. CBR	% TREA	0,0%	21,4%
MREL resources	€ mn	45.636	2.641.193
	% TREA	29,2%	34,4%
MREL gross issuances	€ mn	2.154	173.558
	% TREA	1,4%	2,3%
MREL net issuances	€ mn	2.977	-29.468
	% TREA	1,9%	-0,4%
MREL shortfall incl. CBR final targets	€ mn	**0**	**298**
	% TREA	0,0%	0,1%

Solid liquidity position; outstripping EU avg LCR & NSFR

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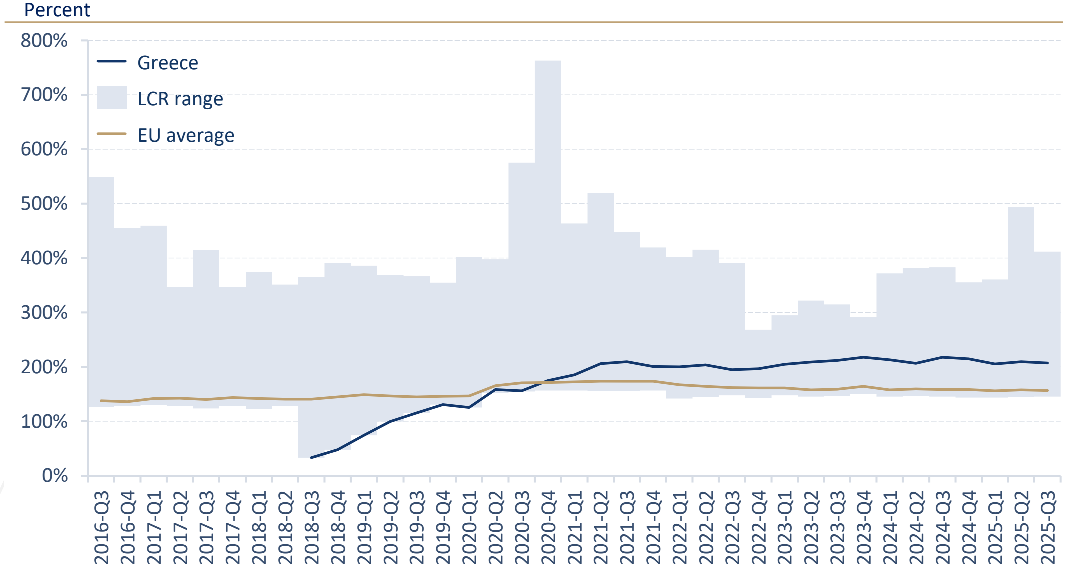
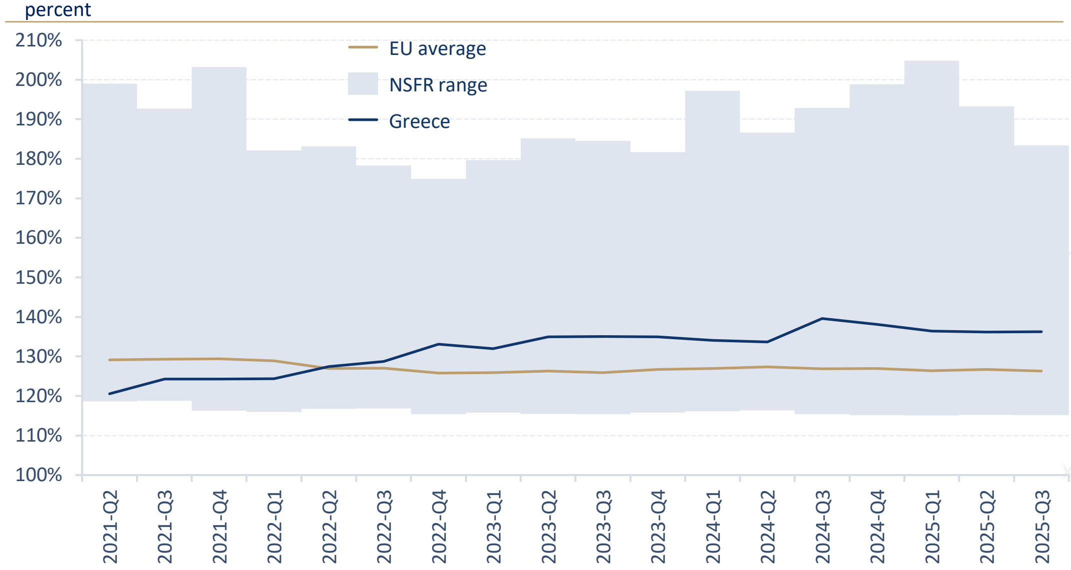
▶ All banks enjoy ample liquidity conditions. Their LCR and NSFR are well above the minimum regulatory requirements. For the past three years, the LCR and NSFR of Greek SIs have remained above the EU average.

LCR, SIs, Greece vs European Union



Source: ECB
Notes: Consolidated basis

NSFR, SIs, Greece vs European Union



Source: ECB
Notes: Consolidated basis

Excess liquidity shows capacity to finance the Greek economy

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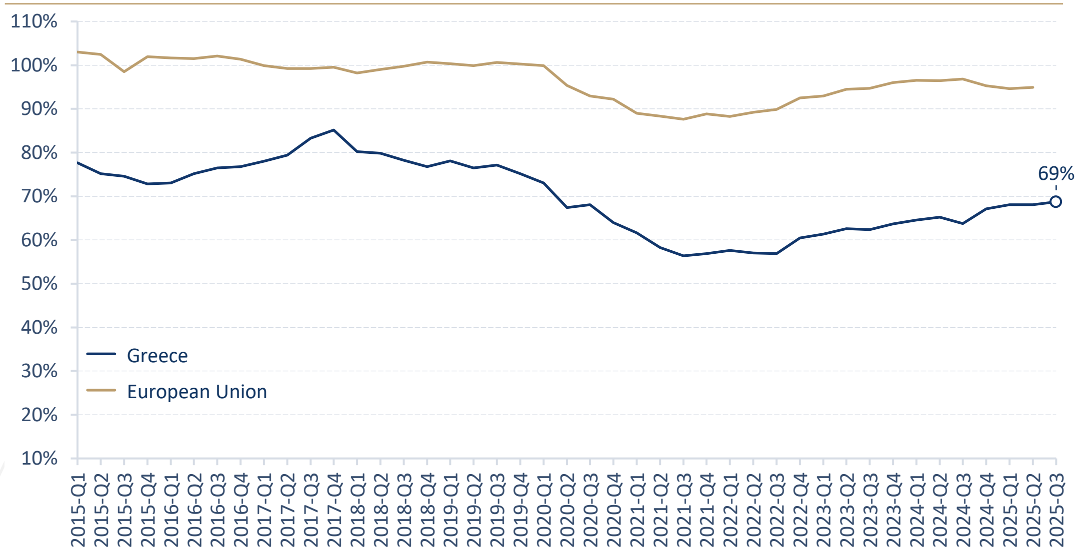
- Ample liquidity is also confirmed by the very low LTD ratio (69% as at 30.09.2025) and the availability of excess liquidity - amounting to €27 bn as at 30.09.2025 assuming a 140% LCR floor, all pointing to sufficient capacity to finance the Greek economy.

Loan to Deposit ratio, Greece vs European Union

Percent

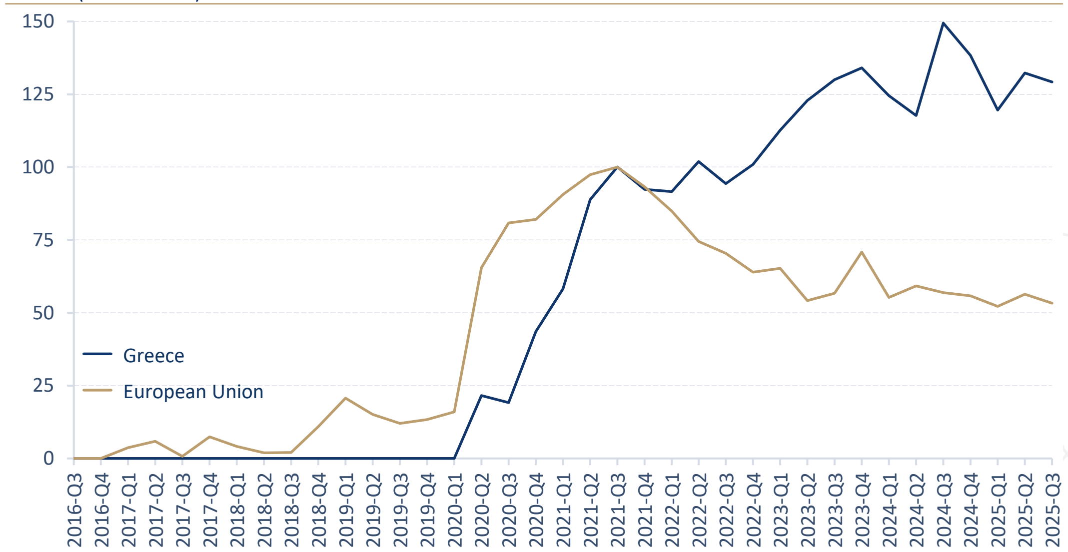


Source: ECB, BoG (supervisory reporting)

Notes: Consolidated basis

Liquidity buffer over 140% LCR, SIs, Greece vs European Union

Index (2021Q3=100)



Source: ECB, BoG (supervisory reporting), BoG calculations

Notes: Consolidated basis

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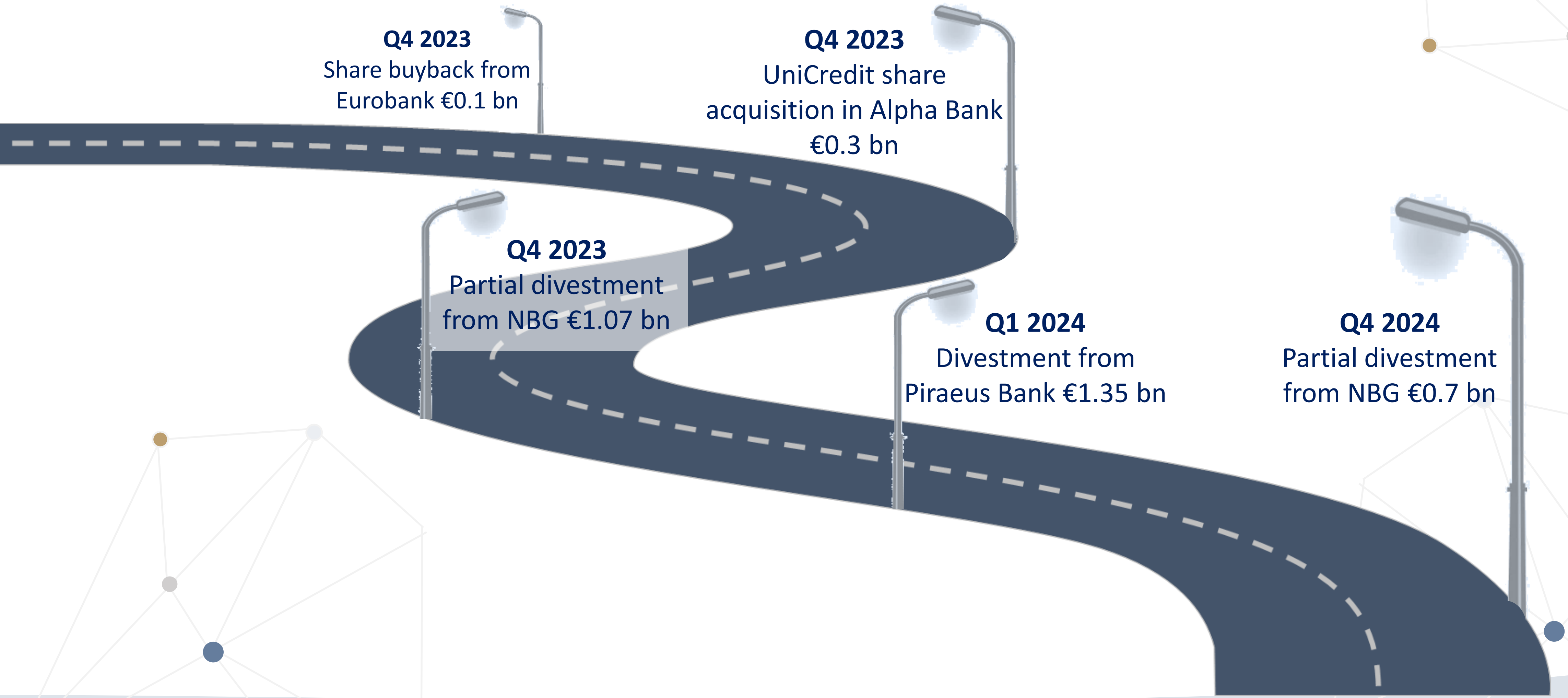
HFSF divestments signaling the return to normality



Reshaping the LSI sector; moving towards full clean-up

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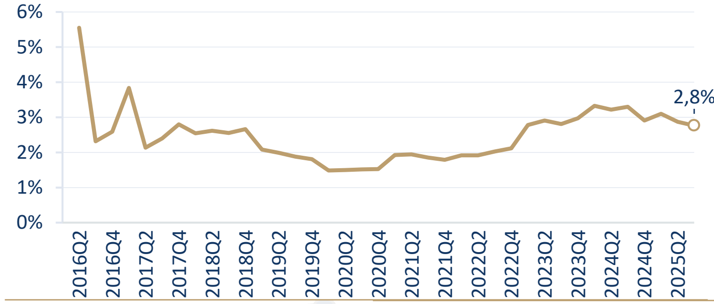
- Several LSIs exited the market in the previous decade. Greek LSIs are subject to equivalent supervisory standards to that of the SIs and have adopted the IFRS. The merger of Attica Bank and Pancreta, their capital increase & the NPLs disposal using HAPS, set the scene for the full clean-up of the LSI sector.

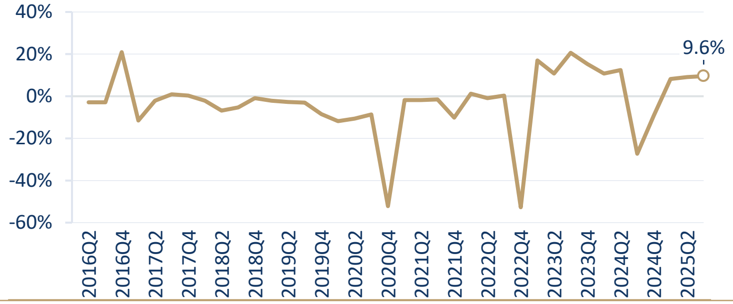
Net Interest Margin

percent



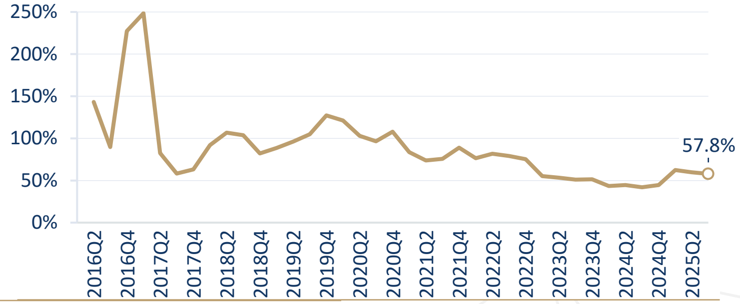
Return on Equity

Percent



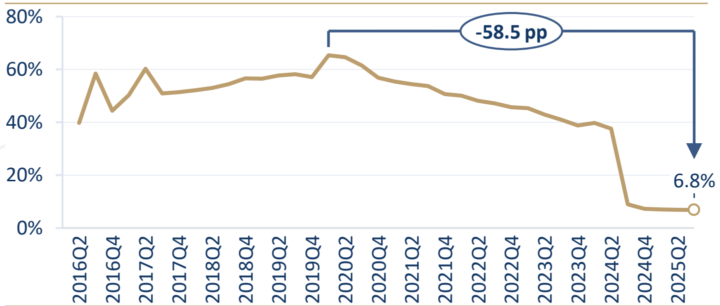
Cost to Income

percent



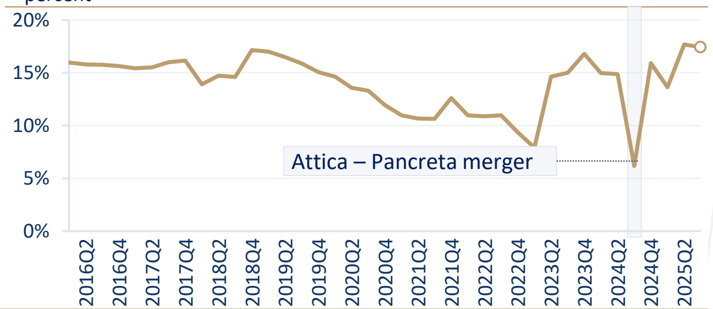
Non-Performing Loan Ratio (Core)

Percent



Solvency ratio

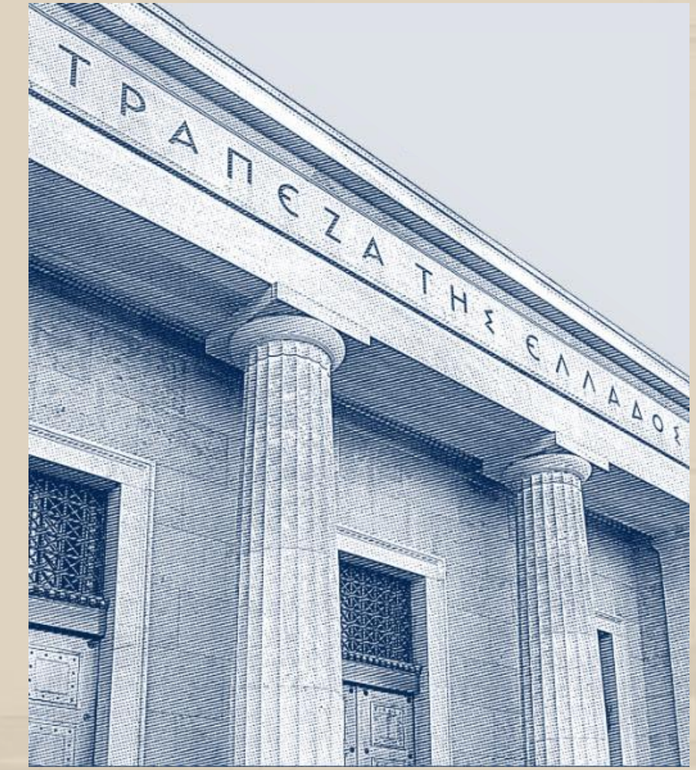
percent



Source: BoG

Notes: Individual basis, NIM is calculated as the NII over debt instruments measured at amortised cost. Q3 2024 figures shaped by the Attica-Pancreta merger.

Concluding remarks



- Undoubtedly, the Greek banking sector has made remarkable progress in the past decade.
- The emerging challenges require continued vigilance and strategic action. To further enhance long-term financial stability any remaining issues should be and are being addressed.
- As Greek banks navigated through the crisis, their recovery story provides valuable lessons in resilience, adaptation, and the importance of forward-looking supervision.

Some messages regarding the report

- The crisis resulted to the consolidation of the banking system. Several challenger banks and foreign branches are now active in the market.
- Ample liquidity conditions among the key driver for banks' funding policies.
- BoG has taken actions to improve transparency in deposit rates offered by banks.
- Completion of the Banking Union with the creation of EDIS to strengthen depositors' confidence. Savings and Investments Union to create better financial opportunities.
- Proposal to create savings account similar to the French Livret A, should take into consideration financial stability implications.