

Greek Banking System Overview



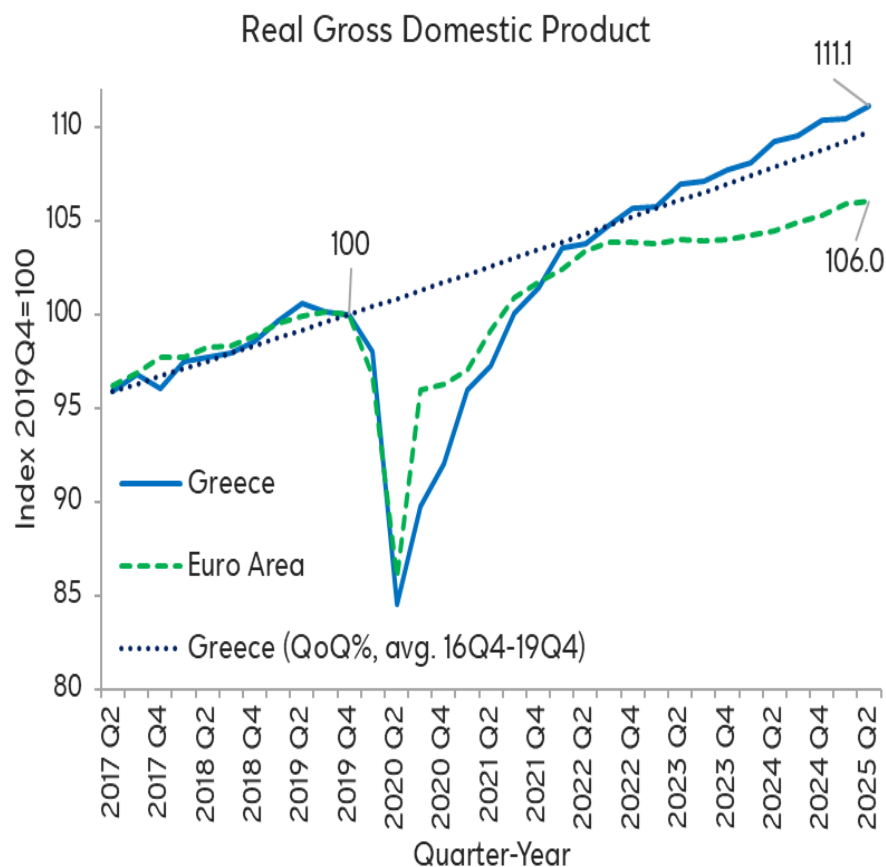
November 2025

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1 The Greek Economy: Challenges, Progress and Prospects

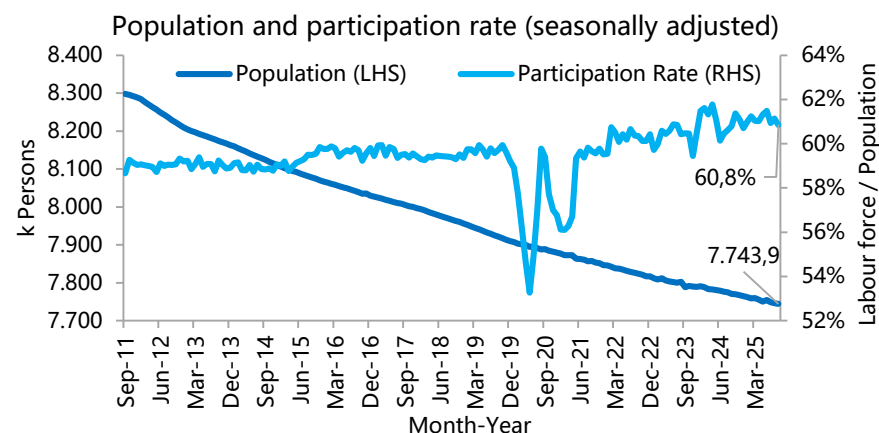
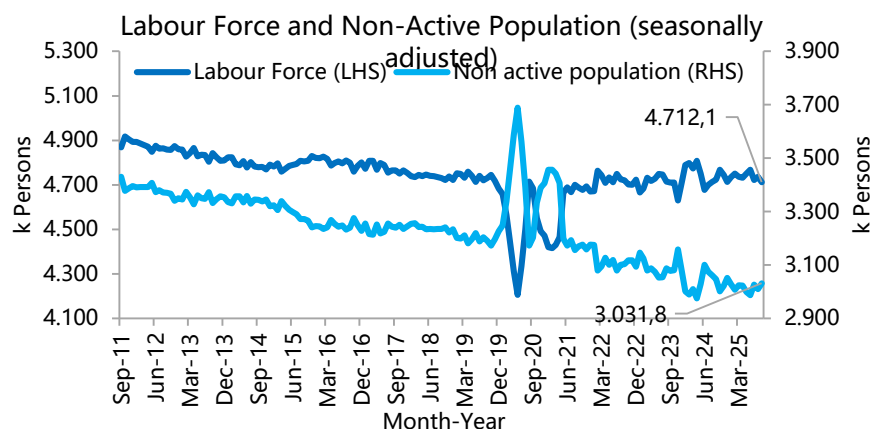
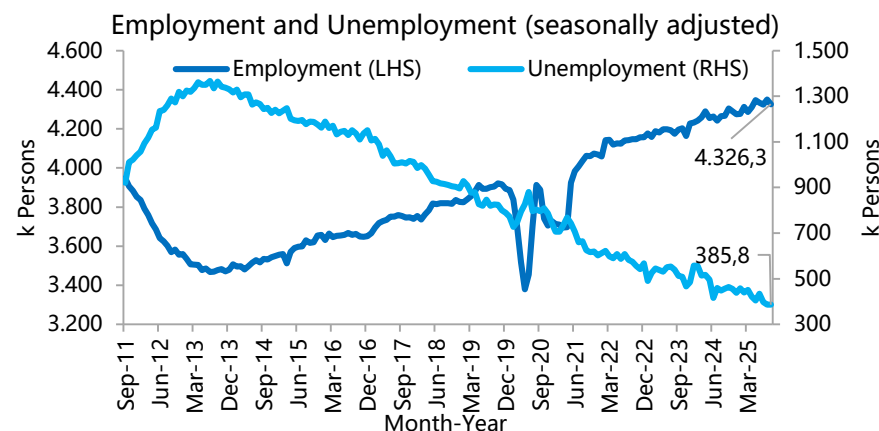
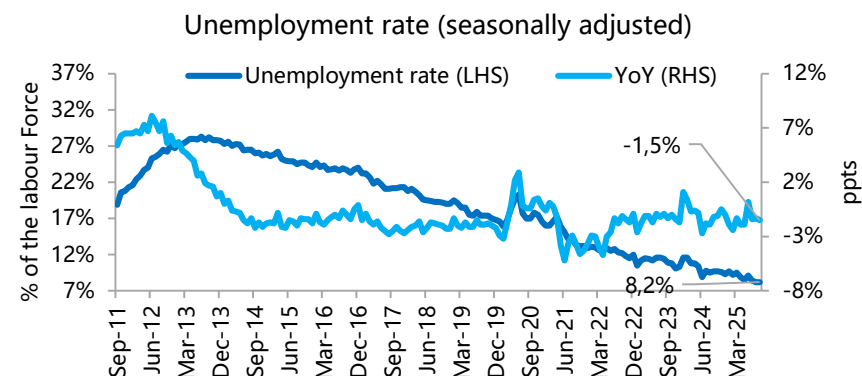
Growth decelerated to 2.0% YoY in H1 2025, from 2.4% YoY in H2 2024; 1.7% YoY in Q2 2025; still overperforming the Euro Area, albeit mildly



Annual % change	Greece	EA
2025 H1		
GDP	2.0	1.5
Private consumption	1.5	1.4
Government consumption	0.2	1.9
Gross Capital Formation	-3.5	5.3
Gross Fixed Capital Formation	2.1	2.7
Exports	2.2	1.3
Exports of goods	0.5	1.4
Exports of services	2.2	1.2
Imports	-0.6	3.1
Imports of goods	-1.8	2.7
Imports of services	2.6	3.9

Source: ELSTAT, Eurostat, HBA member bank's Research

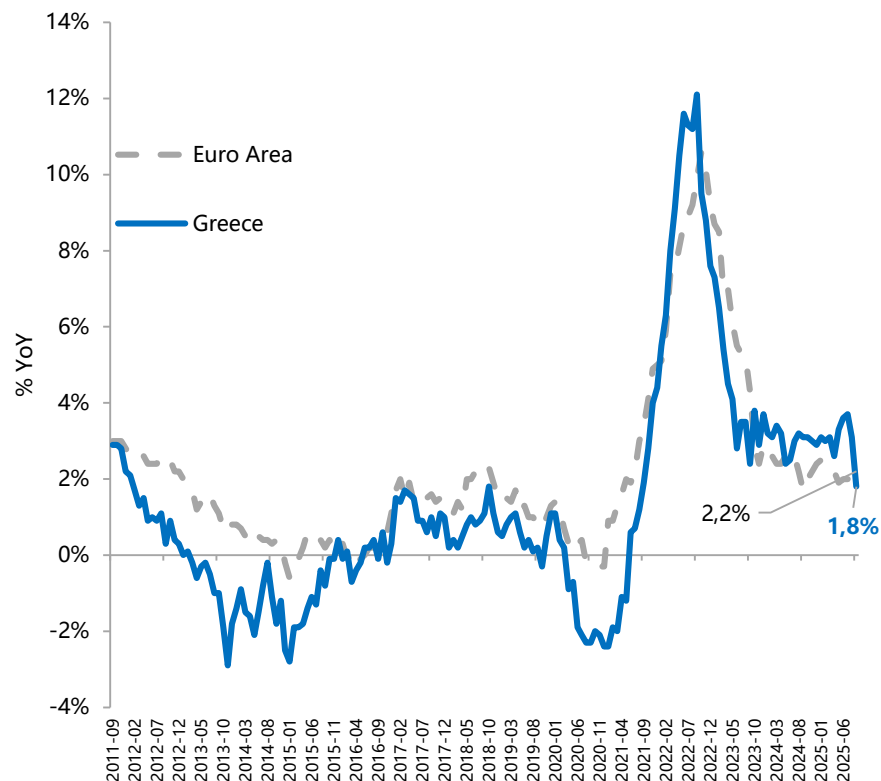
Unemployment rate fell to 8.2% in 09/2025; 4th higher in EU-27, yet the strongest YoY drop (-1.5 pts)



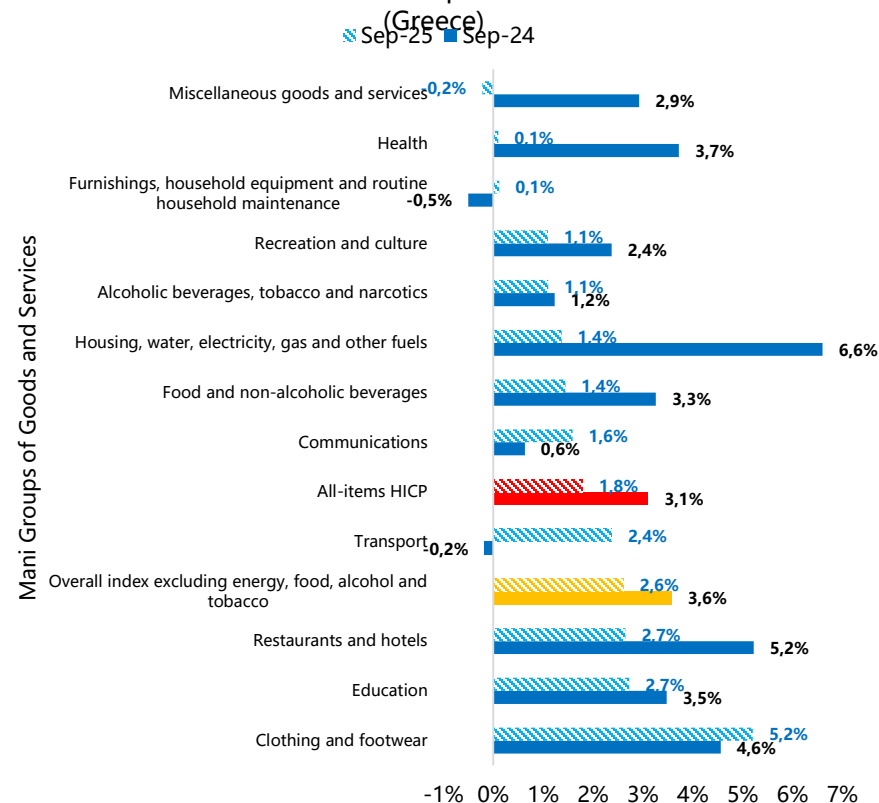
Source: ELSTAT, HBA member bank's Research

Significant de-escalation of inflation (HICP) in Sep-25 to 1.8% YoY mostly due to the decline in energy prices and in clothing-footwear

Inflation Rate (HICP)



Inflation Rate in Main Groups of Goods and Services



Economic sentiment well above its long-term average; PMI manufacturing above the boom-bust threshold; both overperform relative to the Euro Area

Economic sentiment indicator



PMI manufacturing index



Source: IOBE, European Commission, S&P Global, HBA member banks Research

Greece expected to continue overperforming the Euro area; uncertainties remain

- Market consensus as of November 2024: real GDP growth at 2.0%, 2.1% and 1.8% in 2025, 2026 and 2027 respectively; inflation at 2.8%, 2.4% and 2.3%; unemployment at 9.0%, 8.4% and 8.1%
- Primary surplus expected at 3.6% and 2.8% of GDP in 2025 and 2026, from 4.7% of GDP in end 2024 (draft budget)
- Public debt expected at 145.4% and 137.6% of GDP in 2025 and 2026, from 153.6% of GDP in end 2024, (and a peak of 209.4% of GDP in 2020, 55.8 ppts of GDP down between 2020 and 2025)
- Adherence to fiscal prudence, RRF implementation and pro-growth structural reforms essential for future growth

RISKS:

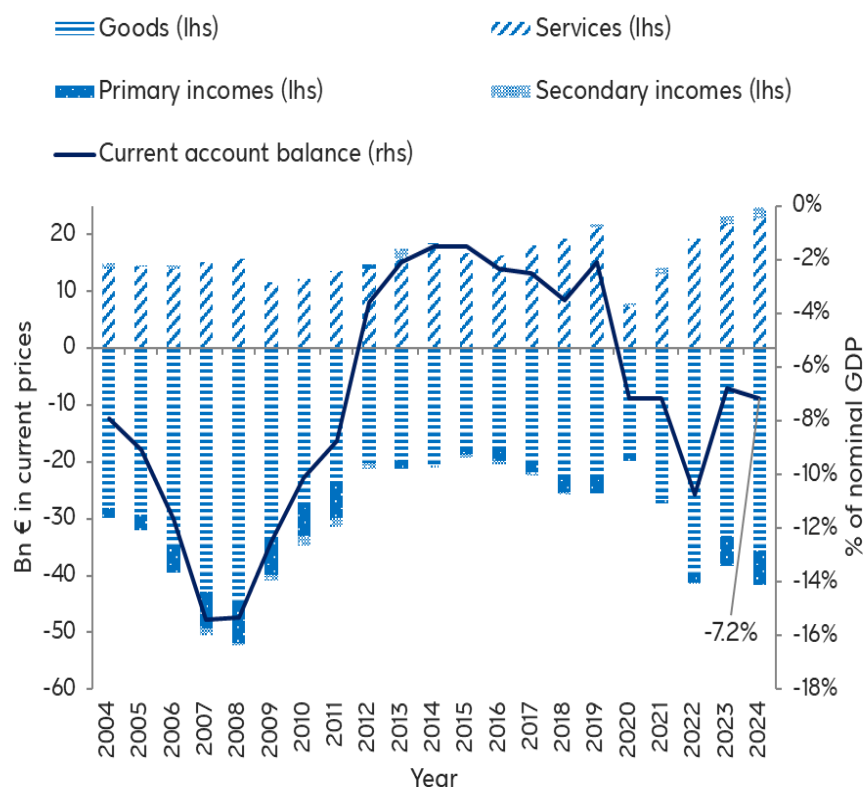
- Resurgence of tariff wars and trade fragmentation weighing on global trade and investment
- Geopolitical frictions (Ukraine, Middle East, Eastern Med) triggering renewed energy shocks and uncertainty
- RRF and reform delays weighing on productivity
- Prolonged external imbalances
- Intensifying climate risks and natural disasters
- Growth model still focused on tourism and consumption
- Limited progress in high-tech and innovation investment

Official sector projections

Institution	Date	2022	2023	2024	2025F	2026F	2027F
Real GDP Growth (% YoY)							
European Commission	May-25	5.7	2.4	2.3	2.3	2.2	-
OECD	Jun-25	5.7	2.4	2.3	2.0	2.1	-
Bank of Greece	Sep-25	5.7	2.4	2.3	2.2	1.9	2.1
Greek Government	Oct-25	5.7	2.4	2.3	2.2	2.4	-
IMF	Oct-25	5.7	2.3	2.3	2.0	2.0	1.5
Focus Economics Consensus	Nov-25	5.7	2.4	2.3	2.0	2.1	1.8
Eurobank Research	Nov-25	5.7	2.4	2.3	2.0	2.3	2.1
Unemployment (% Workforce)							
European Commission	May-25	12.5	11.1	10.1	9.3	8.7	-
OECD	Jun-25	12.5	11.1	10.1	9.4	9.1	-
Bank of Greece	Sep-25	12.5	11.1	10.1	9.4	8.8	8.2
Greek Government	Oct-25	12.5	11.1	10.1	9.1	8.6	-
IMF	Oct-25	12.4	11.1	10.1	9.0	8.4	7.9
Focus Economics Consensus	Nov-25	12.5	11.1	10.1	9.0	8.4	8.1
Eurobank Research	Nov-25	12.5	11.1	10.1	9.1	8.0	7.3
HICP (% YoY)							
European Commission	May-25	9.3	4.2	3.0	2.8	2.3	-
OECD	Jun-25	9.3	4.2	3.0	2.5	2.0	-
Bank of Greece	Sep-25	9.3	4.2	3.0	3.1	2.6	2.4
Greek Government	Oct-25	9.3	4.2	3.0	3.0	2.2	-
IMF	Oct-25	9.3	4.2	3.0	3.1	2.5	2.6
Focus Economics Consensus	Nov-25	9.3	4.2	3.0	2.8	2.4	2.3
Eurobank Research	Nov-25	9.3	4.2	3.0	3.1	2.5	2.3

External sector: strong domestic imports demand (for both consumption and investment) and weak exports of goods lead to persistence in the CAD

Current account balance



Source: BoG, HBA member banks Research

January-December	2023		2024	
Balance	bn € (current prices)			
CA Balance	-15.3		-16.9	
X: exports, M: imports	X	M	X	M
Goods	50.1	83.1	48.6	84.3
Services	49.0	27.2	51.4	28.8
<i>Tourist</i>	<u>20.6</u>	<u>2.4</u>	<u>21.6</u>	<u>2.8</u>
Primary Inc.	10.1	15.5	11.3	17.3
Secondary Inc.	5.5	4.2	6.8	4.7

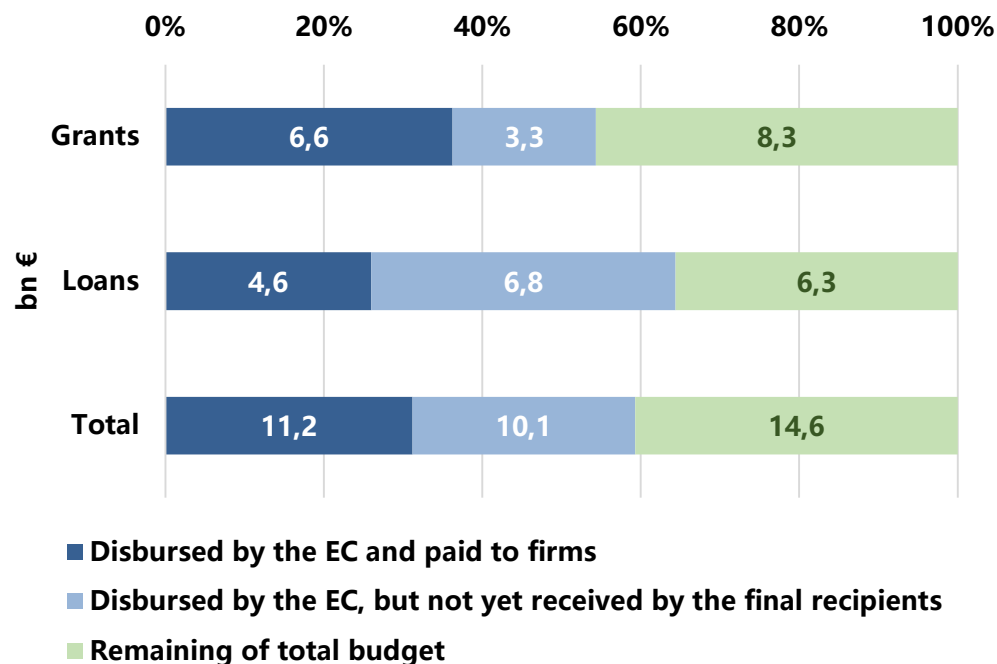
- Current account deficit (CAD): 7.2% of GDP in 2024, from 6.8% in 2023 (pre-pandemic level at 2.1%)
- The CAD has shrunk on an annual basis by €2,128.1mn or 24.3% in Jan-25 to Aug-25, positively affected by strong tourism revenues, the drop in oil prices and the absorption of RRF funds

Significant boost to growth ahead from EU funds (ca €100bn in 2021–27)

Greece is the largest RRF beneficiary relative to GDP (incl. REPowerEU at 16.0% of its 2023 GDP; €36bn, €18.2bn in grants, €17.7bn in loans)

- Disbursements: €21.34bn (Grants: €9.94bn / Loans: €11.40bn) out of €36.0bn (59.4% of total envelope)
- RRF grants: As of Oct-25, €25.0bn committed to 858 projects; Up to Jun-25 66.4% of the funds disbursed have been transferred to firms (€6.6bn out of €9.94bn). Up to Sep-25, €4.7bn concern intergovernmental transfers (local governments, public authorities, etc.)
- RRF loans: As of Oct-25, 535 projects budgeting €17.64bn had been contracted (RRF loans: €7.74bn, bank loans: €5.82bn, investors' equity: €4.08bn); Up to Sep-25, 40.4% of the funds disbursed had been transferred to the recipient firms (€4.6bn out of €11.4bn).

- In Oct-25 the EC approved Greece's 6th payment request for €2.1bn (grants) after the satisfactory fulfillment of 39 milestones and targets
- In early Nov-25 Greece submitted to the EU the proposal to revise the National Recovery and Resilience Plan
- Implementation: 37.3% of milestones & targets (139 out of 373) fulfilled (EU-27: 40.0%, 2.79K out of 6.98K)



Fiscal Performance, Policy Priorities and Risks

• Fiscal balances

- Sustained primary surpluses since 2022 after pandemic deficits
- Primary surplus: 4.7% of GDP in 2024, projected 3.6% in 2025, 2.8% in 2026 (2026 Draft Budget)
- Public debt declining from 153.6% of GDP in 2024 to 145.4% (2025) and 137.6% (2026) on strong nominal growth

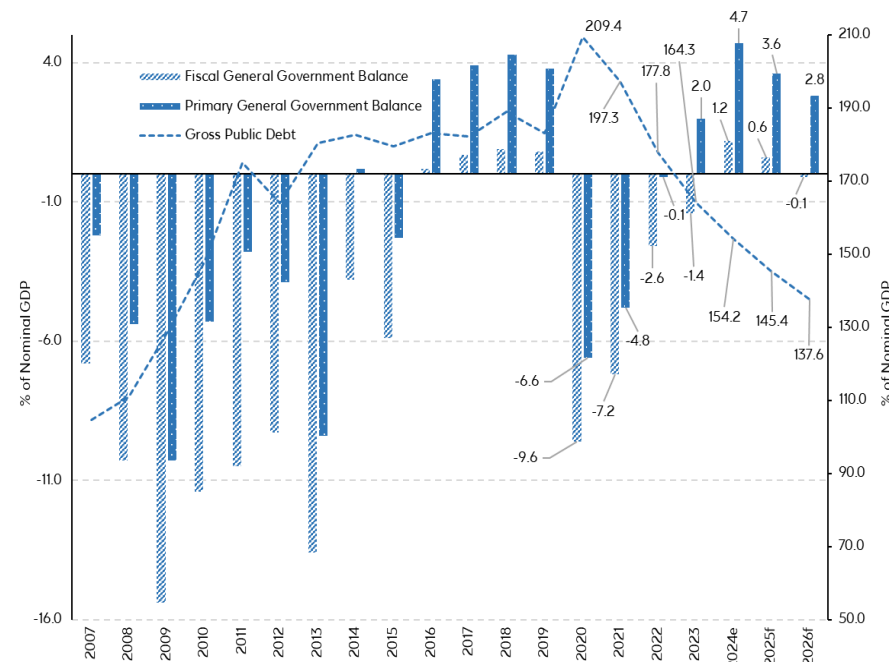
• Support measures

- 2025 Budget: €2.7 bn package — permanent supports (birth benefit, doctors' pay, 1 ppt cut in social contributions, rent refund, €250 benefit, +€0.5 bn public investment)
- 2026 Draft Budget: €1.76 bn in permanent tax cuts from 2026 (≈ €1.2bn for personal-income-tax reform with further €0.7bn in 2027, targeting young people, families and the middle class)

• Risks & considerations

- Still high public debt means limited shock-absorption capacity
- Long-term growth: demographics and potential growth warrant monitoring

2026 Draft Budget*				
Fiscal Measures & Investments				
	2024	2025	2026	2027
Permanent Fiscal Measures	1.8	1.7	2.9	2.0
Public Investment Budget & RRF	13.2	16.7	16.7	-



Source: AMECO, ELSTAT, 2025 Budget, 2026 Draft Budget

Sovereign's rating: reclaim of investment grade

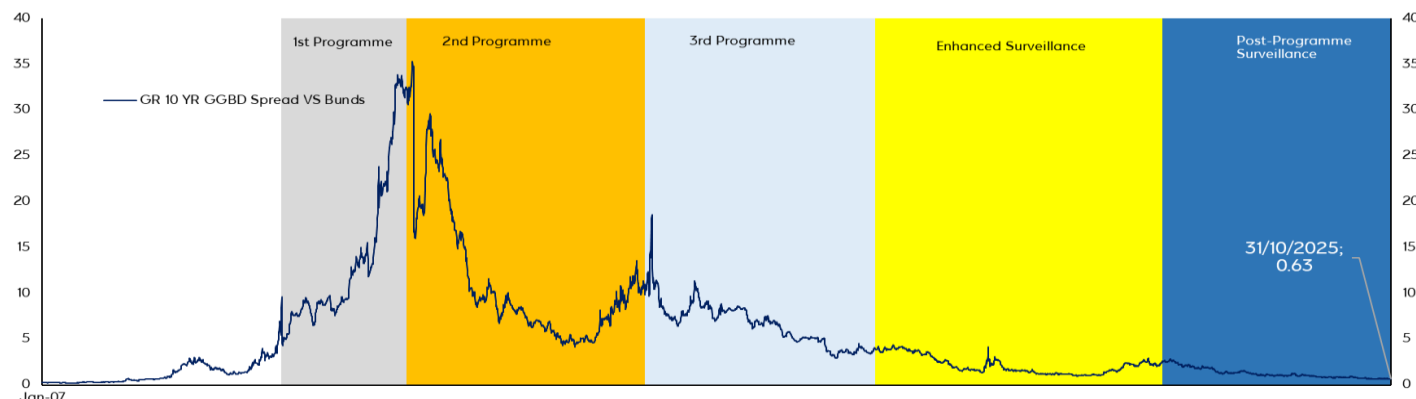
S&P	Moody's	Fitch	DBRS
AAA	Aaa	AAA	AAA
AA+	Aa1	AA+	AA ^{HIGH}
AA	Aa2	AA	AA
AA-	Aa3	AA-	AA ^{Low}
A+	A1	A+	A^{HIGH}
A	A2	A	A
A-	A3	A-	A ^{Low}
BBB+	Baa1	BBB+	BBB ^{HIGH}
BBB	Baa2	BBB	BBB
BBB-	Baa3	BBB-	BBB ^{Low}
BB+	Ba1	BB+	BB ^{HIGH}
BB	Ba2	BB	BB
BB-	Ba3	BB-	BB ^{Low}
B+	B1	B+	B ^{HIGH}
B	B2	B	B
B-	B3	B-	B ^{Low}
CCC+	Caa1	CCC+	CCC ^{HIGH}
CCC	Caa2	CCC	CCC
CCC-	Caa3	CCC-	CCC ^{Low}
CC	Ca	CC	CC ^{HIGH}
C	C	C	CC
RD	C	RD	CC ^{Low}
SD	-	D	C ^{HIGH}
D	-	-	C
-	-	-	C ^{Low}
-	-	-	D

Historical High

Current Rating

Historical Low

Source: Bloomberg, ECB, PDMA



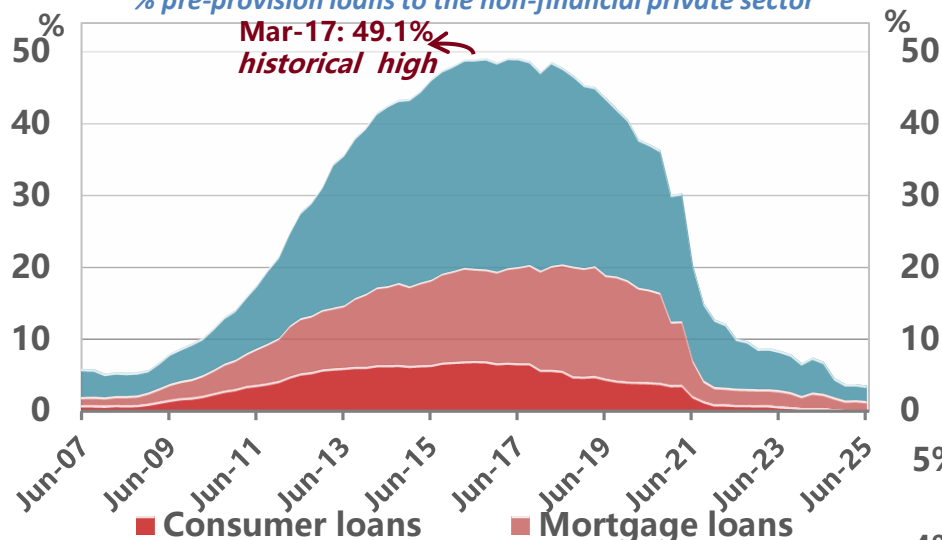
- **Credit Rating Upgrades:** Reflecting stronger fiscal performance, declining debt ratios, and banking-sector resilience, while acknowledging structural challenges and demographic headwinds:
 - S&P: Upgraded to BBB from BBB- on 18 Apr 2025; Stable outlook; Investment Grade +1
 - Moody's: Upgraded to Baa3 from Ba1 on 14 Mar 2025; Stable outlook; Investment Grade
 - DBRS: Upgraded to BBB from BBB(low) on 7 Mar 2025; Stable outlook; Investment Grade +1
 - Scope Ratings: Upgraded to BBB from BBB- on 6 Dec 2024; Stable outlook; Investment Grade +1
 - Fitch: affirmed 22 Nov 2024 at BBB- from BB+ on 1 Dec 2023; Stable outlook; Investment Grade
- **PDMA Funding Summary:** For 2025, new issuance is expected at ~€8.5 bn, broadly in line with the annual PDMA target. Total financing needs amount to €15.3 bn, including €5.3 bn in early GLF repayments (2024: €7.9 bn). By mid-Oct 2025, €7.5 bn (~90 %) of the annual target had already been raised through four market transactions. Financing needs for 2026 are projected at similar levels (2026 Draft Budget)
- **Cash Reserves:** €40 bn (end-Jun 2025), covering about three years of financing or early GLF repayments
- **Market & Yield:** GGB10YR spreads over Bunds at 65bps (11.11.2025); 9 bps lower than Italy (S&P: BBB+) and ca 29bps above Portugal (S&P: A+)

Greek Banking Sector – Significant NPL deleveraging, new challenges ahead

Evolution of NPLs held by Greek banks

% pre-provision loans to the non-financial private sector

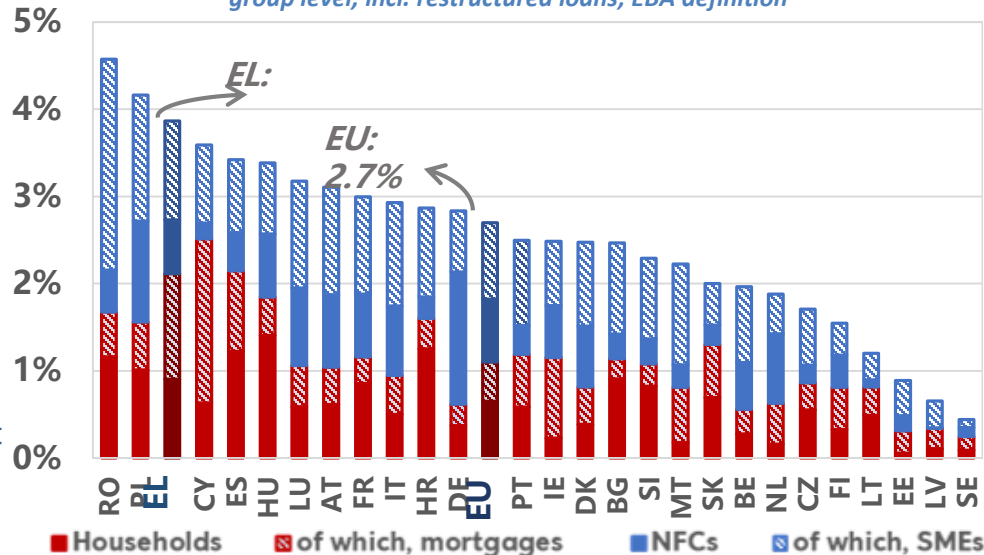
Mar-17: 49.1%
historical high



Sources: Bank of Greece, Eurobank Research

- Bank NPL ratio at 3.6%, the lowest in record (BoG), following sales, write-offs and securitizations under the Hercules Asset Protection Scheme (end-2019 at 40%)
- Bank liquidity and capital adequacy remain at high levels in Q2 2025 (LCR: 210% vs 162% in EU/EEA, CAR: 20.6% vs 20.4% in EU/EEA), with strong profitability in 2024 carrying into 2025 (RoE: 13.6% vs 10.7% in EU/EEA).

NPLs of the non-financial sector, Q2 2025 group level, incl. restructured loans; EBA definition



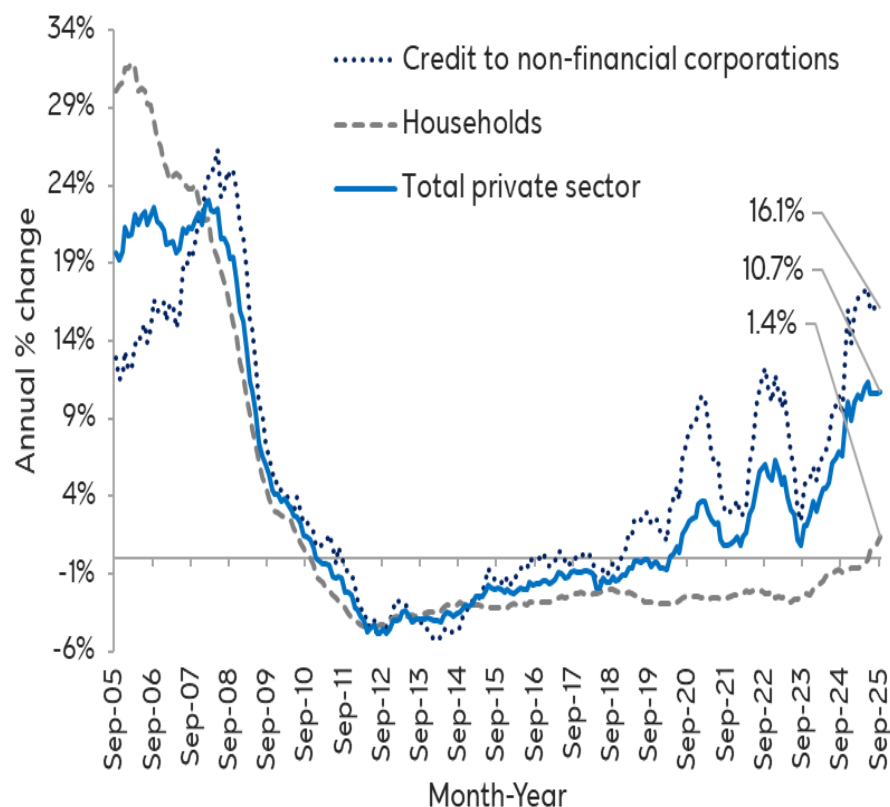
Sources: EBA, HBA member banks Research

Challenges lie ahead:

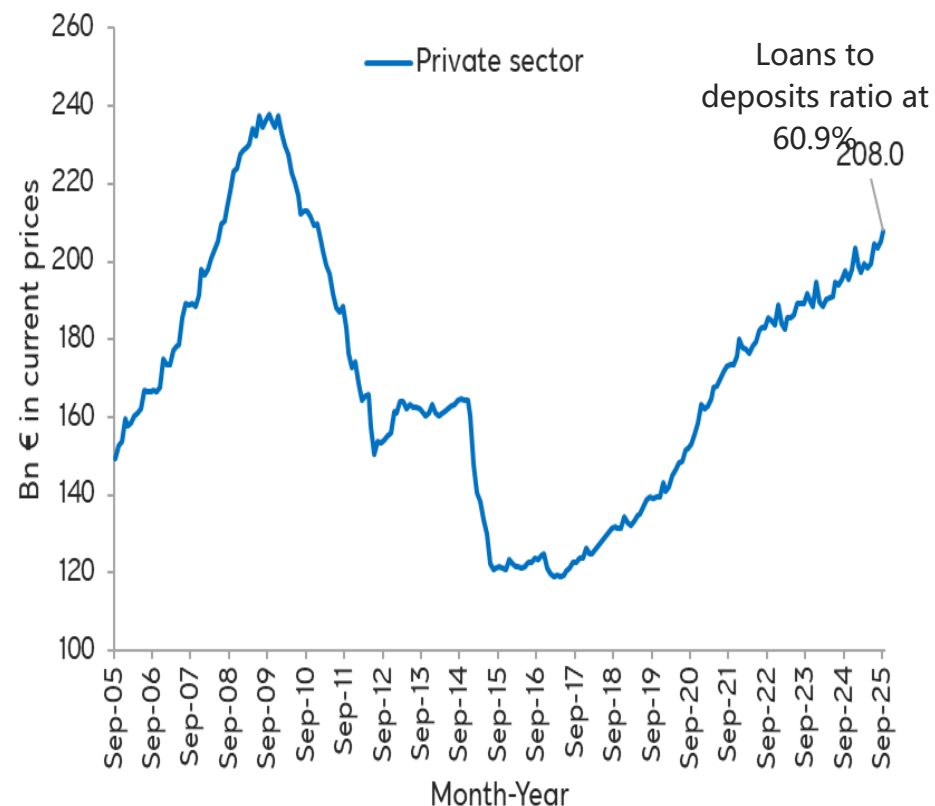
- Bank NPL ratio still high vs EU27, nearly €80bn of legacy NPLs off-bank balance sheets at end Jun-25, as resolution proceeds at an overly slow pace
- Increased living costs curtail demand for new loans
- Banks aim to expand lending, sustain profitability and boost capital adequacy amid geo-economic uncertainty and falling interest rates

Further improvement in financial stability led to strong credit growth supporting investment; deposits continue to increase at a robust rate

Credit from domestic MFIs

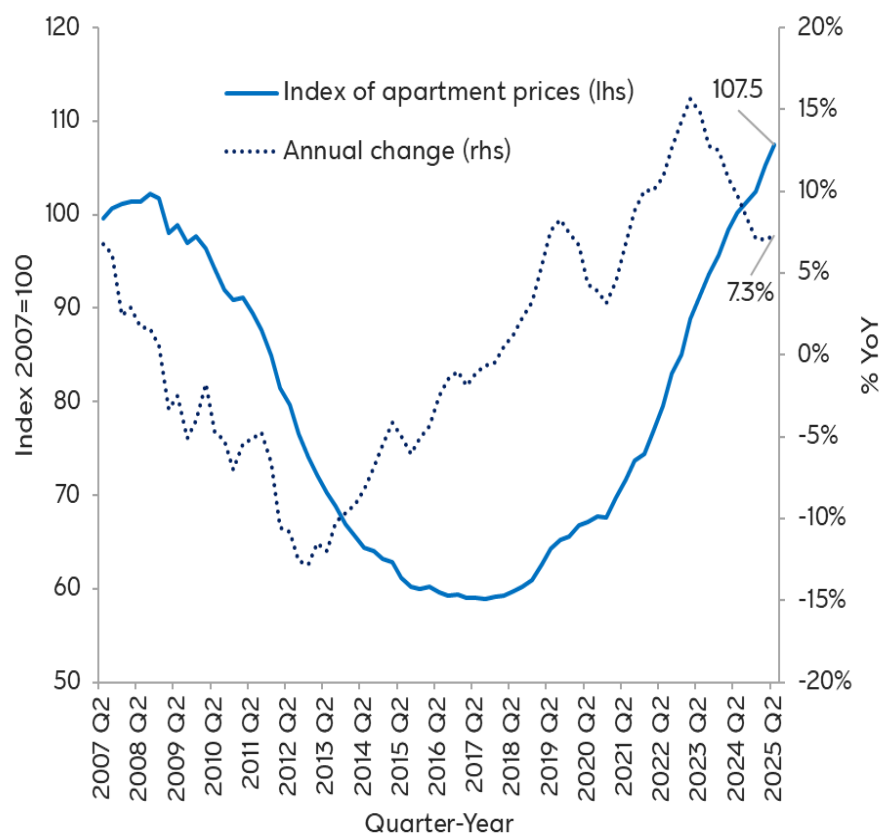


Deposits to domestic MFIs

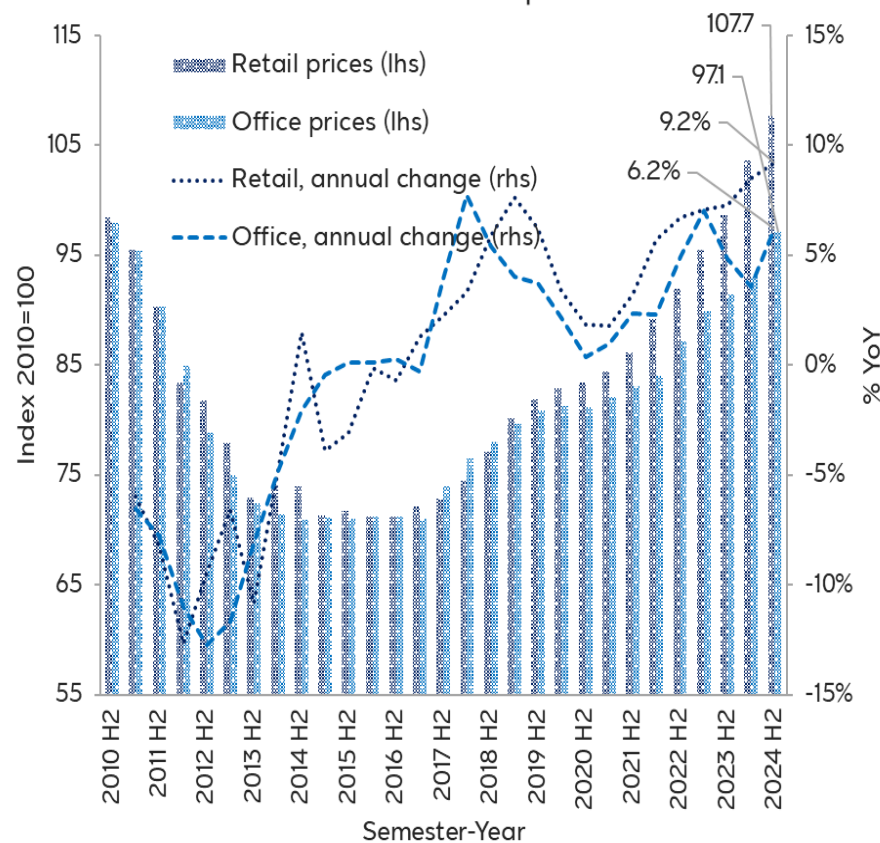


Apartment prices continue to increase at a solid rate (7.3% YoY in Q2 2025); +5.2% compared to their pre-crisis peak

Apartment prices



Retail and office prices



2

EU-wide stress tests 2025: Successful results for Greek banks

EBA Stress Tests 2025 – Adverse scenario for Greece up to 2027: Hypothetical Cumulative Change (%) 2024-2027 by variable

GDP	-6.1
Inflation	+11.6
Unemployment	+4.2
Residential Real Estate	-22.3
Commercial Real Estate	-28.8
Δ Gov. Spread* (2027 v 2024)	+1.5

* Difference of the 10Y government bond yield of each country with Germany's 10Y government bond yield

64 banks in the EBA sample, of which 51 are significant and under the direct supervision of the SSM

	Ranking #	adverse scenario impact on CET1 as % RWAs
National Bank of Greece	5	-0.5
Piraeus Bank	18	-1.6
Alpha Bank	24	-2.0
64 banks average (75% of EU banking sector assets)		-3.7

The change in CET1 from 2024 to 2027 is based on the balance sheet of 31/12/2024 and the hypothetical cumulative change of macro variables over 2024-2027 under the adverse scenario

3

Greek banking structure

Sector total assets & concentration, Private Sector Deposits, Number of branches, Employees, ATMs, card payments and e-banking channels usage, card & credit transfers fraud

Greek Banking System today

	2025	2024	2023	2022
Total assets ¹ (€ bn)	330	321	317	328
Private sector deposits ¹ (€bn)	205	204	195	189
Private sector gross loans ¹ (€bn)	123	121	117	114
NPL ratio - June25 ²	3.6%	3.8%	6.7%	8.7%
CET 1 ratio - June25 ²	15.8%	16%	14.3%	14.5%
Coverage ratio of NPEs - June25 ²	41.6%	40.8%	48.4%	45.3%

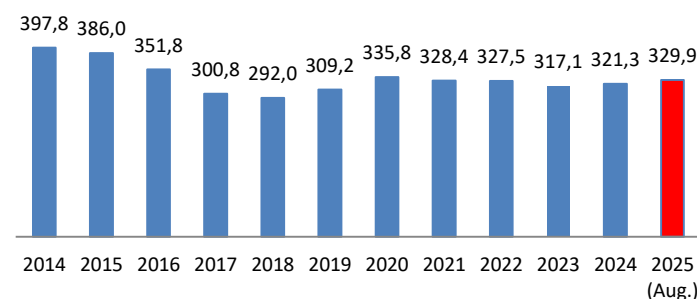
- Employees ³ : 27,650 in 2024 from 33,097 in 2020
- Branches ³ : 1,383 in 2024 from 1,702 in 2020
- ATM ³ : 6,167 in 2024 from 5,925 in 2020
- Active debit/credit/prepaid cards in 2024 ³ : 21,7m (o/w: 75,2% debit, 13,8% Credit, 11% Prepaid) - 2020: 18.1m
- Domestic Debit/credit/prepaid cards payment transactions in 2024 ³ : 2,284m – 2020: 1,204m
- Domestic Debit/credit/prepaid cards value payments in 2024 ³ : 63,2€ bn – 2020: 34,1€ bn

1. BoG, Aggregated balance sheet of financial institutions excl. BoG

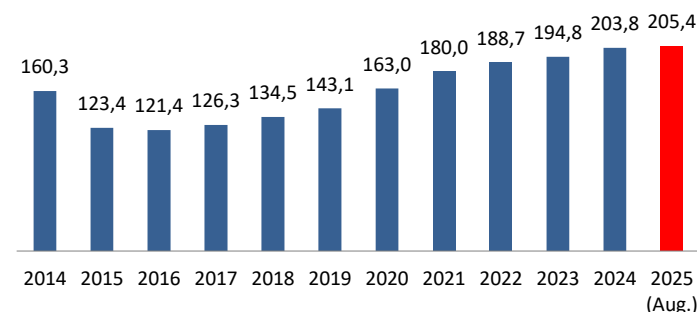
2. BoG, Financial Stability Review (October 2025, October 2024)

3. ECB, SSI-Banking structural statistical indicators & HBA data for ATMs, and active debit/credit/prepaid cards

Total assets (€ bn)



Greek Private Sector deposits (€ bn)



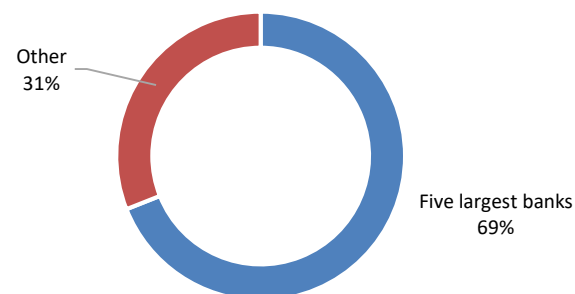
Source: BoG, Aggregated balance sheet of financial institutions excl. BoG

Sector concentrates around the “Significant” banks

- The number of domestic credit institutions was drastically reduced from 35 in 2009 to 13 today, of which 9 commercial and 4 cooperative
- In the course of 2024, five largest banks (4 of them are deemed “Significant”), controlled ca. 96% banking assets:
 - Piraeus Bank
 - National Bank of Greece
 - Alpha Bank
 - Eurobank
 - Credia Bank
- The 21 foreign bank branches, although present in Greece, have insignificant market share

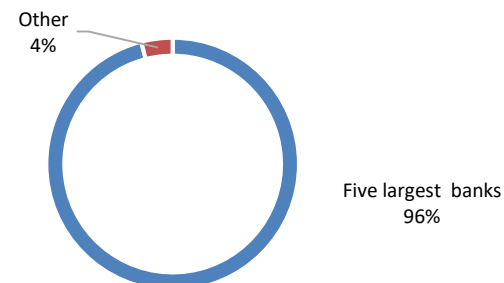
Source: ECB, SSI-Banking structural statistical indicators & BoG, list of credit institutions operating in Greece

Banking assets market shares 2009



Source: ECB SSI-Banking structural statistical indicators

Banking assets market shares 2024



Source: ECB, SSI-Banking structural statistical indicators

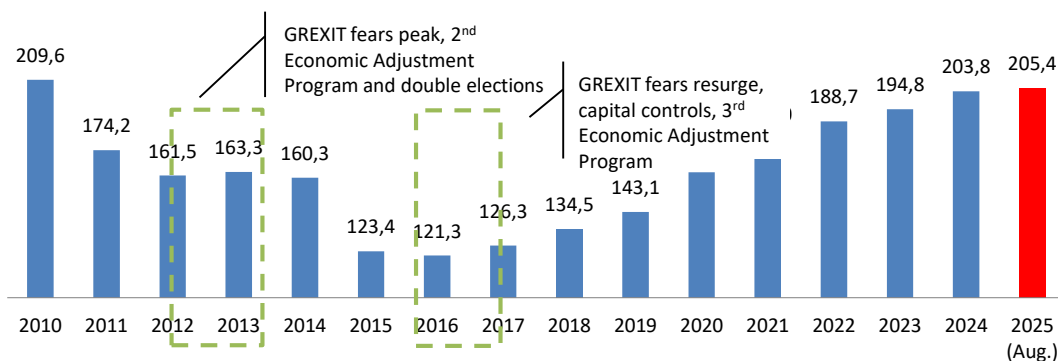
9M25 Financial Results of the Greek Banking Groups listed on the Athens Exchange

(€ m)	Total Assets	Profits before tax	Net profits after tax	Deposits	Net Loans	Provisions to cover credit risk	Total equity	Staff Expenses & Remuneration
EUROBANK HOLDINGS GROUP	102.969	1.326	1.033	78.999	52.881	261	9.908	521
PIRAEUS FINANCIAL HOLDINGS GROUP	83.059	1.104	815	63.869	42.569	178	9.127	302
NATIONAL BANK OF GREECE GROUP	76.727	1.179	887	58.336	37.390	46	9.003	394
ALPHA SERVICES & HOLDINGS GROUP	74.515	589	704	52.884	41.667	289	8.742	279
CREDIA BANK GROUP	8.172	14	10	6.662	5.149	16	976	58
OPTIMA BANK GROUP	6.720	149	123	5.684	4.368	15	701	27
TOTAL	352.162	4.361	3.572	266.398	184.024	805	38.457	1.581

Source: HBA data for 9M2025. The classification of the Banking Groups is done taking into account the amount of assets on 30/09/2025.

Liquidity, a recurring concern throughout the crisis, improved significantly

Private Sector deposits sensitive on political/macro uncertainties (€ bn)



Source: BoG, aggregated balance sheet of other financial institutions

- Deposit flight occurs throughout the crisis with varying intensity
- GREXIT fears led to a sharp fall of deposits up to 2012 where the 2nd Economic Adjustment Program was voted in
- Deposits stabilized in 2013-14 only to drop again sharply in the first months of 2015 as GREXIT fears resurge
- Deposits drop in early 2017 but completion of the second review of the Third Adjustment Program had beneficial effect
- Private sector deposits continued to grow to increase in 2024 (by €9 billion), keeping Greek banks' liquid assets at a high level, despite the substantial repayment of a large part of European Central Bank (ECB) funding via the Targeted Longer-Term Refinancing Operations (TLTRO III).
- In August 2025, the balance of residents' deposits in Greece stood at €205.4 billion, reaching a new fourteen-year high.

Downsizing of traditional channels, cost rationalization and personnel reduction

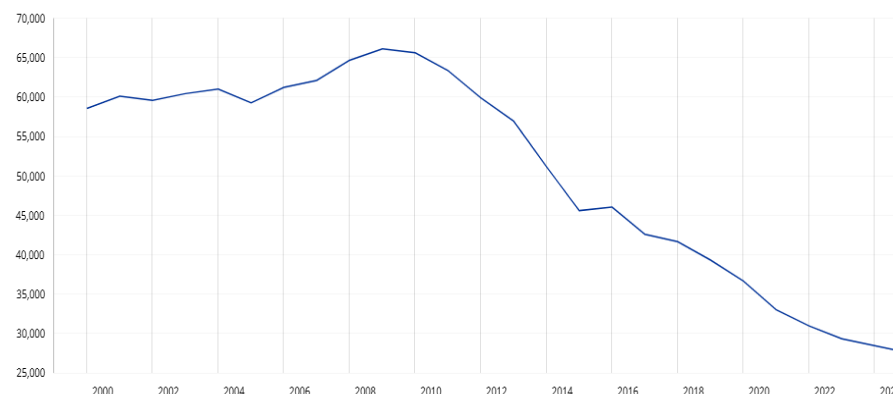
- Greek banks respond to the requirements of the restructuring plans and digital transformation through downsizing their traditional channels
- Reducing their personnel, exclusively through Voluntary Exit Schemes (VES) and natural attrition
- Since 2014:

Employees reduced by 39.4% (2024: 27.650, 2014: 45.654)

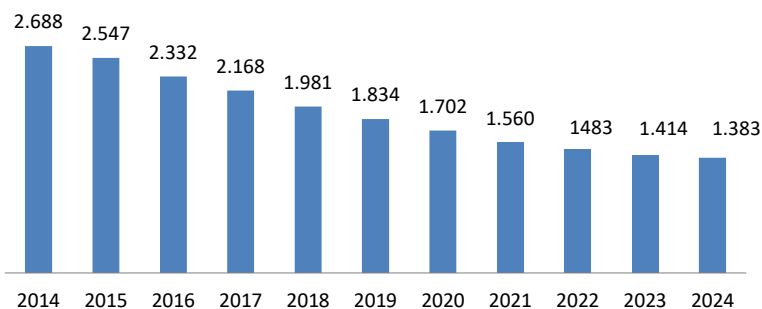
Branch network reduced by 48.5% (2024: 1.383, 2014: 2.688)

ATMs increased by 13% (2024: 6.167, 2014: 5.449)

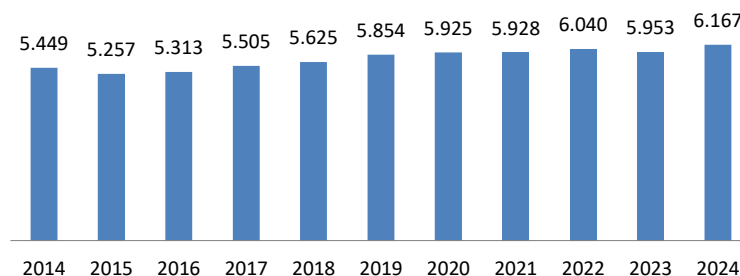
Source: ECB, SSI-Banking structural statistical indicators & HBA data for ATMs



Number of branches



Number of ATMs



Use of e-payments and e-banking channels increase sharply

- Increase usage of credit/debit/prepaid cards issued in Greece¹:
 - Number of payment card transactions at 1,3bn (+11% yoy)
 - Value of payment card transactions at €37bn (+9% yoy)
 - Average value of transaction at € 29
- Account to account transfers (2024)²:
 - Number of credit transfers & direct debit transactions at 720,56m (+10% yoy)
 - Total value (sent) of payment transactions (credit transfers, card payments, cheques, direct debits, e-money payments) at €1,349bn (+7.6%yoy)
- Card Fraud at negligible levels (1H 2025)³: 1/6,635 (0.015%) fraud transaction and 1€ loss / €4,637 (0.022%). EEA average at 0,031% in 1H 2023⁴.
- Credit transfers Fraud even lower levels (1H 2025)³: 1/136,526 (0,00073%) fraud transaction and 1€ loss / €100,000 (0.001%). EEA average at 0.001% in 1H 2023⁴.
- More than 90% of payment transactions through internet & mobile banking.
- In nine month 2025 (Jan. – Sep.) the value of ATM cash withdrawals +1.2% yoy.
- 3,6m internet banking active users at the end of June 2025. 61% of them made at least one money transfer transaction every month.
- More than 6,9m mobile banking active users at the end of June 2025. 63% of them made at least one money transfer transaction every month.
- Almost 60% of total money transfer transactions through mobile banking applications.
- eKYC & eKYB for AML purposes through Gov.gr service (fully digital) with more than 1,8m unique customers using the service in 2024.

1.Source: HBA data for 1H 2025

2.Source: ECB Payments transactions (Key indicators) – PAY, 2024

3.Source: BoG, Financial Stability Review, October 2025

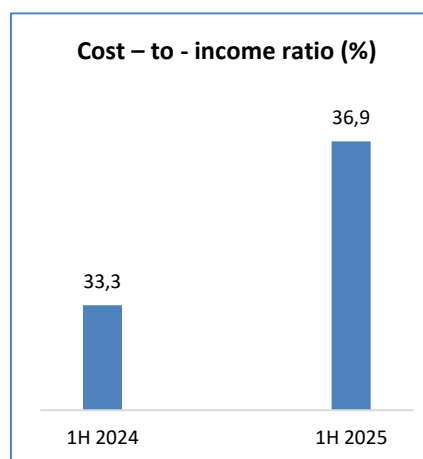
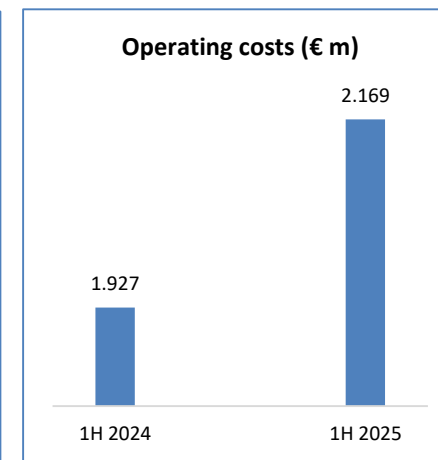
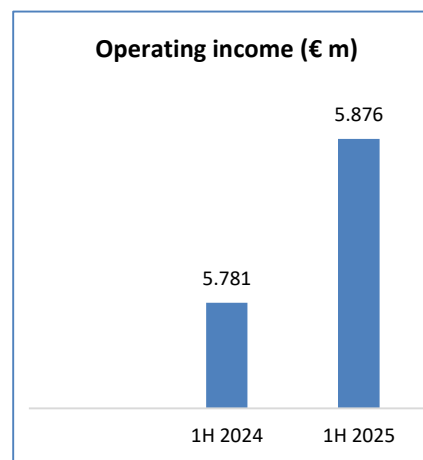
4.Source: ECB & EBA Joint Report on payment fraud 2024, 1 August 2024

4 Supervisory Greek Banking Systems Statistics

Operating Income, Operating Expenses, Cost-to-Income ratio, Earnings Before & After Taxes (EBT/EAT), Loans-to-Deposit ratio, Liquidity ratios, Non-Performing Loans, Capital & Leverage ratios, Net Interest Margin, Cost of Risk

Operating income, operating cost and cost-to-income ratio

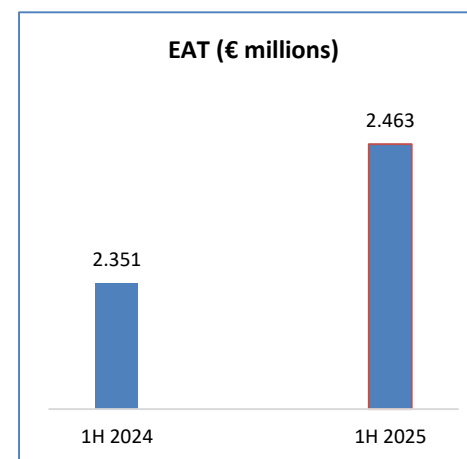
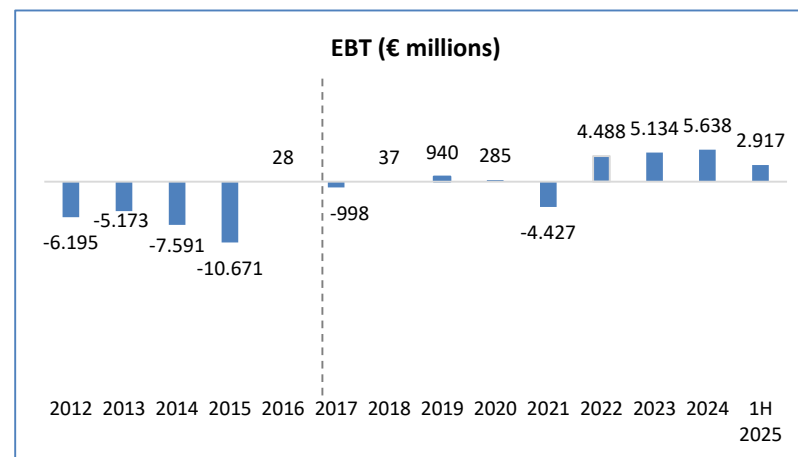
- In 1H 2025, the **operating income** of Greek banks **increased by 1.6%** compared to 1H 2024
- **Net interest income declined to 2.5%** from 2.8% in 1H 2024, higher than Banking Union average (1.5%)
- **Net fee and commission income increased by 14.3%**, with a positive contribution from portfolio management income and other commission income
- **Core operating income** (i.e. net interest income and net fee and commission income) **grew marginally by 0.4% yoy**.
- **Operating costs increased by 12.6%**, mainly due to an increase in staff and administrative costs.
- Greek banks' **cost-to-income ratio to 36.9%** (1H 2024: 33.3%) significantly lower than Banking Union average (54.2%).



Source: BoG, Financial Stability Report, October 2025

Profitability indicators

- Greek banking groups recorded pre-taxes and after taxes profits. More specifically in the first half of 2025, Greek banks recorded **profit after taxes and discontinued operations amounting to €2.46 billion**, against profits of €2.35 billion over the same period of 2024.
- In the first half of 2024, the RoA and RoE ratios after tax and discontinued operations amounted to 1.4% and 13% respectively, significantly lower than Banking Union average (0.7% and 10%).



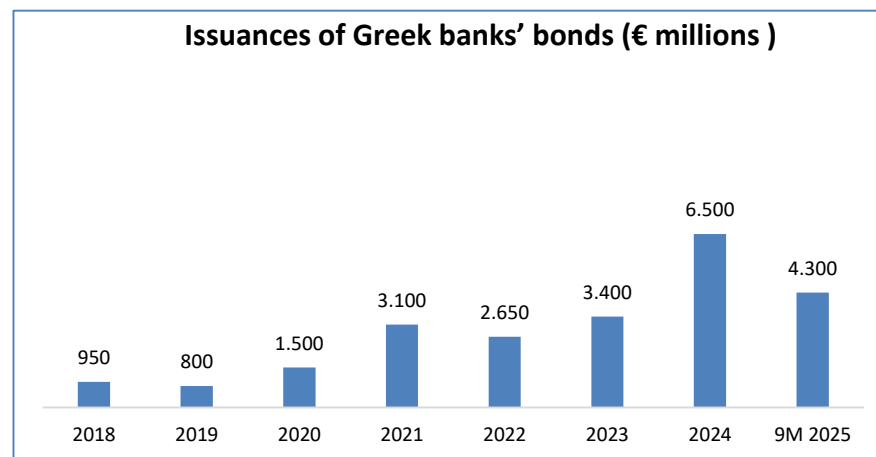
Source: BoG, Financial Stability Report, May and October 2025

Liquidity ratios

- The liquidity conditions of the Greek banking sector improved further in January – June 2025 despite the repayment of the TLTRO III funding.
- The **Liquidity Coverage Ratio (LCR)** stood at **212.3%** in June 2025, more than double compared to the supervisory requirement of 100% and remained significantly higher than the corresponding Banking Union average (157.84%).
- The **Net Stable Funding Ratio (NSFR)**, after its significant increase from 2022, stood at **136.4%** in the first half of 2025, from 133.8% in Q2 2024, reflecting the adequate coverage of banks' long-term liabilities without requiring excessive use of short-term funding. The supervisory requirement for the NSFR is set at 100%. The rise in the NSFR is due to an increase in retail term deposits, which partially offset the decline in Eurosystem funding.
- The NSFR for Greek banks remained slightly higher than the corresponding European average for banks in the Single Supervisory Mechanism (Q2 2025: 126.74%, Q1 2025: 126.37%, Q4 2024: 126.94%).
- **In the first half of 2025, L:D ratio** stood at 62.37% compared to 102.16% of Banking Union significant banks average.

MREL framework

- Greek banks have already met the Minimum Requirements for Own Funds and Eligible Liabilities (MREL).
- In this context, continuing the trend of the previous two years, in January-September 2025 Greek banks issued senior preferred bonds as well as subordinated bonds of a nominal value of €4,300 million.



Source: BoG, Financial Stability Review

Greek Banks – Significant NPL deleveraging, New challenges ahead

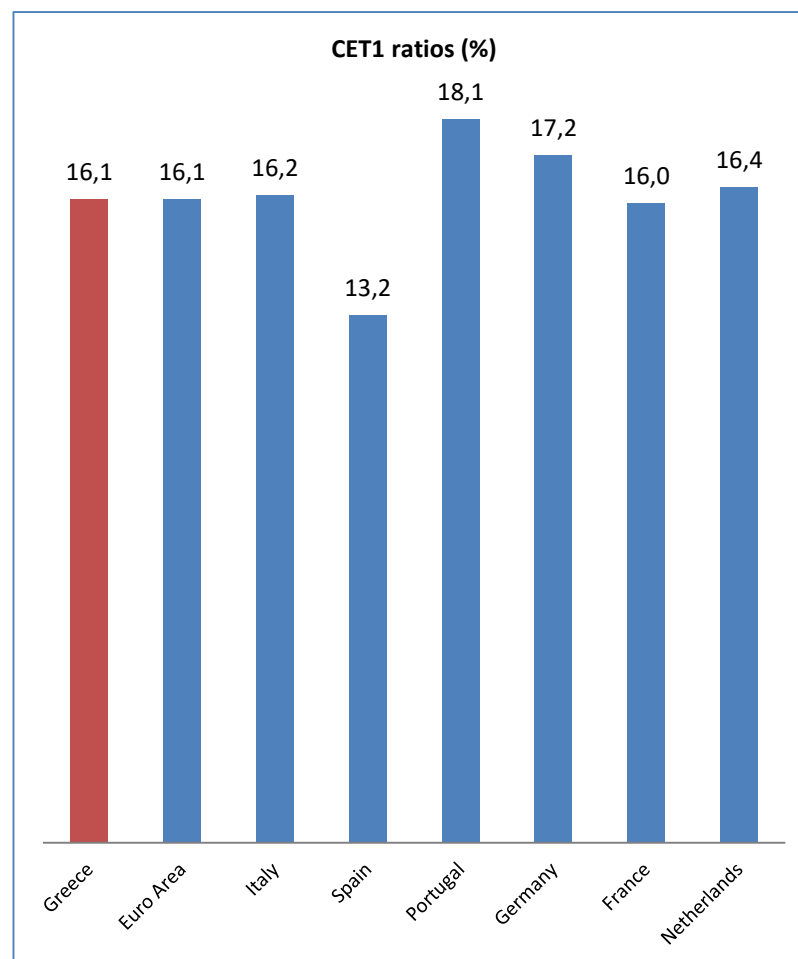


Sources: BoG, Financial Stability Review, October 2025 and SSM data for Euro Area and Greek significant banks as at 2Q 2025

- Greek bank NPL ratio at 3.6%, the lowest in record (BoG), following sales, write-offs and securitizations under the Hercules Asset Protection Scheme (end-2019 at 40%)
- Four Greek significant banks NPL ratio even lower, at 3.2%. Banking Union significant banks average at 2.2%.
- NPLs of Greek banks stood at €5.8 billion in the first half of 2025 from 6 billion at the end December 2024 (NPL ratio at 3.8%),
- The coverage ratio of non-performing exposures of Greek significant banks (49.4%) is much higher than the Banking Union average (39.77%) and the 3rd highest after Slovenia (57.32%) and Portugal (51.88%).
- Yet, significant challenges lie ahead. Nearly €80bn of legacy NPLs off-bank balance sheets at end-Q2 2025, as resolution proceeds at a slow pace.

Capital adequacy of Greek banks

- Common equity (CET1) ratio declined slightly in the first half of 2025 in comparison to December 2024 (15.8% versus 16%).
- Total Capital Ratio (TCR) increased slightly, to 20.4% versus 19.8% in December 2024.
- Both ratios remain at the same level of Banking Union average (CET1: 16.1%, TCR: 20.2%).
- The amortization of final and cleared deferred tax assets (Deferred Tax Credits – DTCs) has been accelerated due to the implementation of the DTC acceleration plan. In June 2025, the final and settled deferred tax assets amounted to €11.8 billion, representing 44.6% of Common Equity Tier 1 (CET1) Capital (down from 47.5% in December 2024).

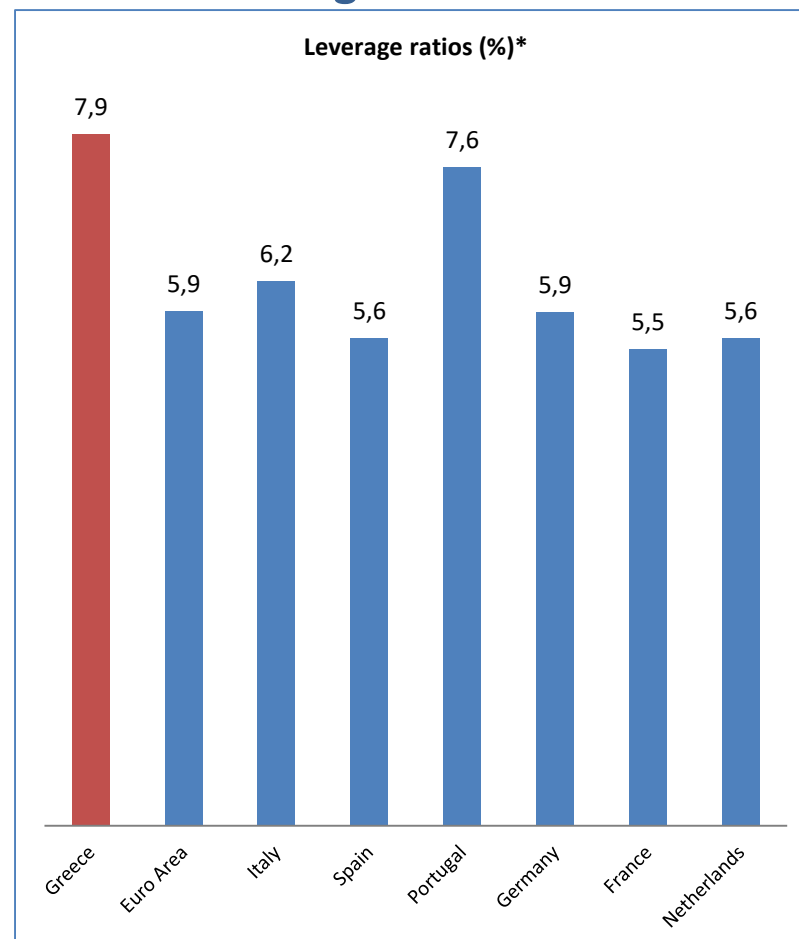


Source: SSM data for 113 significant banking union banks as at 2Q25

Leverage ratio higher than Euro Area banks and average

- In the first half 2025, the leverage ratio of Greek banks slightly increased to 7.9%, from 7.7% in December 2024.
- In Q2 2025, the leverage ratio (fully phased-in definition) of the four Greek significant credit institutions was higher than the average of significant credit institutions in France, Germany, Italy, Netherlands, Portugal, Spain and Euro Area average.

Sources: BoG, Financial Stability Review, October 2025 and SSM data for Euro Area and Greek significant banks as at 2Q 2025



* Fully phased-in definition
Source: SSM data as at 2Q25

Net Interest Margin - Cost of Risk – Stage 2 loans

- In June 2025 the **Net Interest Margin** (NIM) stood at 2.5%, i.e. it declined compared to the first half of 2024 (2.8%), but remained higher than the average of significant banks in the Banking Union (1.5%).
- Highest Net Interest Margin compared to the average of Greek banks (2.5%) was recorded by significant banks in Slovenia (3.22%), Latvia (2.93%), Estonia (2.78%), Portugal (2.75%), Spain (2.66%), and Lithuania (2.62%). Very close to Greek banks average was Austrian (2.37%) and Italian (2.14%) significant banks.
- The **cost of credit risk** e.g. the ratio of credit risk provisions (y-o-y) over loans after accumulated provisions, was further de-escalated in June 2025 (0.7%), compared with 0.8% in the first half of 2024. The Banking Union average at 0.5% in June 2025.
- The percentage of **Loans and advances with significant increase in credit risk (stage 2)** lower 273 basis points than the Banking Union average. Significant improvement of Greek significant banks compared to Q4 2024 (-59 basis points).

	Banking Union average	Greek significant banks average
Q2 2025	9,59%	6,86%
Q1 2025	9,76%	7,28%
Q4 2024	9,93%	7,45%

5 Appendix

The Hellenic Bank Association (HBA)

The Hellenic Bank Association (HBA) is a non-profit legal entity of private law representing Greek and foreign credit institutions operating in Greece. It was founded in 1928 and today has 18 members, of which 11 are regular and 7 associated. It is a member of the European Banking Federation.

The HBA seeks to:

- promote the Greek banking and financial system and to contribute to the development of the Greek economy,
- protect and represent the interests and rights of its member banks, and
- undertake the amicable and out-of-court settlement of disputes between its member banks and parties in transaction therewith.

Its statutory organs are the General Assembly, the Board of Directors, the Executive Committee and the General Manager, while the Legal Council and ten Steering Committees support its activities.

Its activities have, mainly, **three dimensions, i.e. institutional, developmental and social**. In its institutional role, the HBA contributes in a consultative capacity to regulatory issues, by participating in the formulation of legislative proposals or in technical committees at European and national level, **promotes the positions of its members to the competent authorities** and monitors the regulatory provisions concerning the operations of the Greek banking and, in general, financial system.

In its developmental role, it fosters bilateral and multilateral relations with other financial-sector associations in Greece and abroad, encourages the establishment of interbank bodies or other legal entities that aim at the promotion of the Greek banking system, is active in the development of training courses for its member banks and their clients. Additionally, it develops relations with local productive forces and contributes to the development of interbank payment systems and the expansion of electronic banking services. It also fosters participation in European Projects, **offers training through its Hellenic Banking Institute**, conducts surveys and research, produces a number of publications (including specialized studies on legal and economic issues relating to the banking system) and explores ways to improve physical securing of banking network and banking transactions.

In its social role, the HBA enhances public awareness vis-a-vis the Greek banking and financial system, promotes the concept of corporate social responsibility and takes initiatives in the field of business ethics.

Furthermore, it addresses problems related to consumer protection, creates and develops mechanisms for settling disputes out of court between private customers/investors and banks via the services offered by the **Hellenic Ombudsman** for Banking-Investment Services (**Banking Ombudsman**), encourages the contribution of the banking system to Sustainable Development and also keep banks informed of labour and social issues.

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