

FIRST HALF 2023 FINANCIAL RESULTS**Eurobank Cyprus: Strong capital adequacy and profitability in the first half of 2023*****The Bank's net profit after tax reached €90.8m in the first half of 2023***

Eurobank Cyprus's Financial Results for the first half of 2023 showed a strong capital adequacy and liquidity, a very good quality of the Bank's loan portfolio and an improved Cost-to-Income Ratio.

The Bank's net profit after tax was €90.8m, growing by €53.6 or 144% compared with the same period last year.

The effective management of operating costs along with higher operating profits, resulted in a further improvement of the bank's **Cost-to-Income** ratio, which decreased from 32% in the first half of 2022, to **19%** in the first half of 2023.

The **Capital Adequacy and Common Equity Tier 1 (CET1) ratios** remained strong, increasing to 29.9% during the first half of 2023; and 260 basis points compared to the period ended 31 December 2022. These ratios are significantly higher than the minimum regulatory requirements set for 2023.

The **loans to deposits ratio** (excluding loans secured by deposits) is **31%**, with total **deposits** reaching **€7,261m**, representing an increase of **€58m** since the beginning of the year.

Mr. Michalis Louis, Eurobank Cyprus' Chief Executive Officer said:


“The first half of 2023 ended with a positive outlook, which allows the Bank to continue to support entrepreneurship, sustainable investments, and its private clients. At Eurobank Cyprus, our key priority is to continue to evolve and provide high-quality specialised services to our customers, through a customer-centric approach, which has always been a core element of our modus operandi and differentiates Eurobank from the competition. Within this framework, we proceeded, from 1 June 2023, with a reduction of our interest rate on mortgage loans by 50 basis points for a one-year period, in an effort to reward and support individual borrowers who are up to date with their loan repayment obligations.

At the same time, particular emphasis has been placed on upgrading the Bank's infrastructure and further digitising its services through a large-scale investment project, which is already underway and aims to make the Bank more user-friendly, faster, and more effective. Moreover, improving our culture of sustainable development, by focusing on ESG targets and criteria, is still high on the Bank's list of priorities.

With a view to further increase the Bank's activities, we have emphasized in upgrading our Private Banking division, providing integrated services and products through the Group's presence in Cyprus, Greece, Luxemburg, and the UK. Eurobank has always held a leading position and provided innovative services in the field of Wealth Management and will continue to do so in the future.

We also closely following developments in respect of the economy and the management of public finances, and we would like to encourage the government to continue, without any hesitations, to prudentially manage the country's public finances, while remaining committed to achieving a fiscal surplus, a significant reduction of public debt which unfortunately is still very high and continue to strive for an upgrade of Cyprus' credit rating. The positive image created in the past few years must be maintained and further strengthened in the period ahead. Any decisions must be very well thought out, since the current circumstances, both at the international and domestic level, do not allow for any complacency.”

Eurobank Cyprus Ltd is a Cyprus-registered company founded in 2007. It operates independently and adheres to the laws and regulations of the Republic of Cyprus.

	FINANCIAL RESULTS	
	30.06.2023 6 months €mln	31.12.2022 12 months €mln
Total Loans	2.763	2.730
Total Deposits	7.261	7.203
Capital and other reserves	733	636
Profit before tax	107.8	115.7
Profit after tax	90.8	94.3