



Cyprus Banking Sector

Banking Bulletin

Issue: February 2024

Purpose and Contents

- This bulletin presents key performance indicators (KPIs) of the Cyprus banking sector on an aggregated basis and of banks individually.
- It aims to facilitate the comparison between banks and provide valuable insights to executives for strategic decision-making.
- Through this bulletin, the market position of a bank can be easily viewed across a number of metrics, but also how a bank compares on certain KPIs against peers.
- It can also serve as a comprehensive tool for understanding the historical evolution of KPIs of each bank over the past 8 years (since 2015).
- The bulletin encompasses a variety of KPIs, covering financial position and performance, capital adequacy, liquidity, asset quality, market share etc.

Caveats

- The information presented in this bulletin is derived from publicly available data as of October 2023. Data sources include financial statements and investor relations presentations of banks, as well as reports from the Central Bank of Cyprus.
- Any views presented are based on the current economic and regulatory environment, and unforeseen future events could alter these.
- While every effort has been made to ensure accuracy of the data presented, different interpretations and forms of calculation of specific KPIs may result in different figures than those reported in bank financial statements or in investor relations presentations.

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01

Key Macroeconomic Indicators

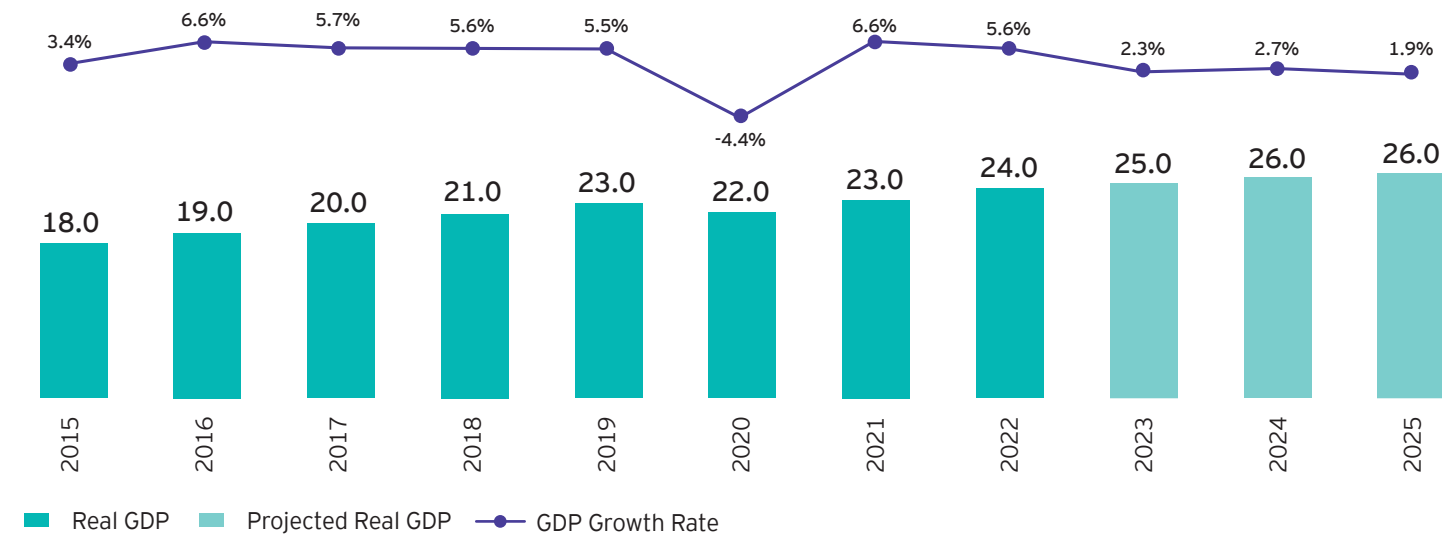
The Cypriot economy has experienced robust growth, with Real GDP increasing by 5.6% in 2022, primarily fueled by domestic demand, significant employment increases, and a surge in foreign investment in real estate. Tourism has also performed better than expected, and service exports, including ICT, financial, and professional services, have expanded, making the economy less reliant on tourism¹. However, the economy is expected to slow down, with growth forecasts of 2.3% in 2023 and 2.7% in 2024, impacted by high inflation, higher interest rates, and weaker external demand¹.

The labor market in Cyprus has shown improvement, with unemployment rates decreasing to 6.8% in 2022 from 7.5% in 2021. This is expected to slightly increase to 6.9% in 2023 in line with GDP growth slowdown, before declining to 6.4% in 2024 as the services sectors expand¹. Inflation, which peaked at 8.1% in 2022, is anticipated to decrease to 3.8% in 2023 due to moderating global energy prices and easing supply chain disruptions, with a further reduction expected in 2024 to 2.5%¹.

¹ https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/cyprus/economic-forecast-cyprus_en

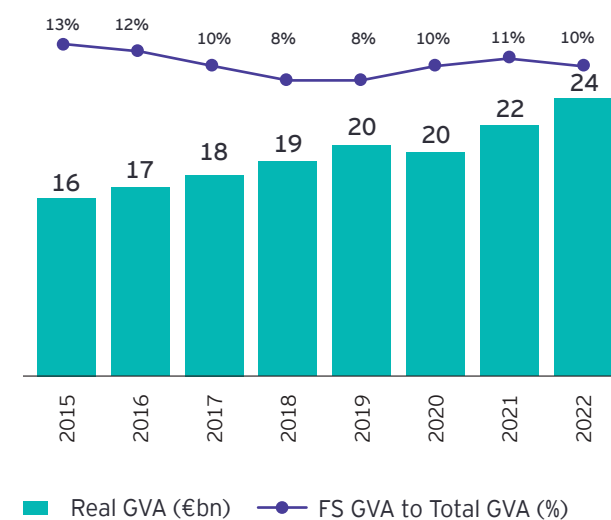
01_Key Macroeconomic Indicators

Real GDP and Growth Rate, €bn



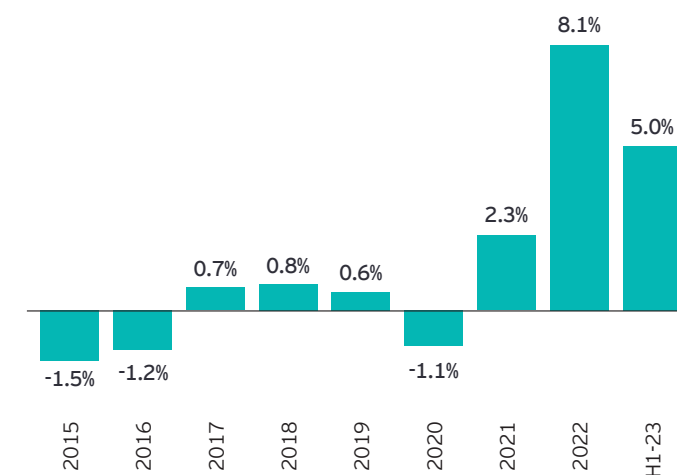
Source: Statistical Office of the European Communities

GVA, €bn



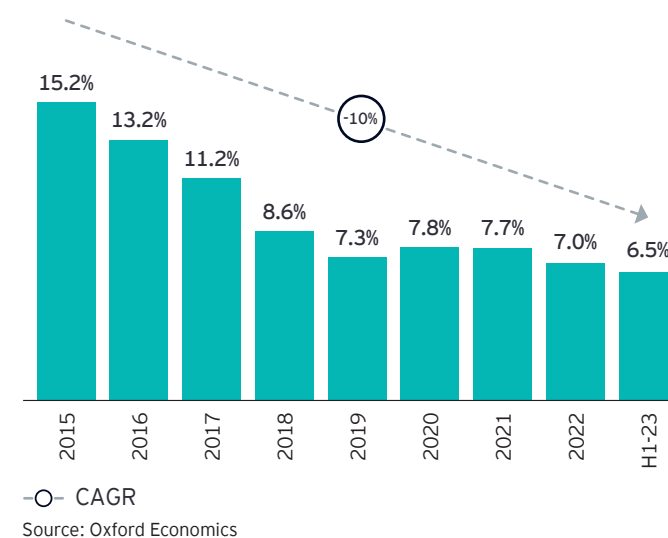
Source: Eurostat

Inflation, %



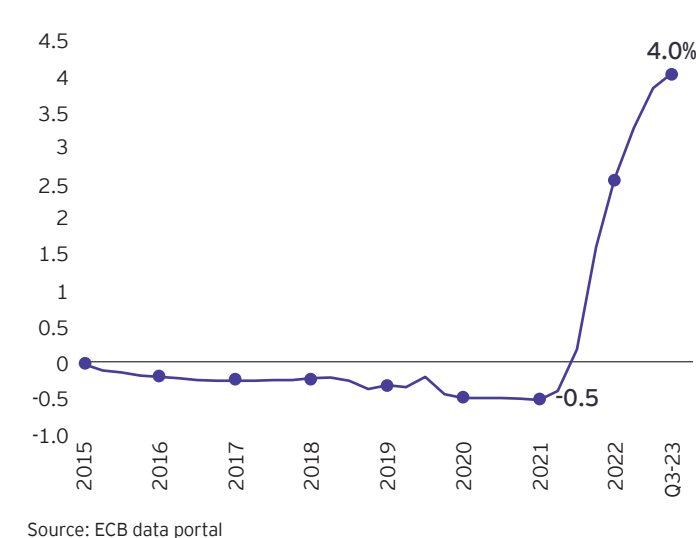
Source: Statistical Office of the European Communities

Unemployment Rate, %



Source: Oxford Economics

6M Euribor, %



Source: ECB data portal

02

Banking Sector Aggregate Data

The Cypriot banking sector has recovered to a large extent from various crisis over the last years, with notable improvement in asset quality and financial performance.

Indebtedness of households and businesses according to bank financial statements is healthier in recent years, as Gross Loans to GDP ratio has reduced from 3.4 in 2015 to 1.0 in 2023 (close to European average). However, the overall Indebtedness of the economy is not as healthy, since a significant portion of non-performing exposures still remains unsettled under the ownership of credit acquiring companies.

Traditionally the Cypriot banking sector experienced high liquidity, with net loans to deposit ratio reaching a record low of 44% as at the year end of 2022. Even though new lending has been stable (north of €3bn per annum), banks remain high liquid. This generates additional income for banks through cash placements at ECB as interest rates have increased since late 2022.

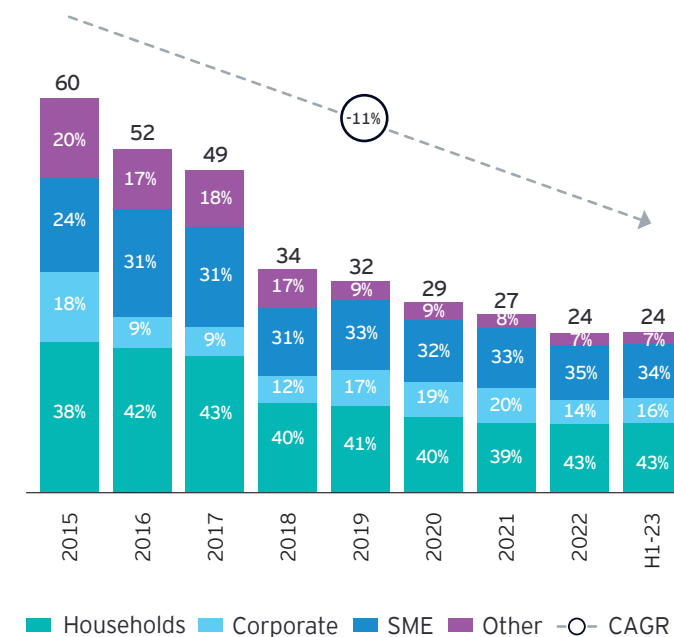
The sector's capital adequacy has also improved, with the total capital ratio reaching its highest level (21.2%) by the end of 2022.

Over the past years, a low interest rate environment resulted in reduction in net interest margins. However, with the recent interest rate hikes, interest income is anticipated to bounce back to 2016 levels, generated from just half the volume of gross loans compared to 2016. This positively affects net interest margin, as all banks record increase in NIM from 2021 to 2022.

Cost-to-income for 2022 is higher compared to EU averages, however the outlook is positive as cost-to-income is expected to fall due to (1) higher income driven from interest rate hikes, (2) further rationalization of the banks' cost base.

02_Banking Sector Aggregate Data

Gross Loans per Segment, €bn



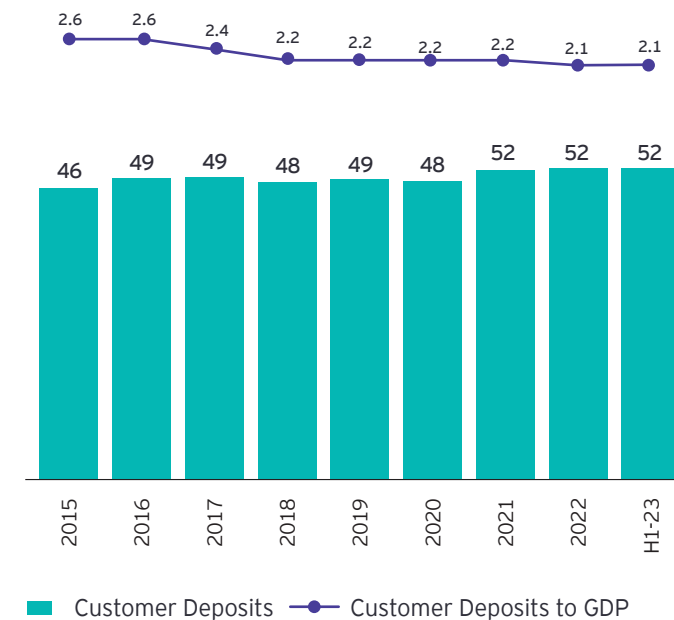
Source: CBC Database: Aggregate Cyprus banking sector data on NPLs

Gross Loans & Loans/GDP, €bn



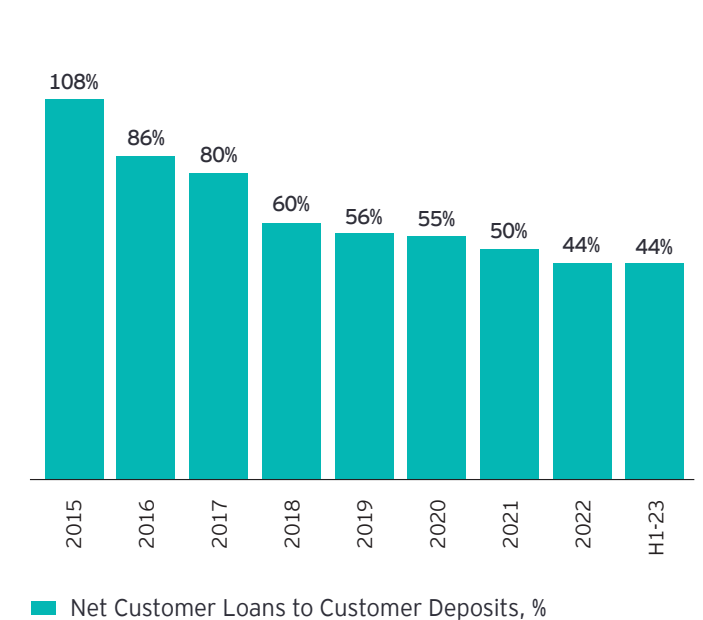
Source: EY Analysis

Customer Deposits & Deposits/GDP, €bn



Source: EY Analysis

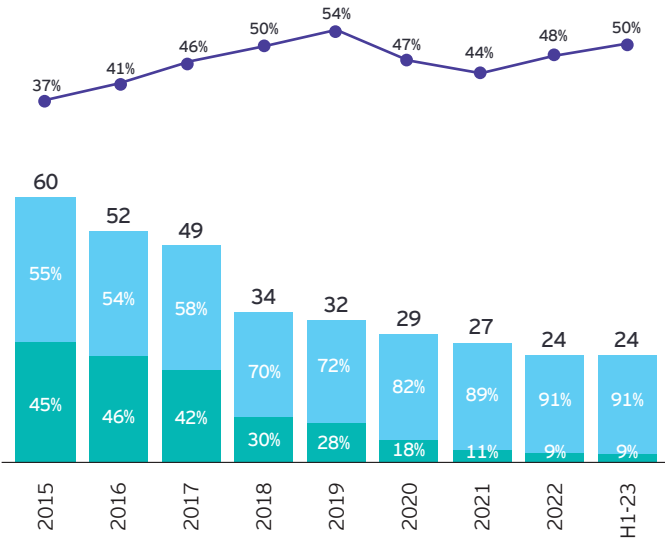
Net Customer Loans to Deposits, %



Source: CBC Database/ EY Analysis

02_Banking Sector Aggregate Data

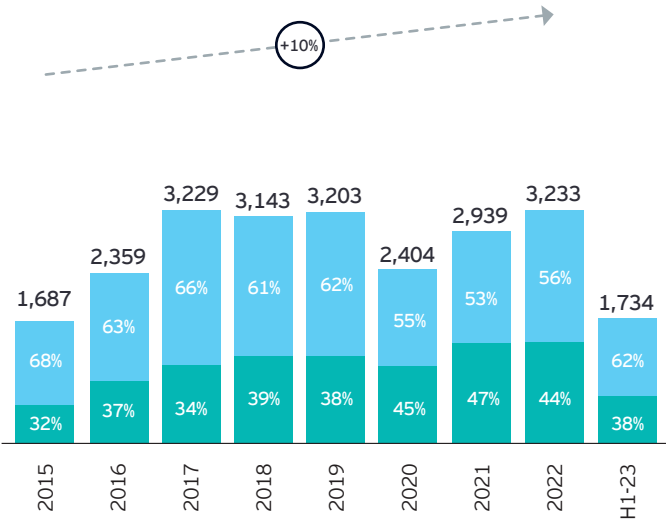
Performing to non-performing loan stock, €bn



■ Non-performing loan stock ■ Performing loan stock
—●— NPE Provision Coverage (%)

Source: CBC Database/ EY Analysis

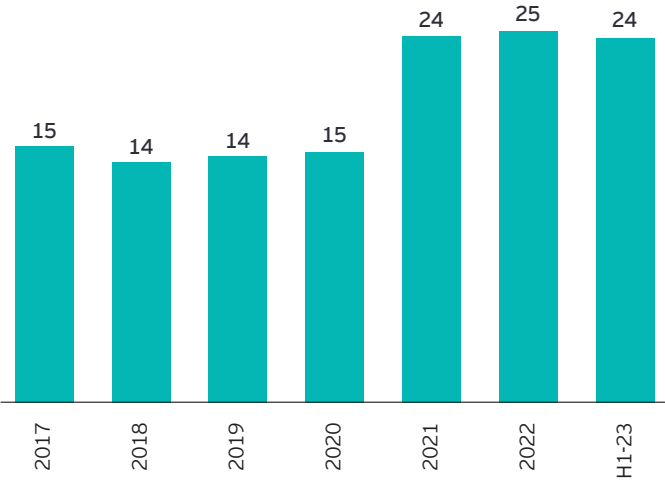
New Lending, €m



■ NFC: New lending ■ Retail: New lending
-O- CAGR

Source: CBC Database: MFS Report

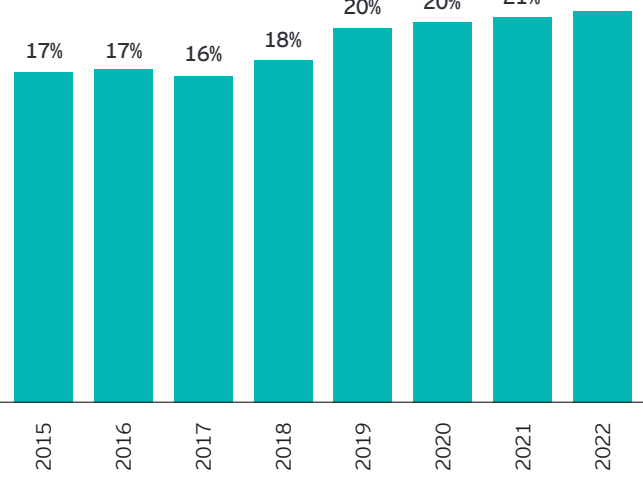
Cash and cash equivalents, €bn



■ Cash and cash equivalents, €bn

Source: CBC Database: Aggregate Cyprus banking sector data

Total Capital ratio, %

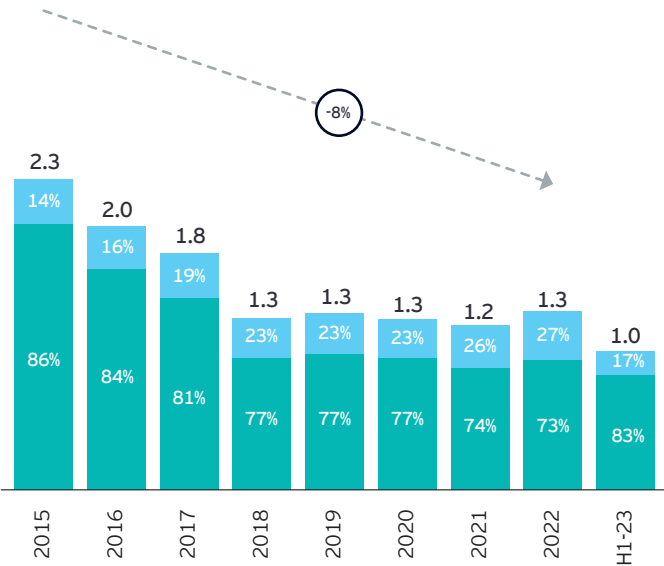


■ Total Capital ratio, %

Source: CBC Database: Key aggregate financial indicators for the Cyprus banking sector

02_Banking Sector Aggregate Data

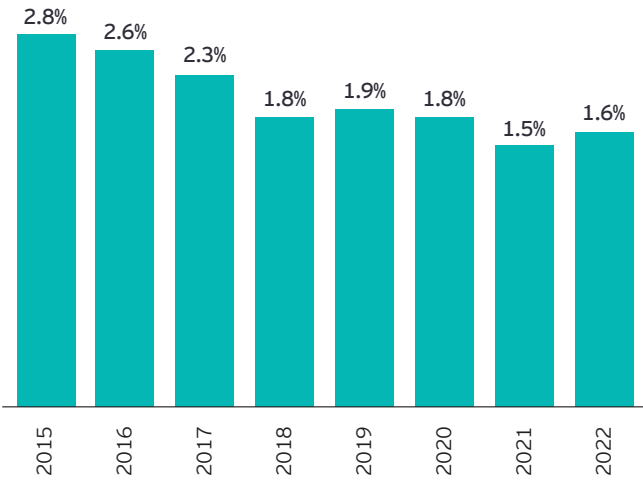
Net Interest Income Vs Net Fee Income, €bn



■ Net Interest Income ■ Net Fees and Commissions
-O- CAGR

Source: CBC Database: Aggregate Cyprus banking sector data

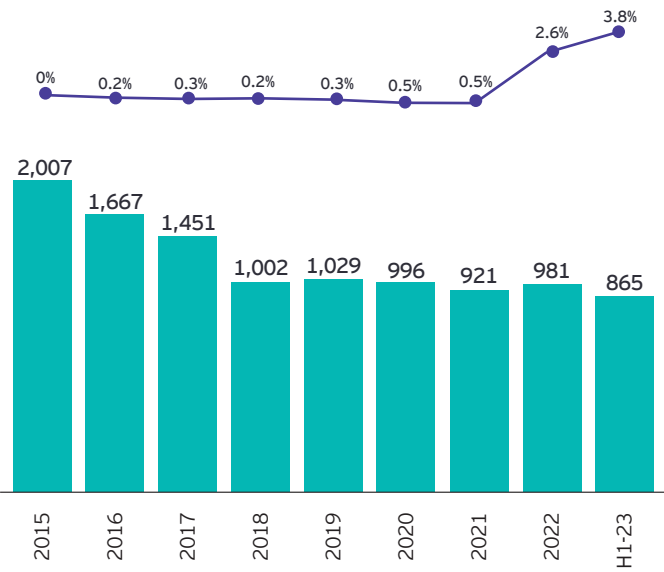
Net Interest Margin (NIM), %



■ NIM (%)

Source: Aggregate Cyprus banking sector data

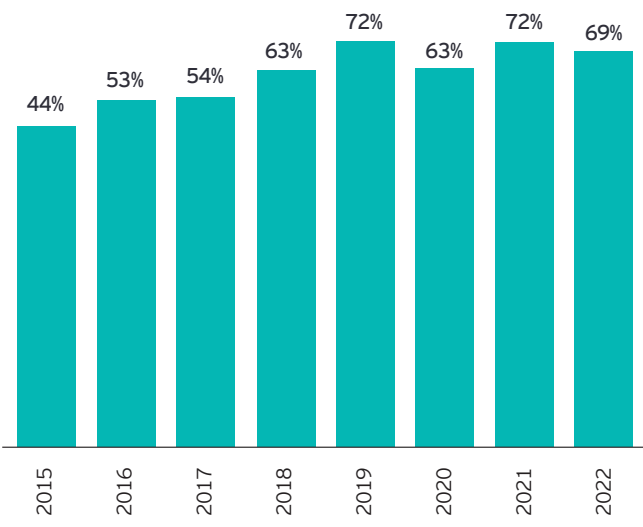
Net Interest Income & 6M Euribor, €m



■ Net Interest Income —●— Euribor

Source: ECB data portal and CBC Database

Cost to Income, %



■ Cost to Income, %

Source: CBC Database: Key aggregate financial indicators for the Cyprus banking sector

03

Total Assets

BoC, HB, and Eurobank consistently lead in total assets, contributing significantly to the industry's strength.

In terms of total assets, BoC is the market leader with solid market share of 39% as at the y/e 2022.

Eurobank and Ancia are the two banks that consistently demonstrated year-over-year organic growth in total assets throughout the time frame reported.

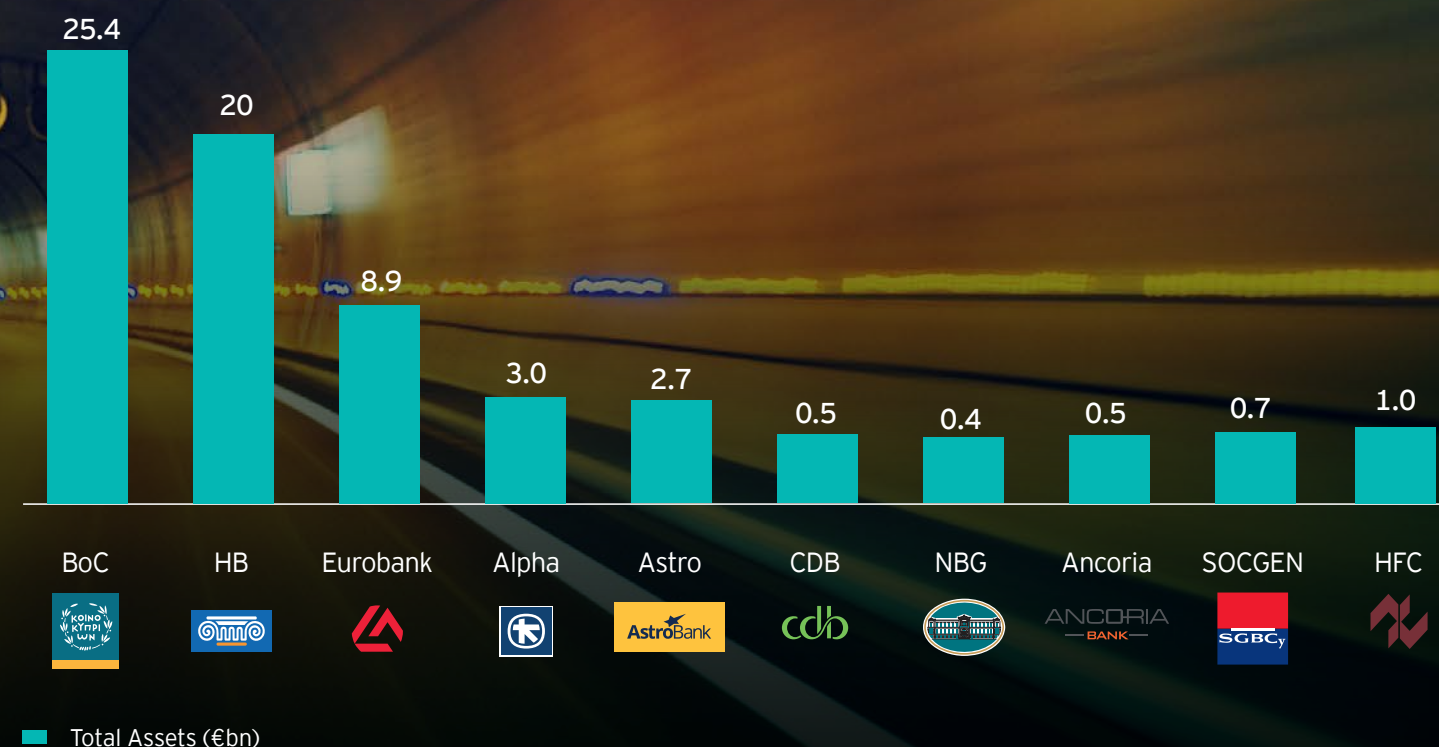
The Hellenic Bank recorded a substantial growth in its total assets, exceeding 100% from 2017 to 2018, attributed to its acquisition of the healthy portfolio from the Cyprus Cooperative Bank (CCB).

NBG experienced the most distinct decline in total assets during the reported period.


The rest of the banks maintained stable total assets, with minor variations, indicating no significant increase or decrease.

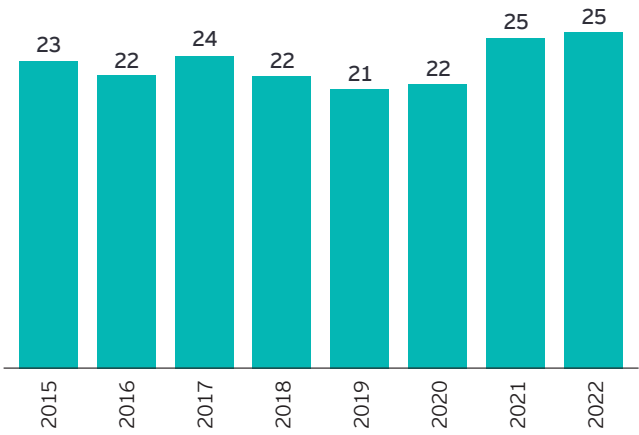
In summary, the overall industry has experienced growth, reaching a total asset value of c€64bn by the y/e 2022. This growth signifies a positive trend in the banking sector, and banks should collaborate and compete strategically to capitalize on emerging opportunities.

Total Assets as at year end 2022, €bn

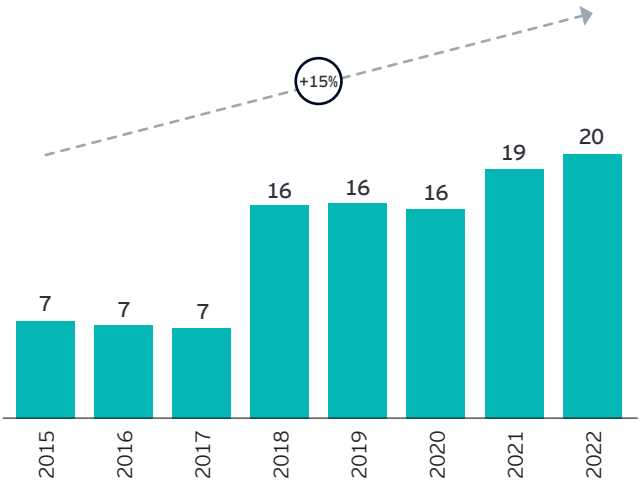


03_Total Assets (€bn)

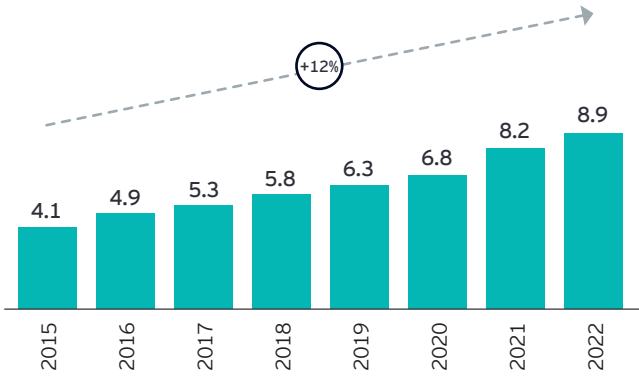
 Bank of Cyprus



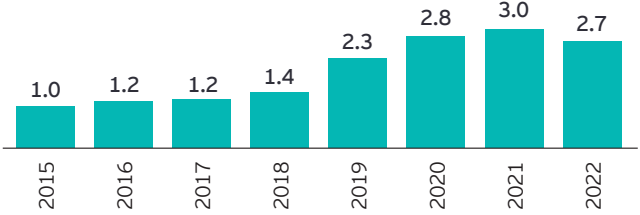
 Hellenic Bank



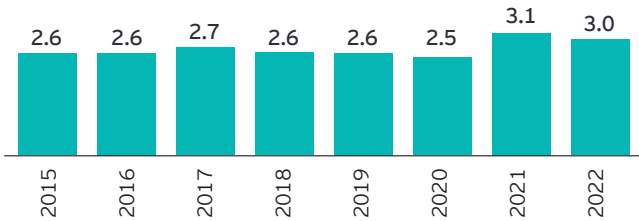
 Eurobank



 Astro Bank



 Alpha Bank

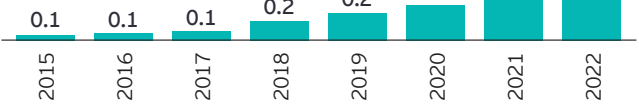


 CDB Bank

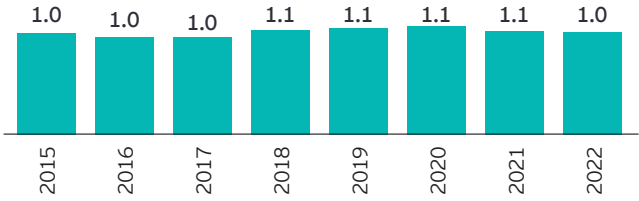


03_Total Assets (€bn)

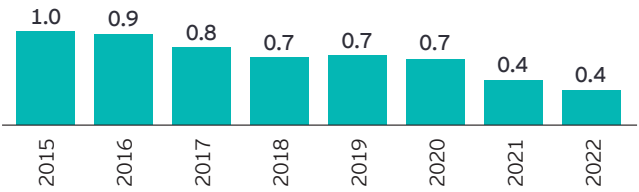
 Ancoria Bank



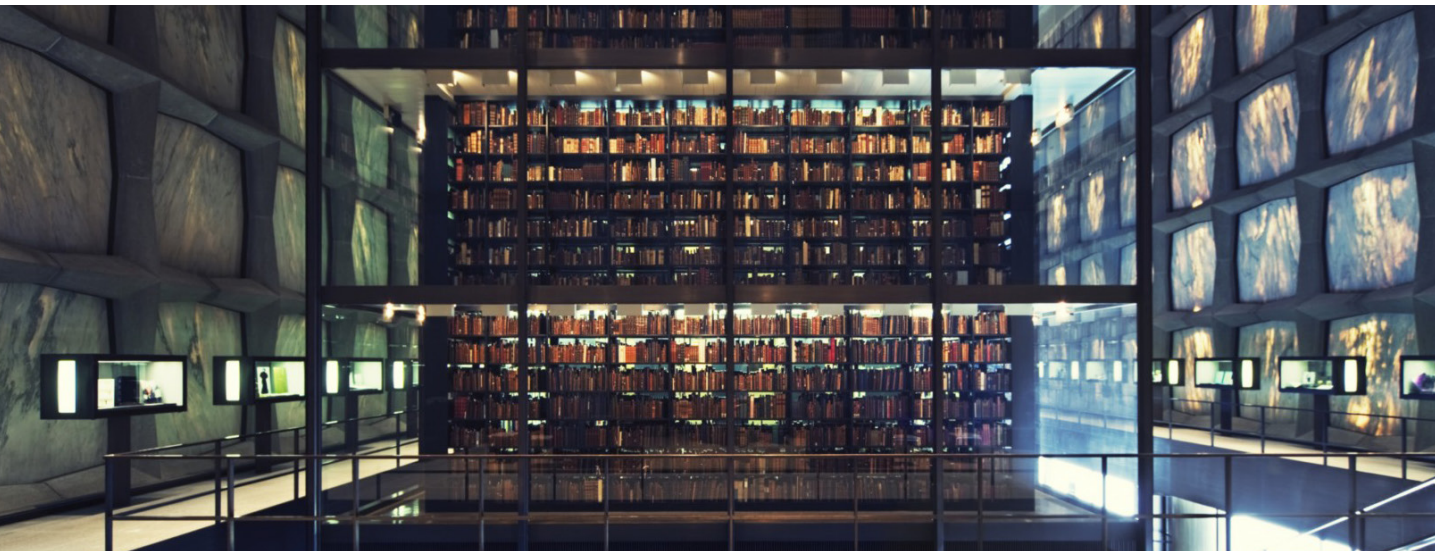
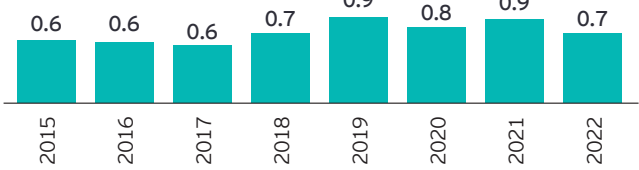
 HFC Bank



 National Bank of Greece



 Societe Generale



04

Gross Loan Segmentation

Households, Corporate, SME and Other.

The banking sector in Cyprus appears to be at a pivotal point where strategic shifts and adaptability will be key to future success. While the Bank of Cyprus has historically been the market leader in most segments, there are signs of changing dynamics, especially in SME lending. Other banks have opportunities to grow their market share by focusing on underserved segments and innovating in their product offerings.

Decline in SME Lending

There is a noticeable decline in lending to SMEs across almost all banks (increased risk aversion). Banks could consider revisiting their lending criteria and support mechanisms for SMEs, as these businesses are crucial for economic growth and job creation.

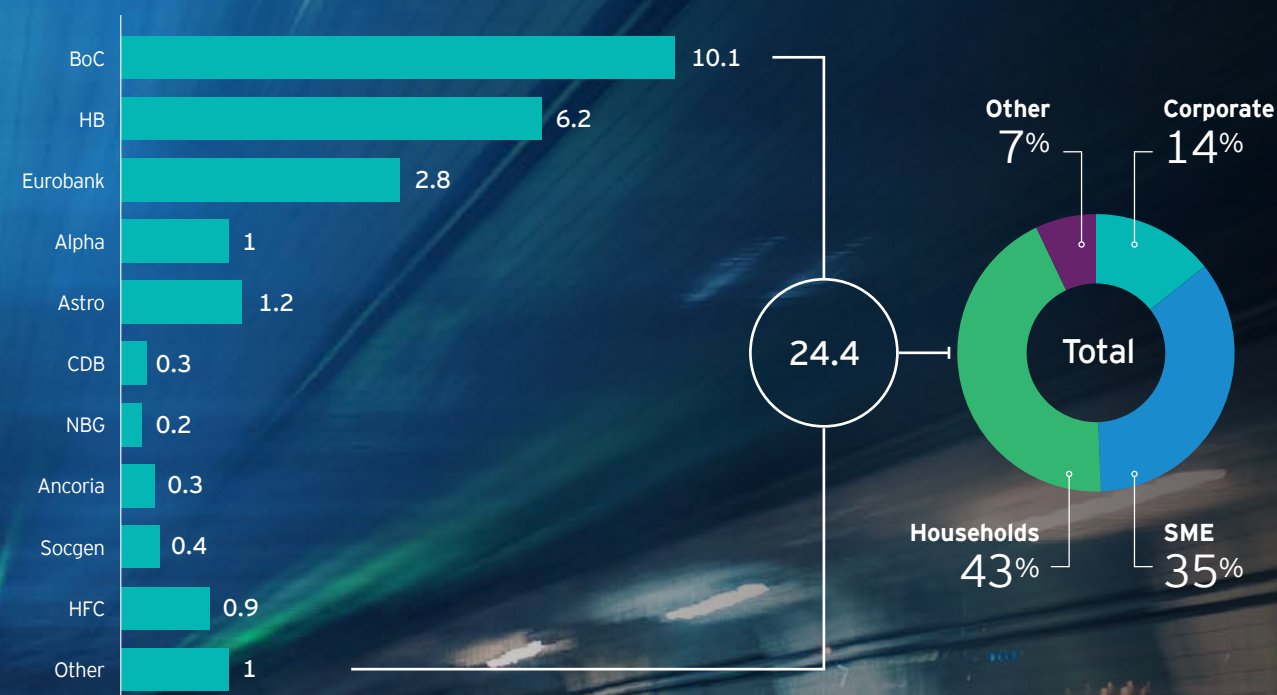
Focus on Households

Many banks seem to have a consistent or increasing focus on lending to households. Consider investing in financial technology to improve customer experience, and cross selling of products under retail BU.

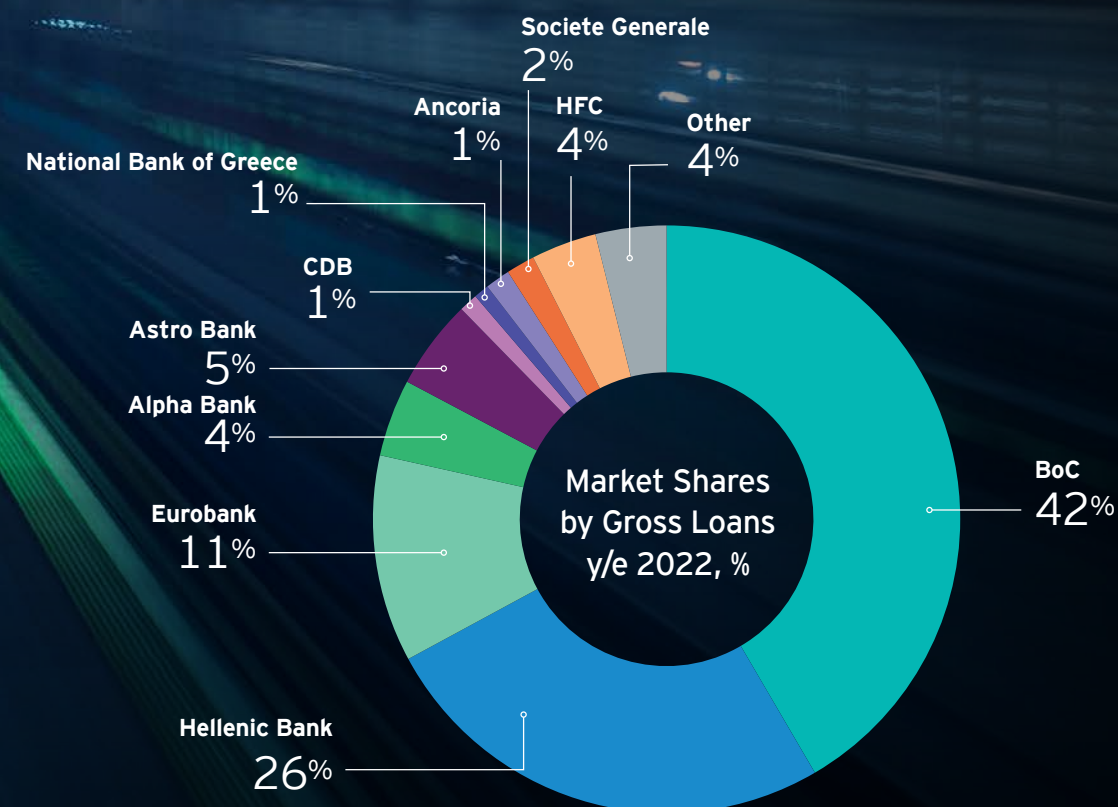
Corporate Lending Variability

Corporate lending shows variability across different banks. Banks with reduced corporate lending might be missing out on lucrative opportunities and could consider revising their corporate lending strategies.

Gross Loans Segmentation as at year end 2022, €bn

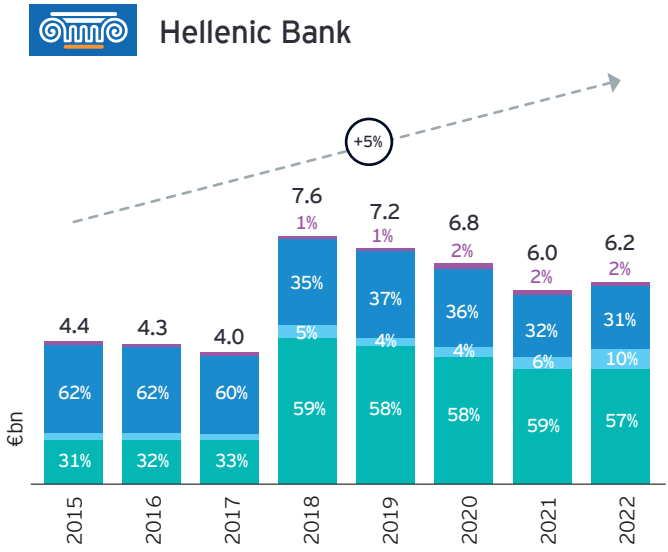
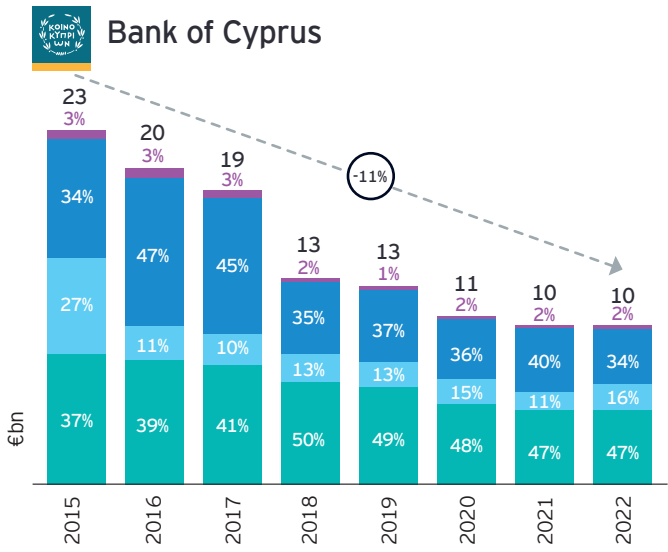


Source: CBC Database: Key aggregate financial indicators for the Cyprus banking sector



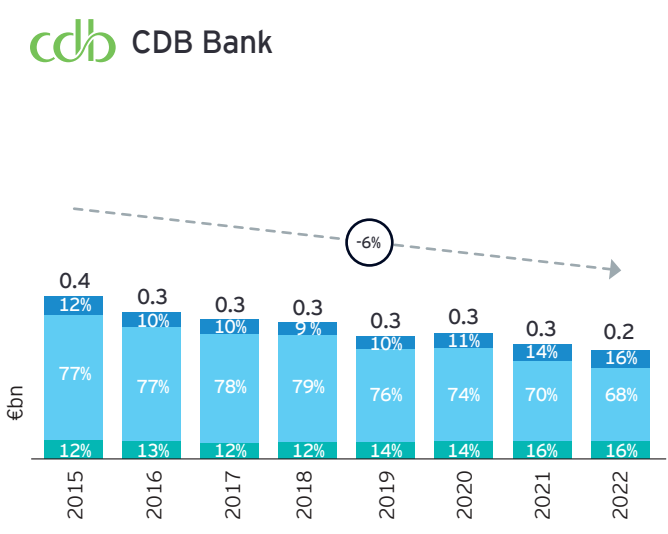
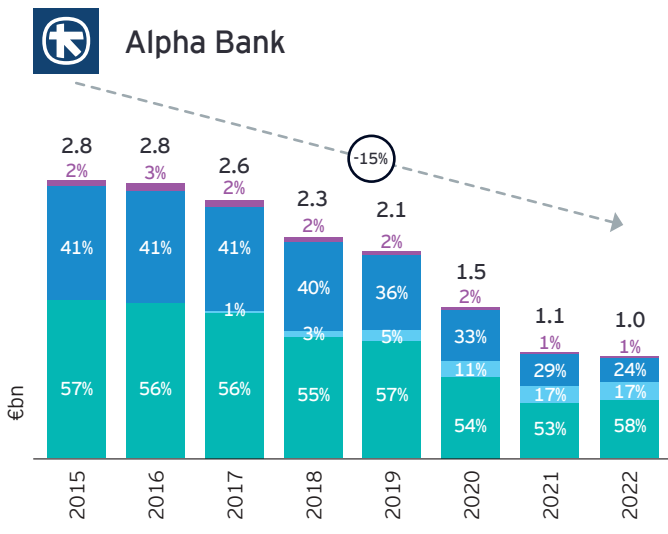
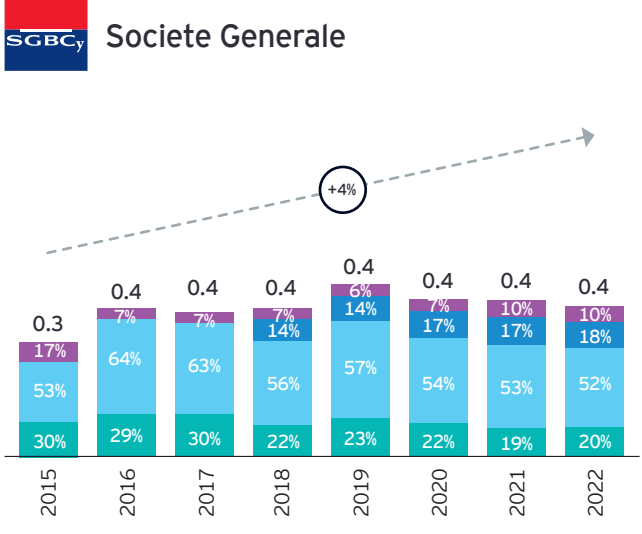
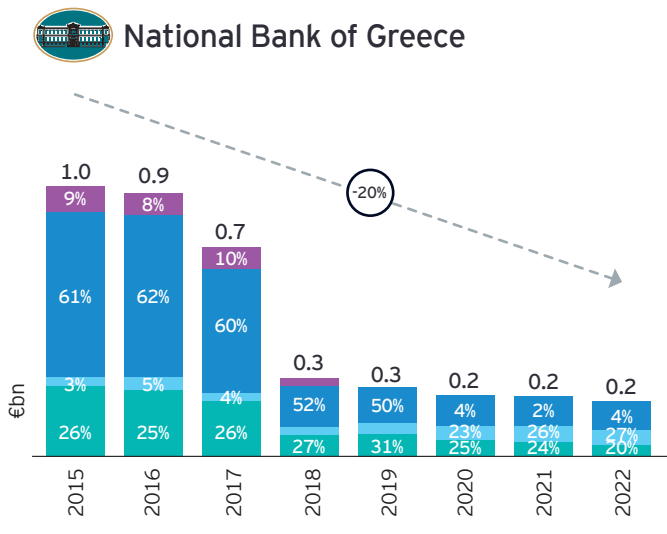
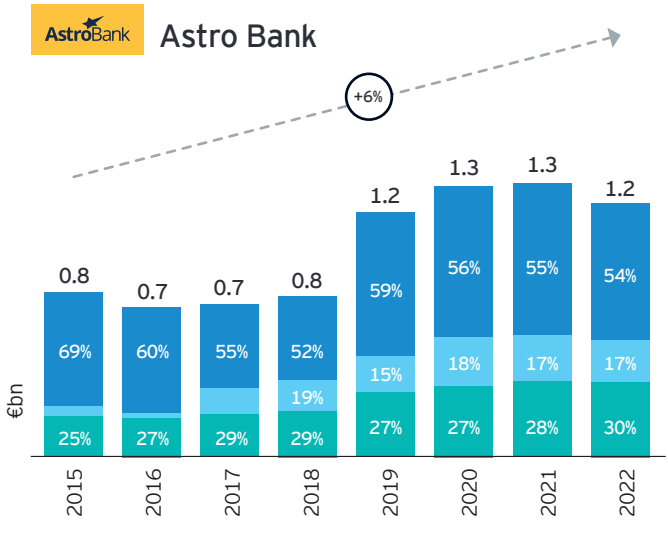
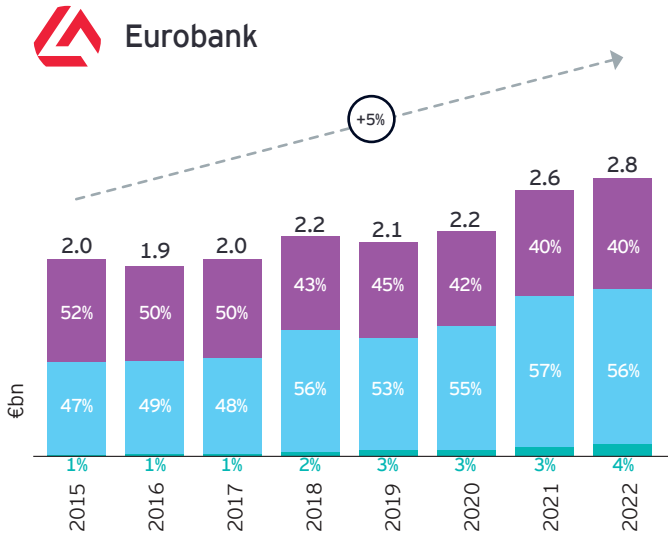
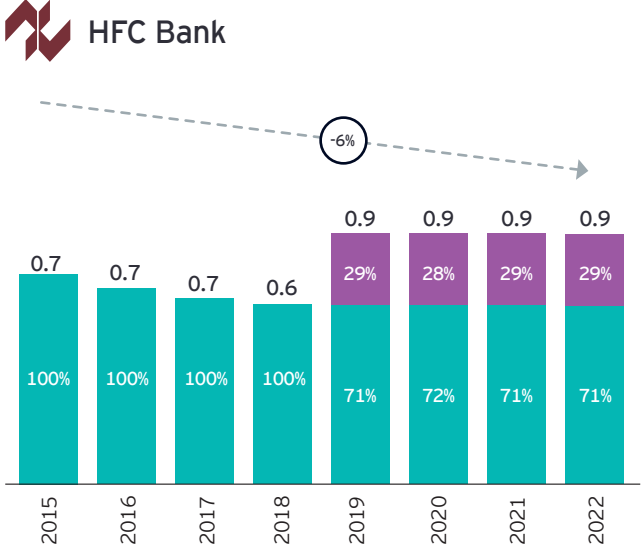
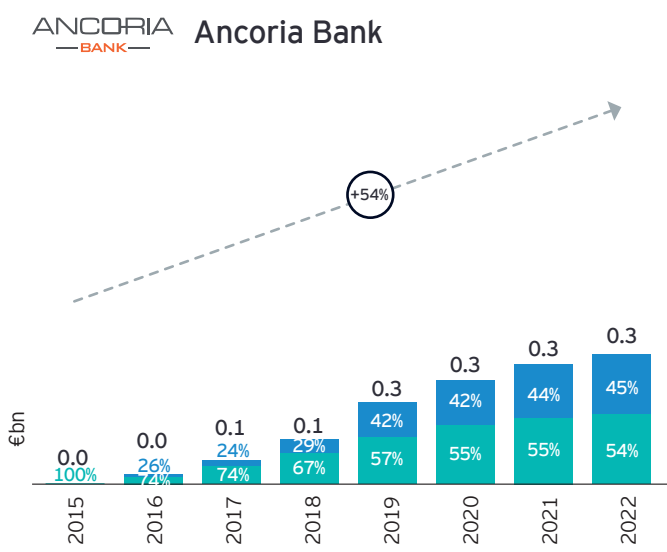
04_Gross Loans

Households Corporate SME Other CAGR



04_Gross Loans

Households Corporate SME Other CAGR



05

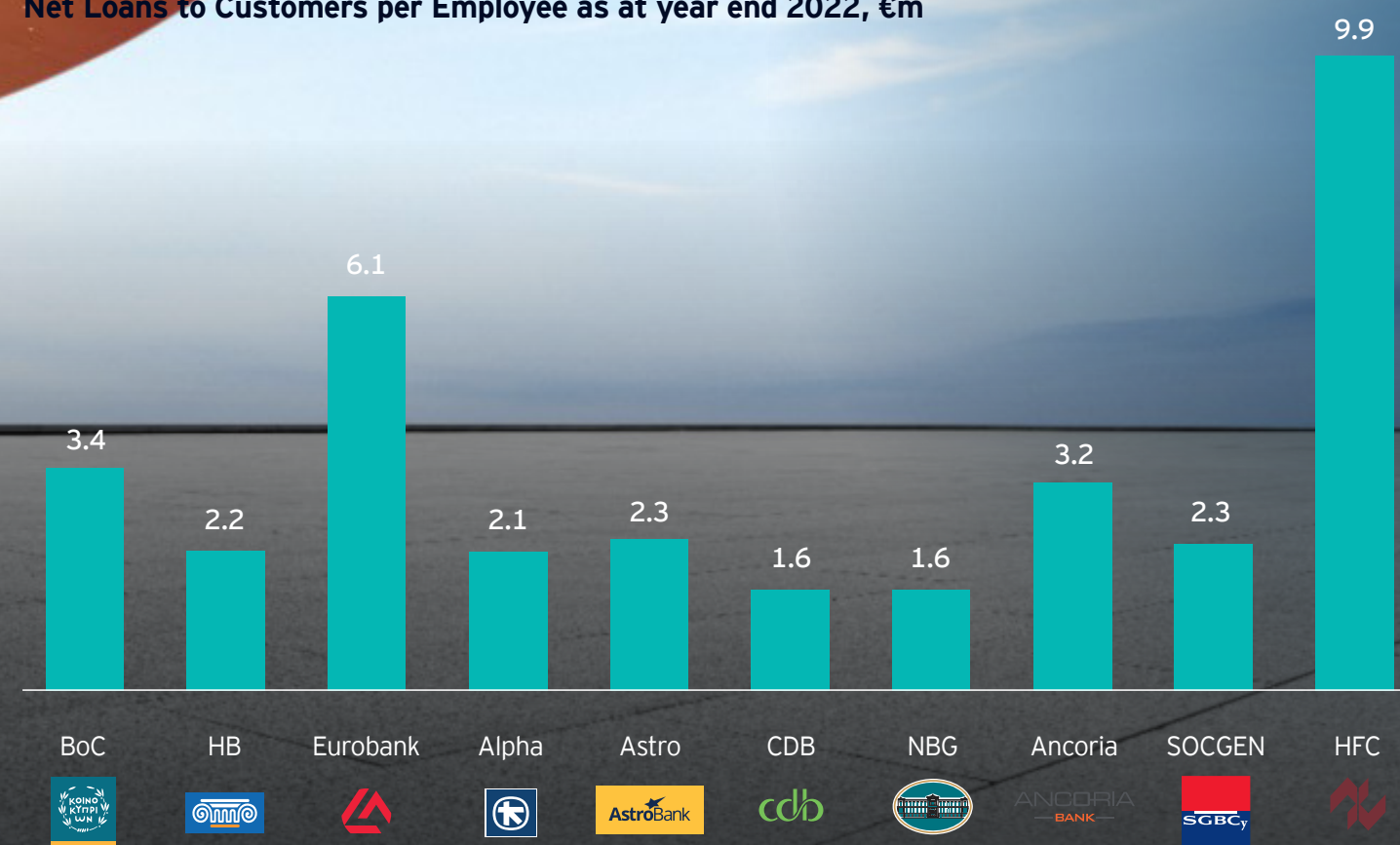
Net Loans Per Employee

HFC and Eurobank have the highest net loans per employee ratio, where NBG and CDB record the lowest ratios, indicating under-utilization of workforce and failure to expand their loan books.


It is critical for banks to continuously assess whether they are utilising employees effectively and try to maximise employee productivity coupled with healthy expansion of loan books.

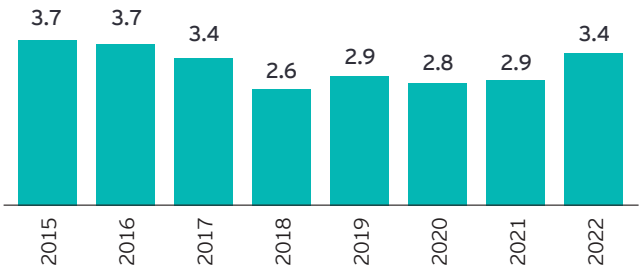
Operational efficiencies should be targeted, taking advantage of the technological developments increasingly coming up and disrupting all industries and especially the financial services.

Net Loans to Customers per Employee as at year end 2022, €m

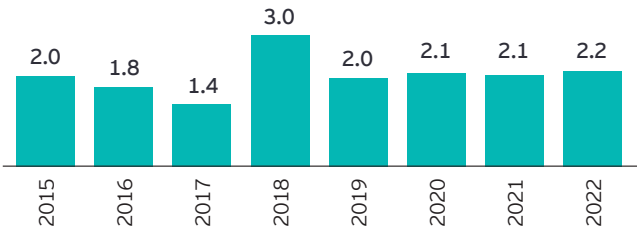


05_Net Loans Per Employee (€m)

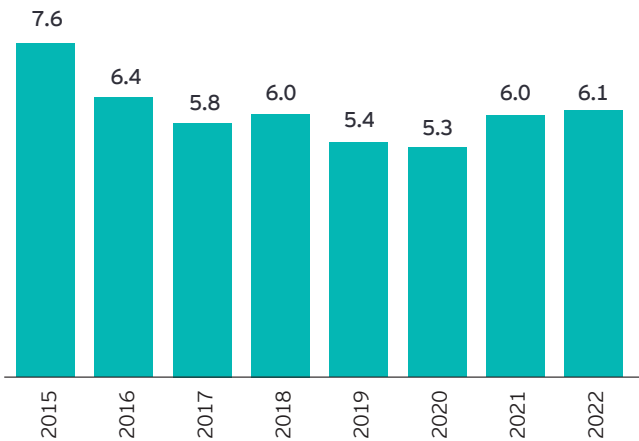
 Bank of Cyprus



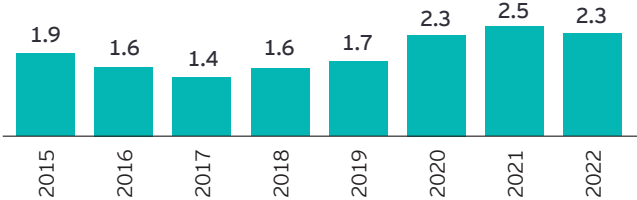
 Hellenic Bank



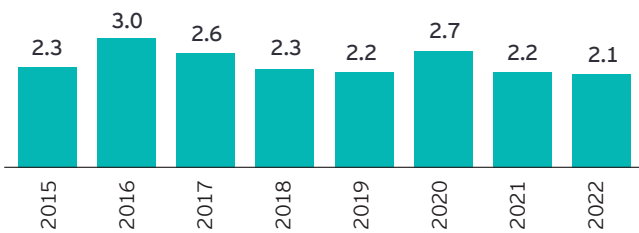
 Eurobank



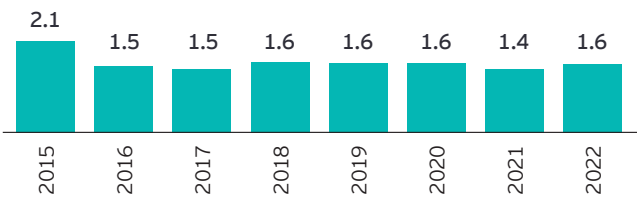
 Astro Bank



 Alpha Bank

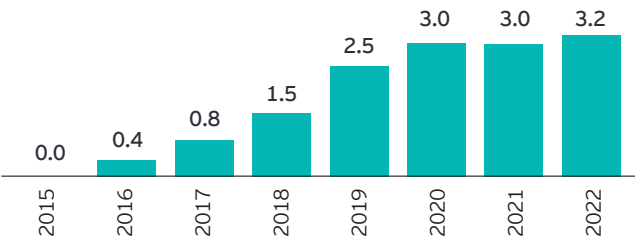


 CDB Bank

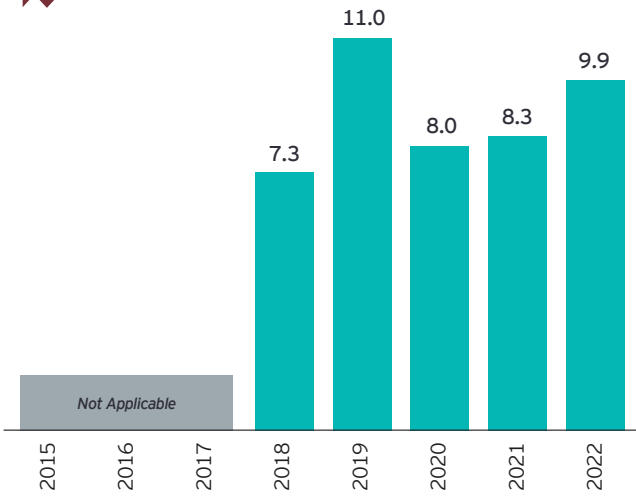


05_Net Loans Per Employee (€m)

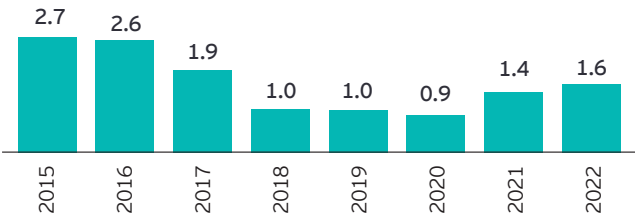
 Ancoria Bank



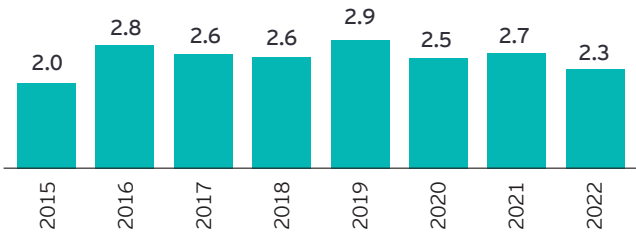
 HFC Bank



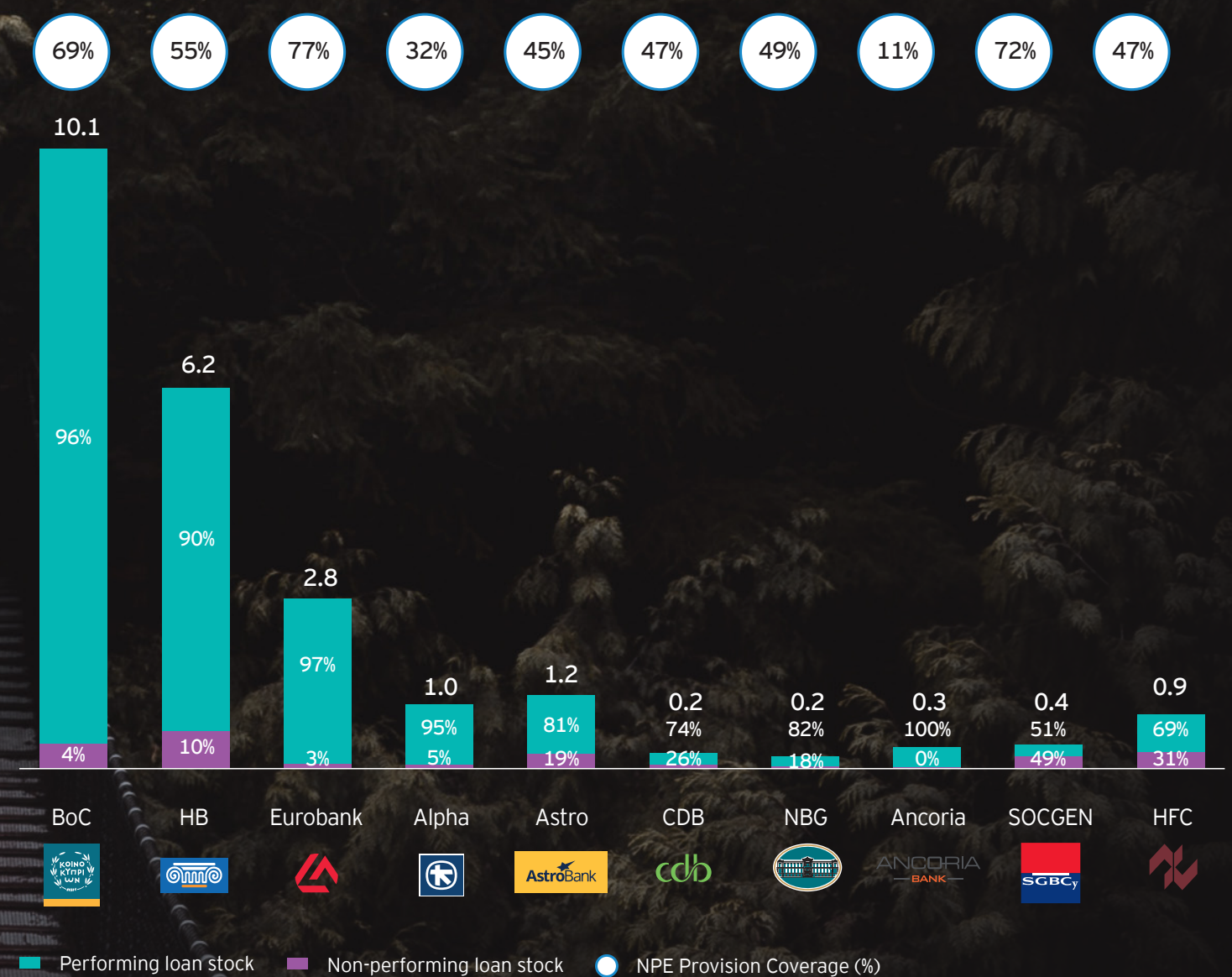
 National Bank of Greece



 Societe Generale

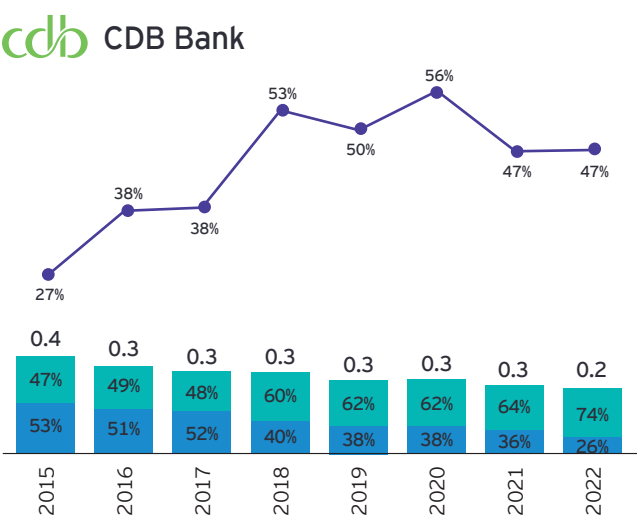
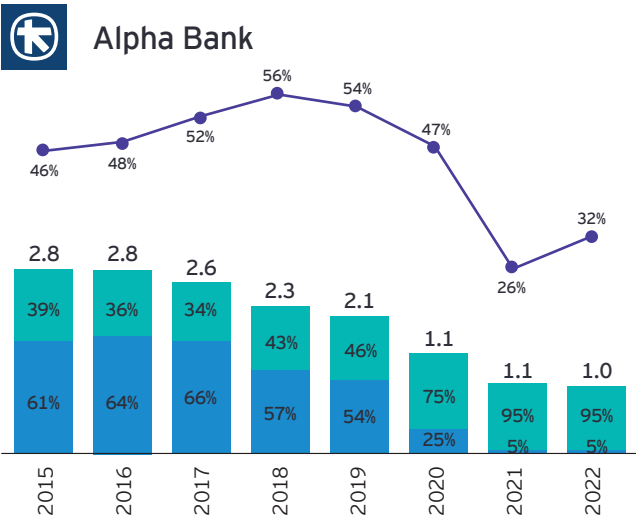
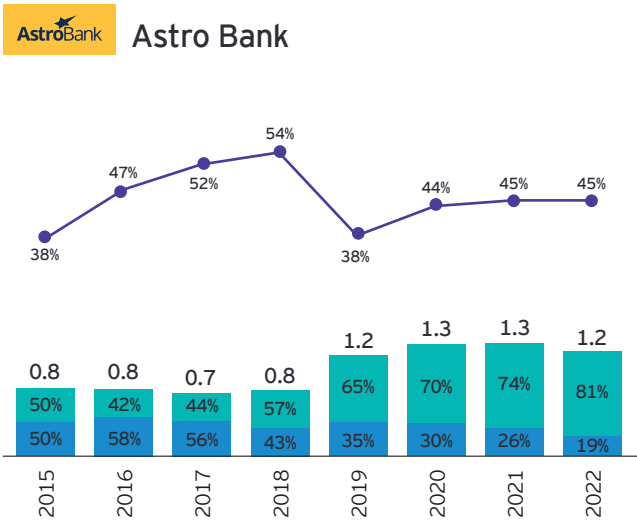
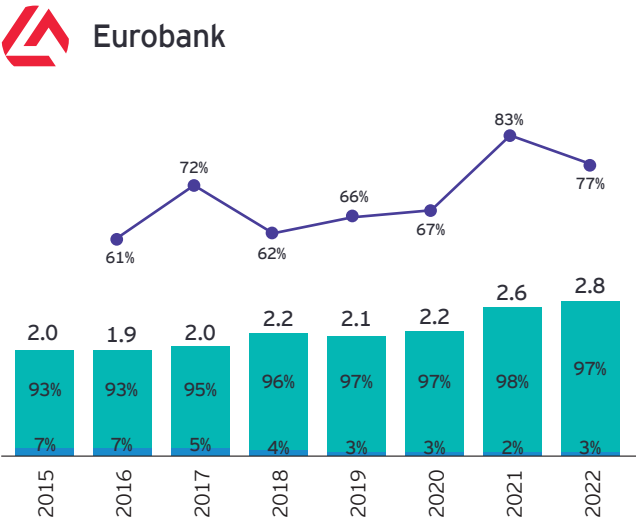
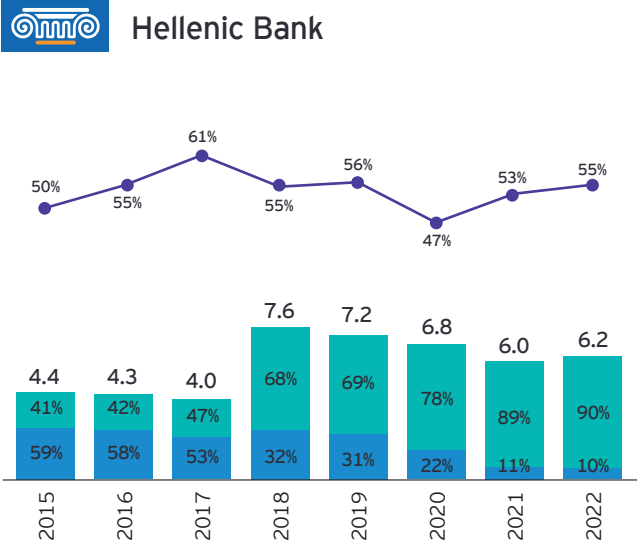
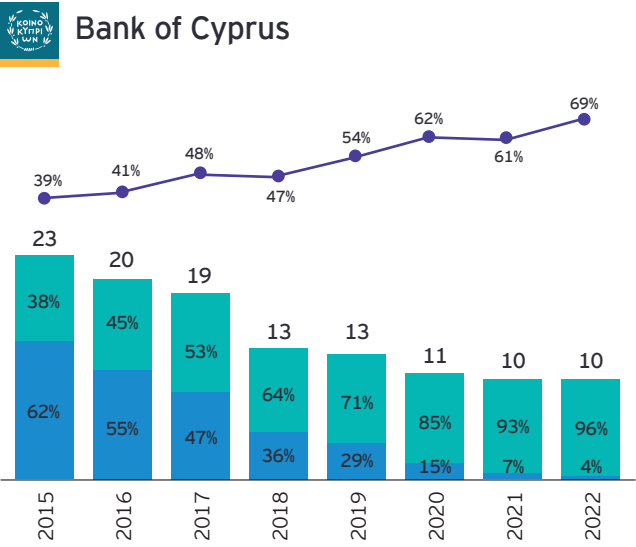


Asset Quality as at year end 2022, €bn



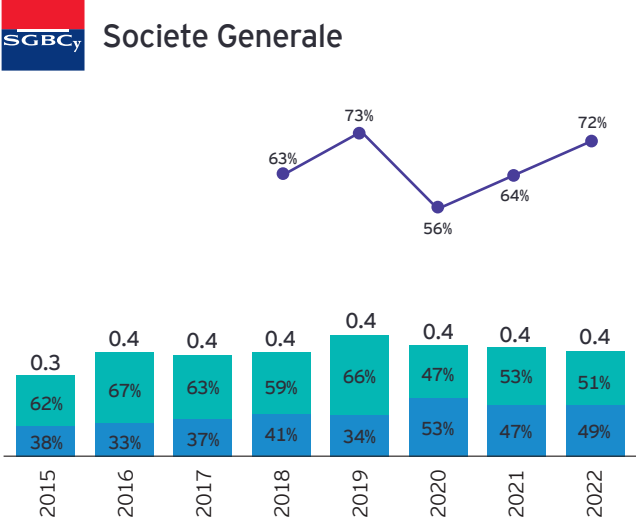
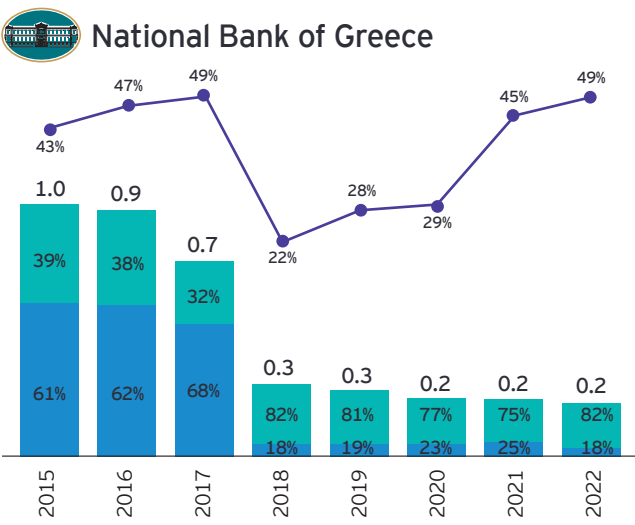
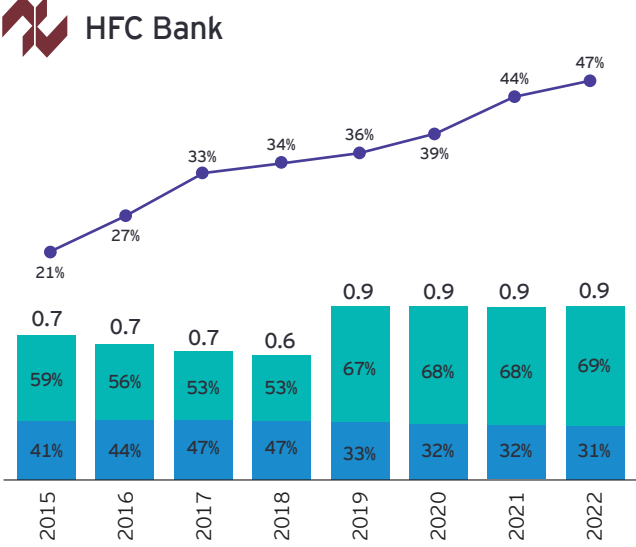
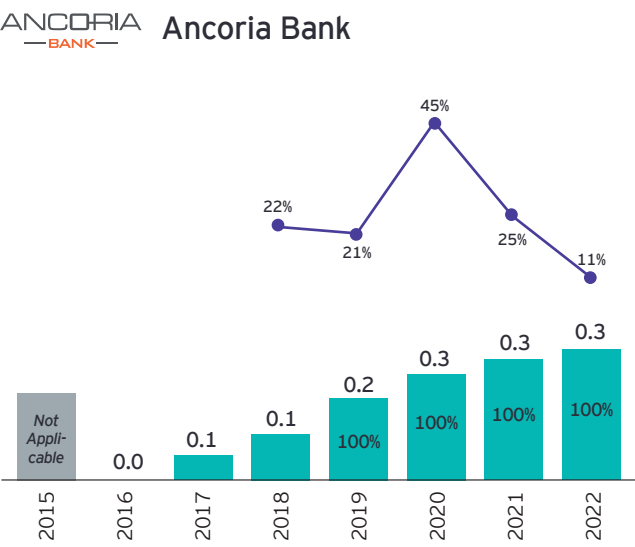
06_Asset Quality

Performing loan stock (€bn) Non-performing loan stock NPE Provision Coverage (%)



06_Asset Quality

Performing loan stock (€bn) Non-performing loan stock NPE Provision Coverage (%)



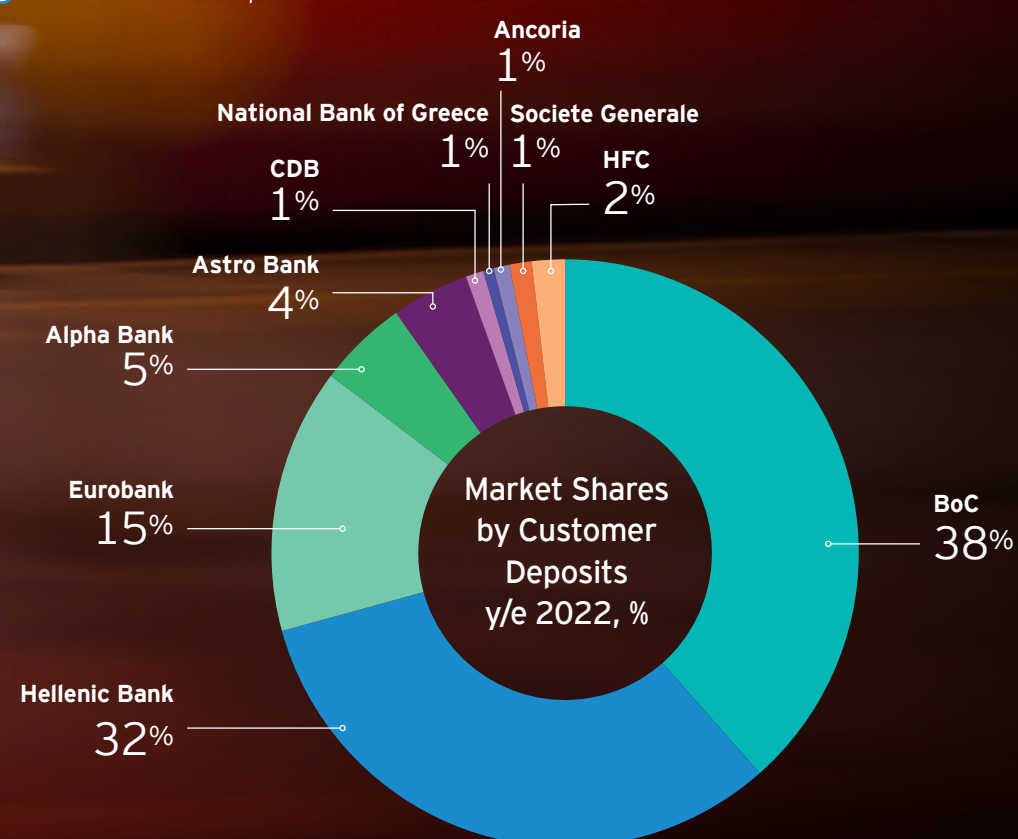
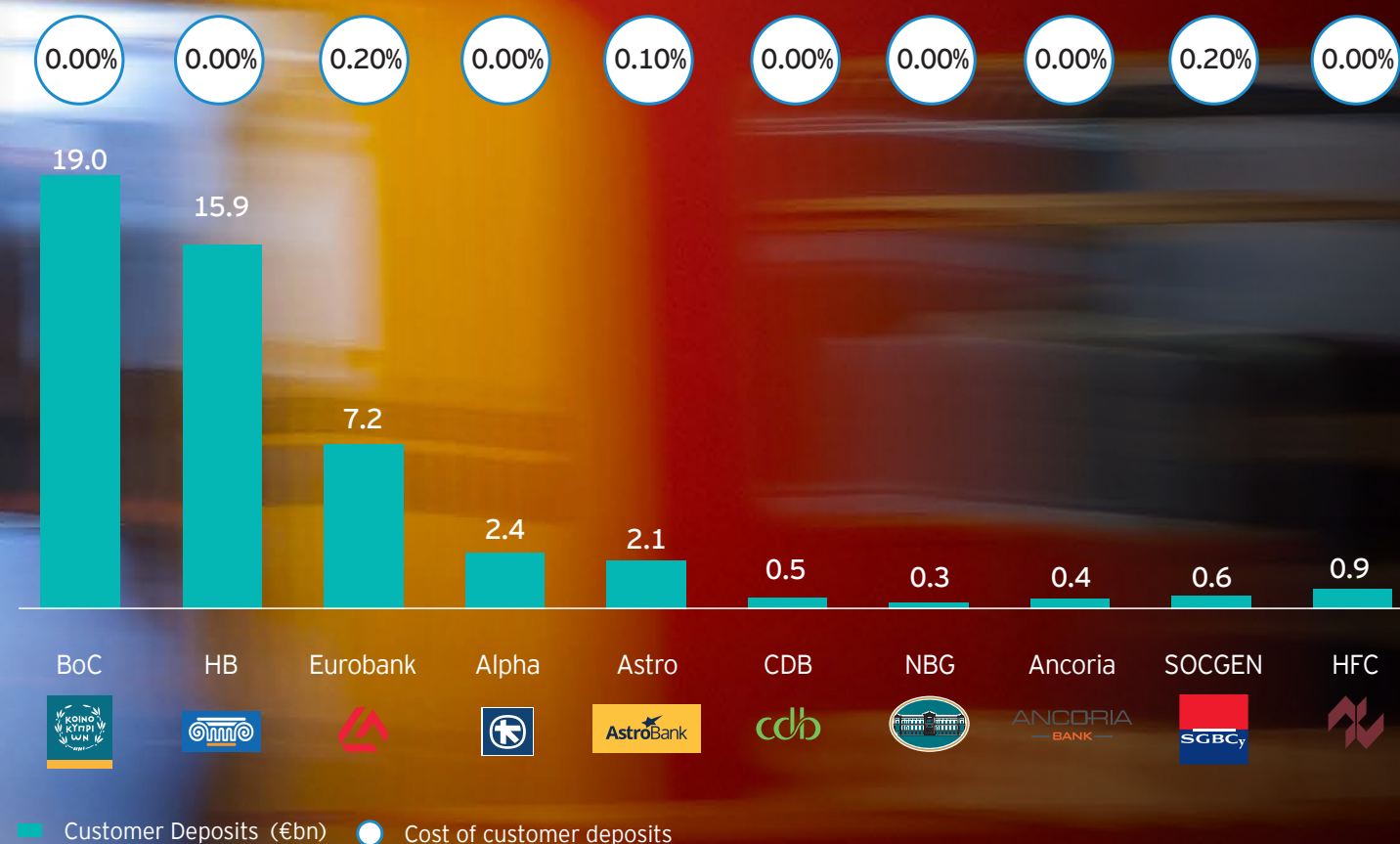
Customer Deposits and Cost of Deposits

There is a downward trend in the cost of customer deposits across all banks from 2015 to 2022, reflecting the broader low-interest-rate environment during this period.

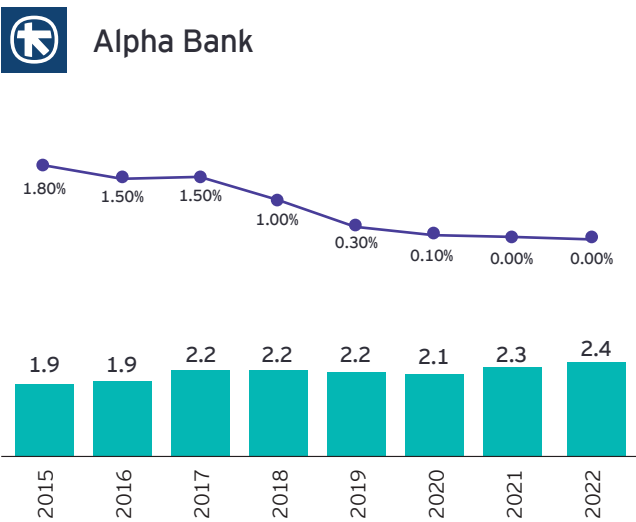
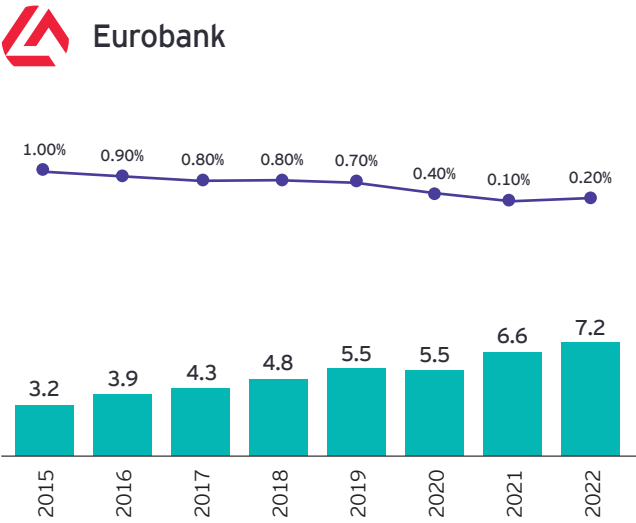
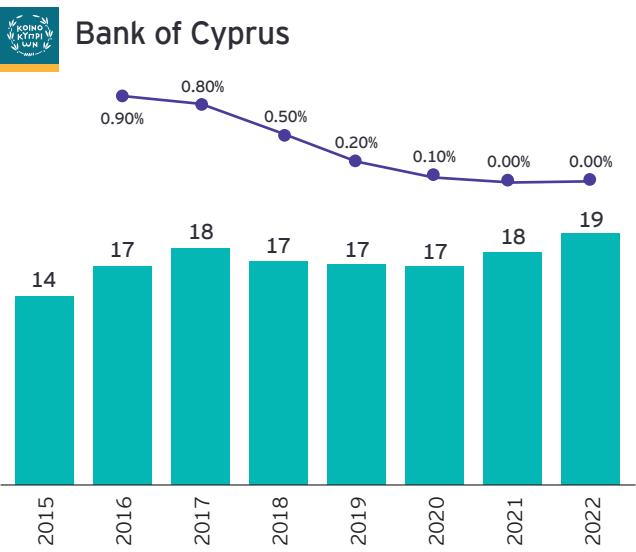
Given the recent interest rate hikes and competitive market, deposit rates began rising in 2023 and is expected to continue in the coming years.

In terms of market shares by deposits, BoC is the market leader with 38% based on y/e 2022 data. Hellenic Bank follows with 32% market share, a smaller gap compared to loans market shares between BoC and HB. Assuming the Eurobank-HB merger crystallises, the merged entity will surpass BoC in terms of deposits market share as it would capture 47% of the market (pro-forma based on y/e 2022 figures).

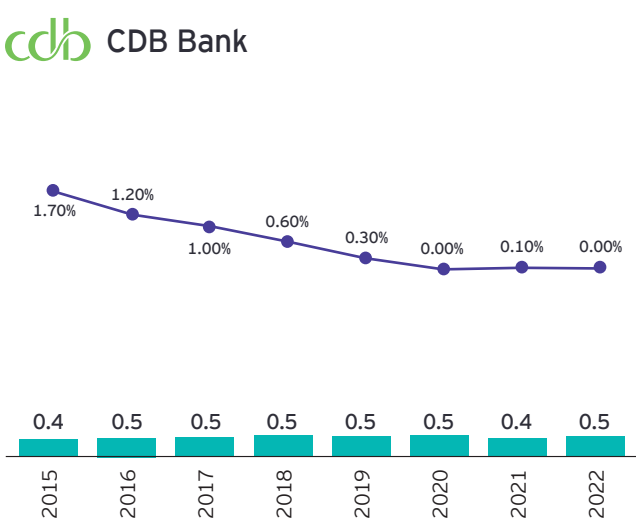
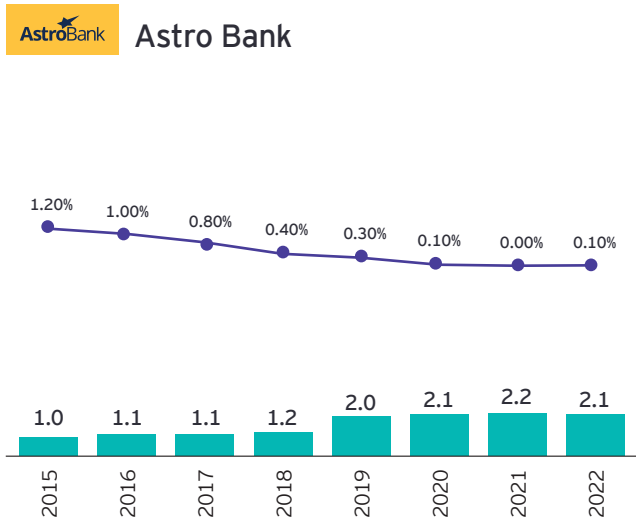
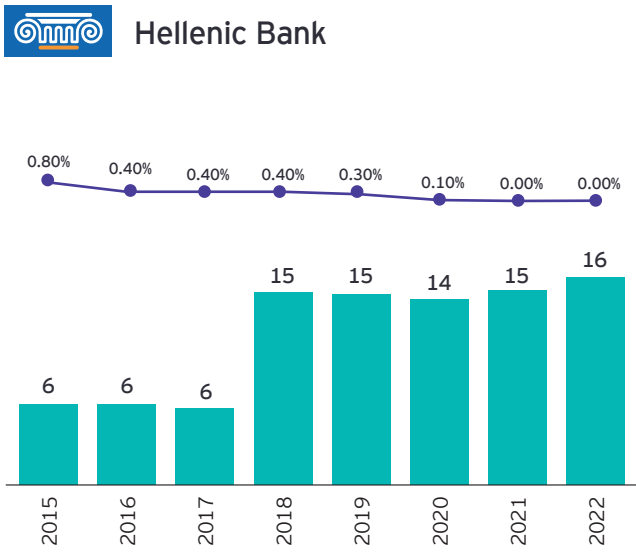
Customer deposits and Cost of Deposits as at year end 2022



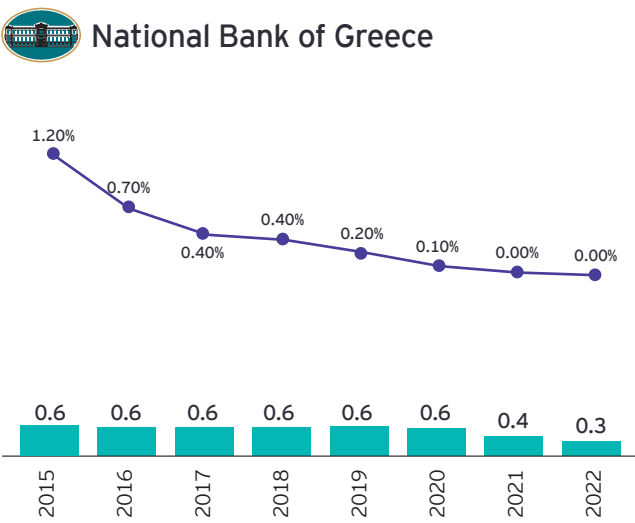
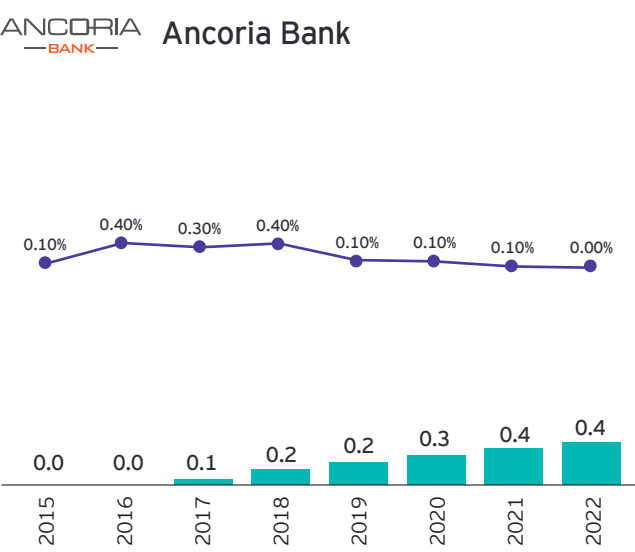
07_Customer Deposits and Cost of Deposits



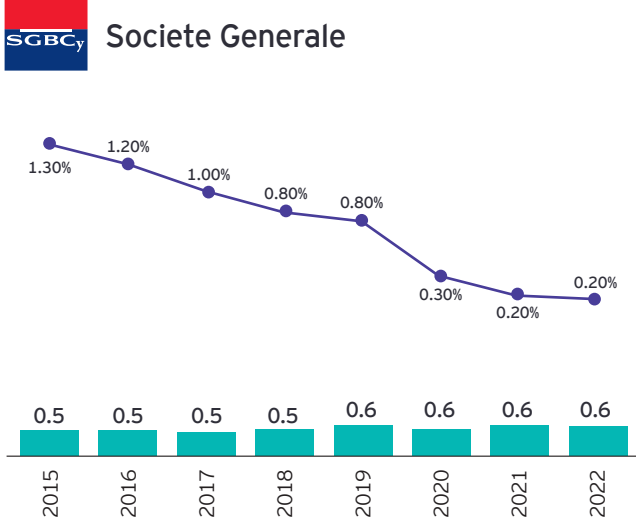
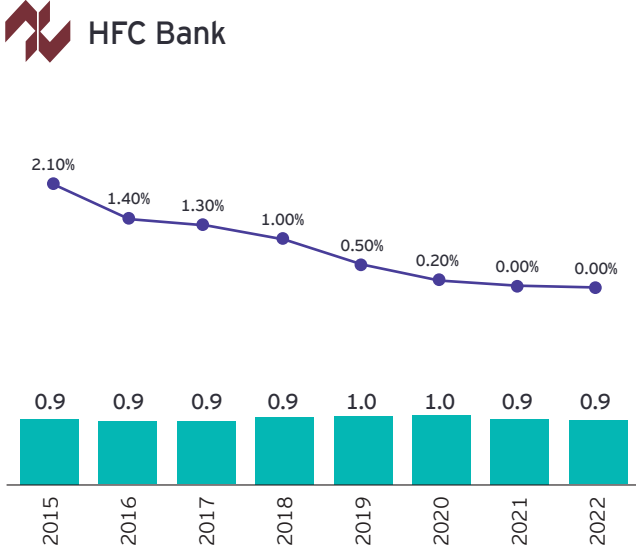
Customer Deposits (€bn) Cost of Customer Deposits



07_Customer Deposits and Cost of Deposits



Customer Deposits (€bn) Cost of Customer Deposits



08

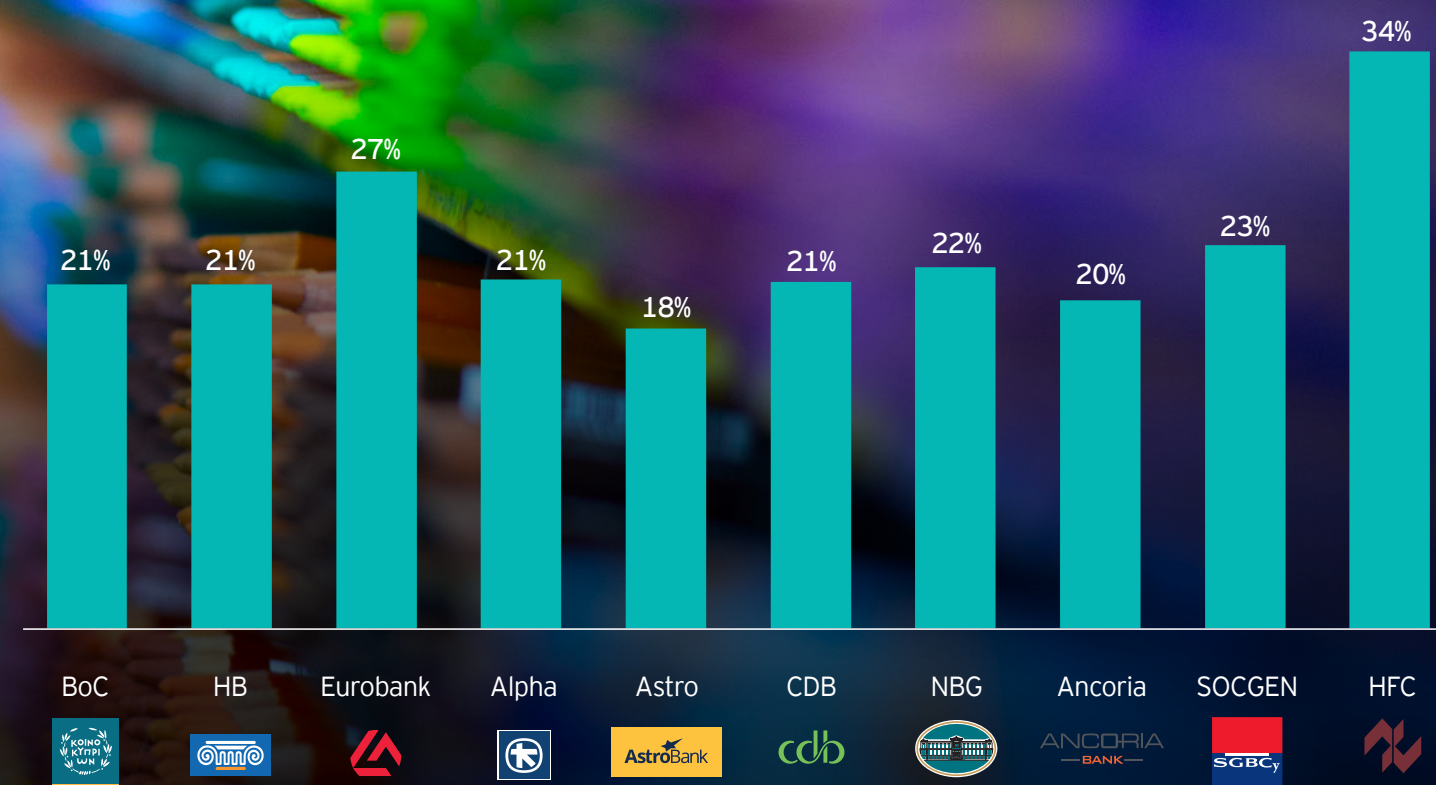
Capital Ratio

Most banks have maintained strong capital positions since 2015, indicating a commitment to financial stability and regulatory compliance.

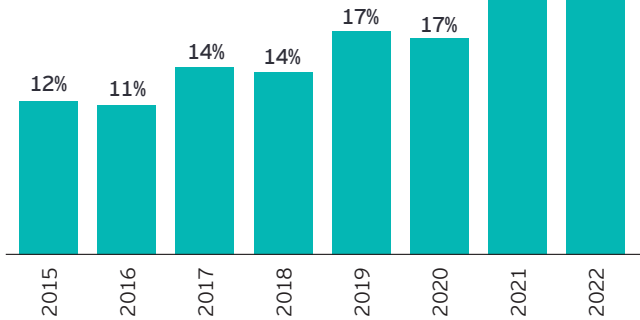
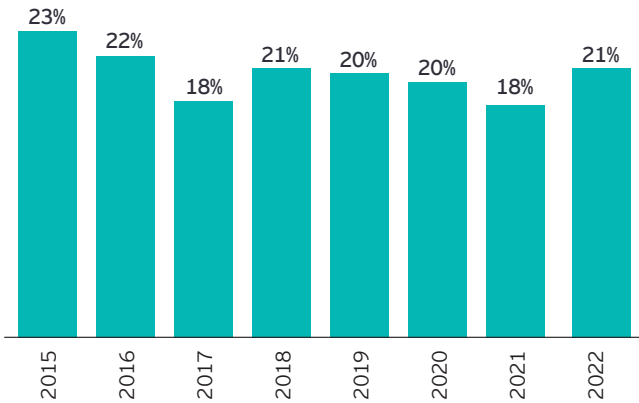
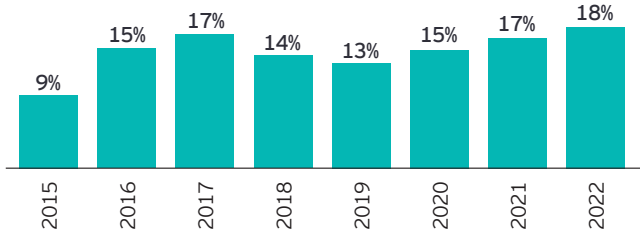
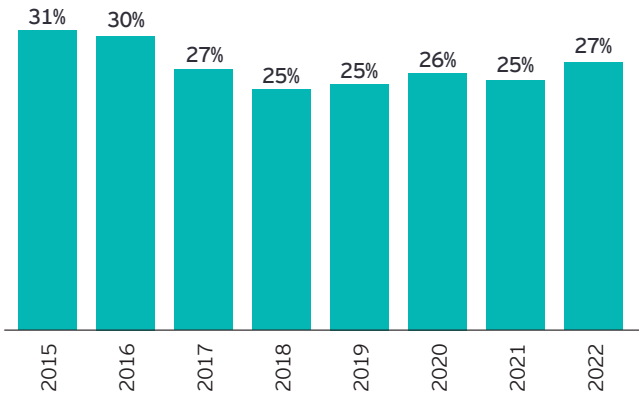
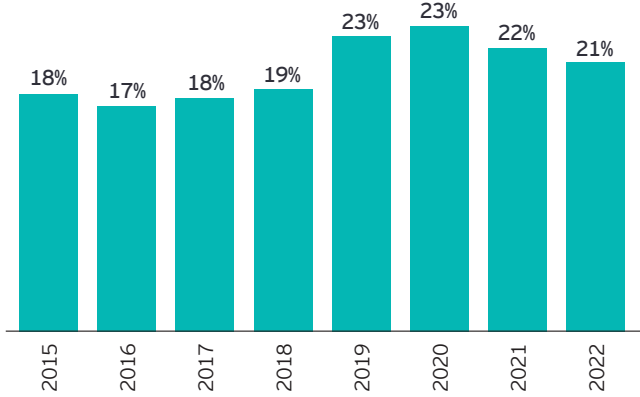
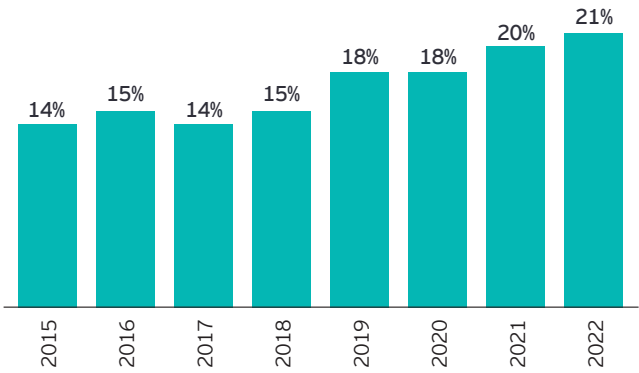
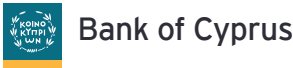
Continuous monitoring and management of capital is crucial to safeguard banks against financial stresses and crises, which have become more frequent in recent years.

The adequate capitalization of all Cypriot banks provides them with the opportunity to explore growth strategies, invest in new technologies, and expand their service offerings.

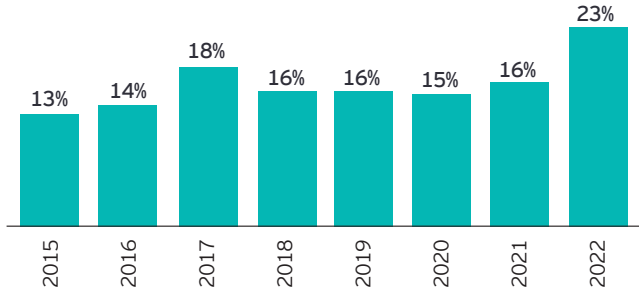
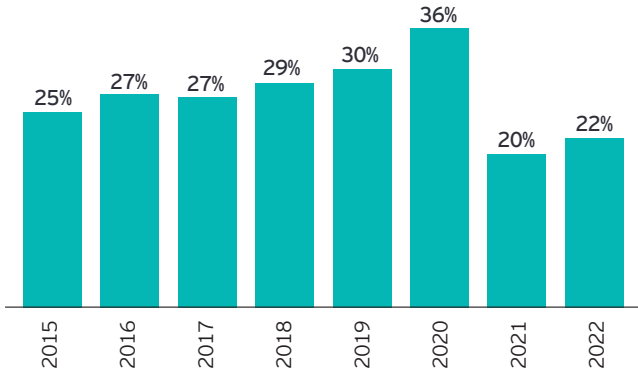
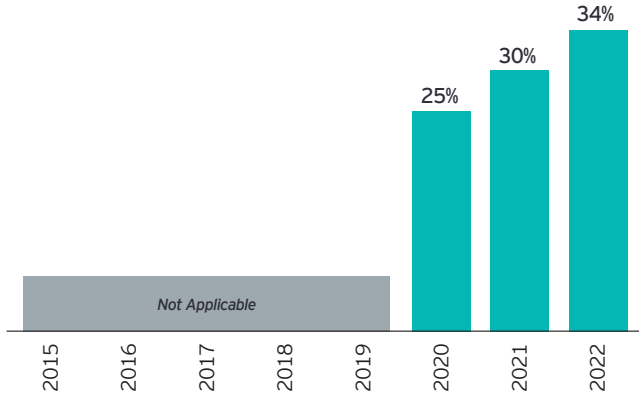
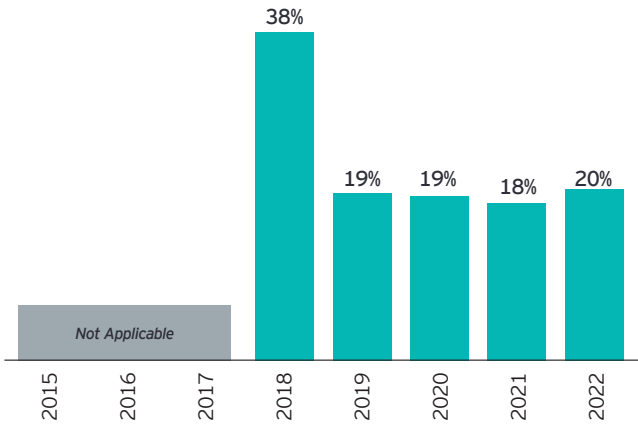
Total Capital ratio as at year end 2022, %



08_Capital Ratio (%)



08_Capital Ratio (%)



Net Interest Income, Net Fee Income and Commission Income

In terms of income generation, the total of net interest and fee and commission income increased for most of banks from 2021 to 2022, mainly due to interest rate hikes.

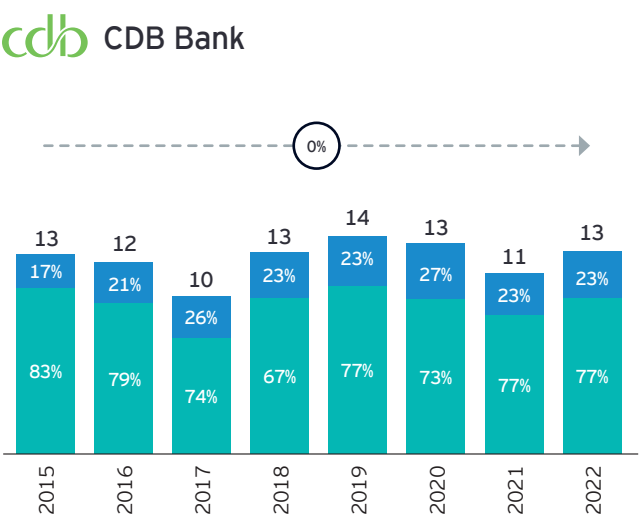
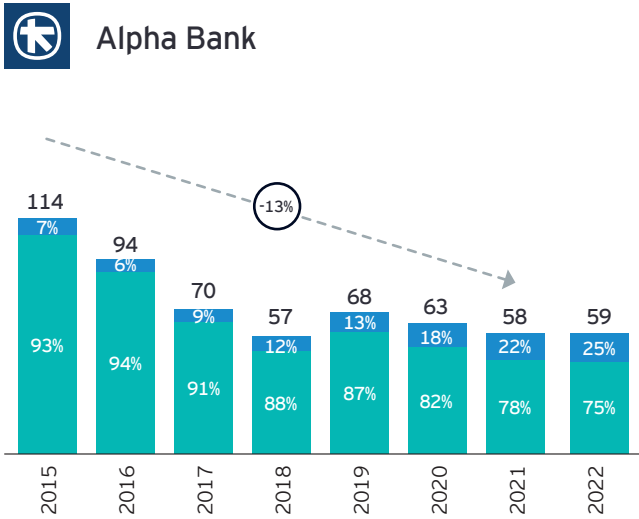
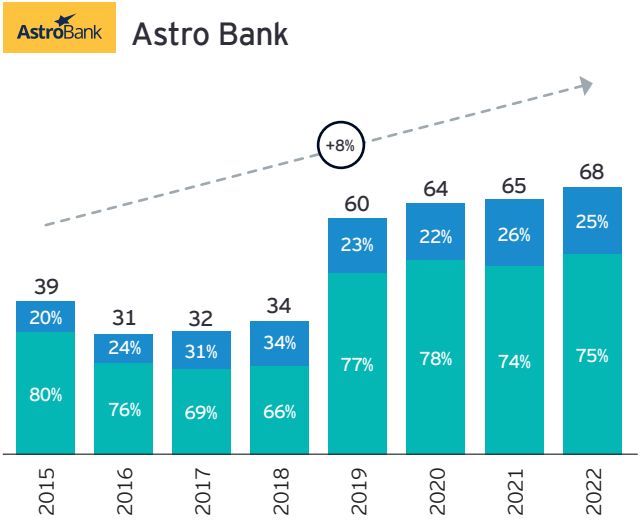
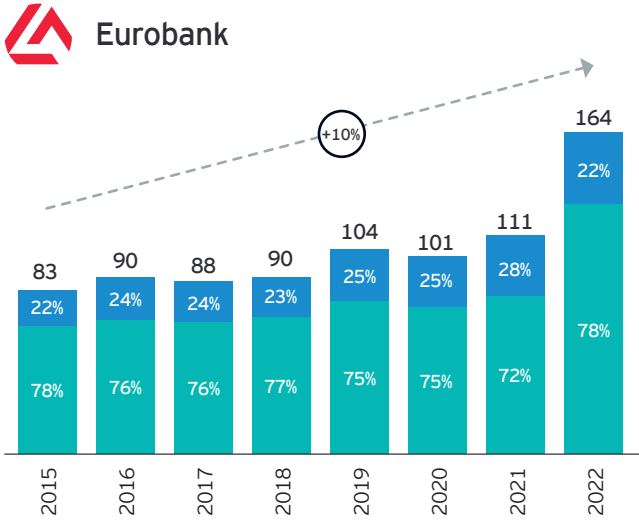
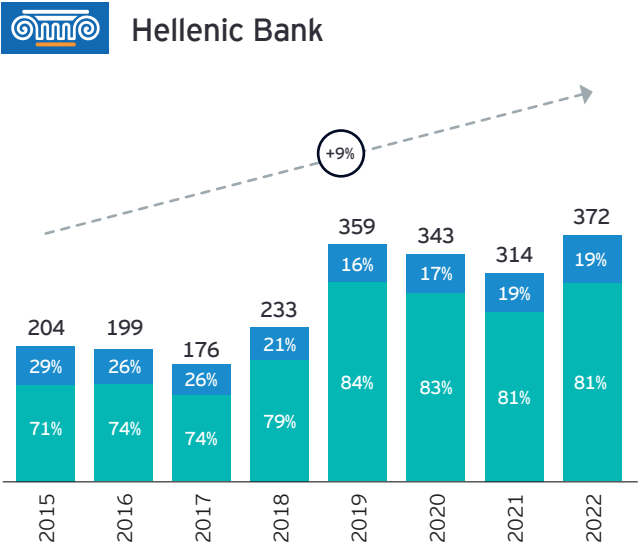
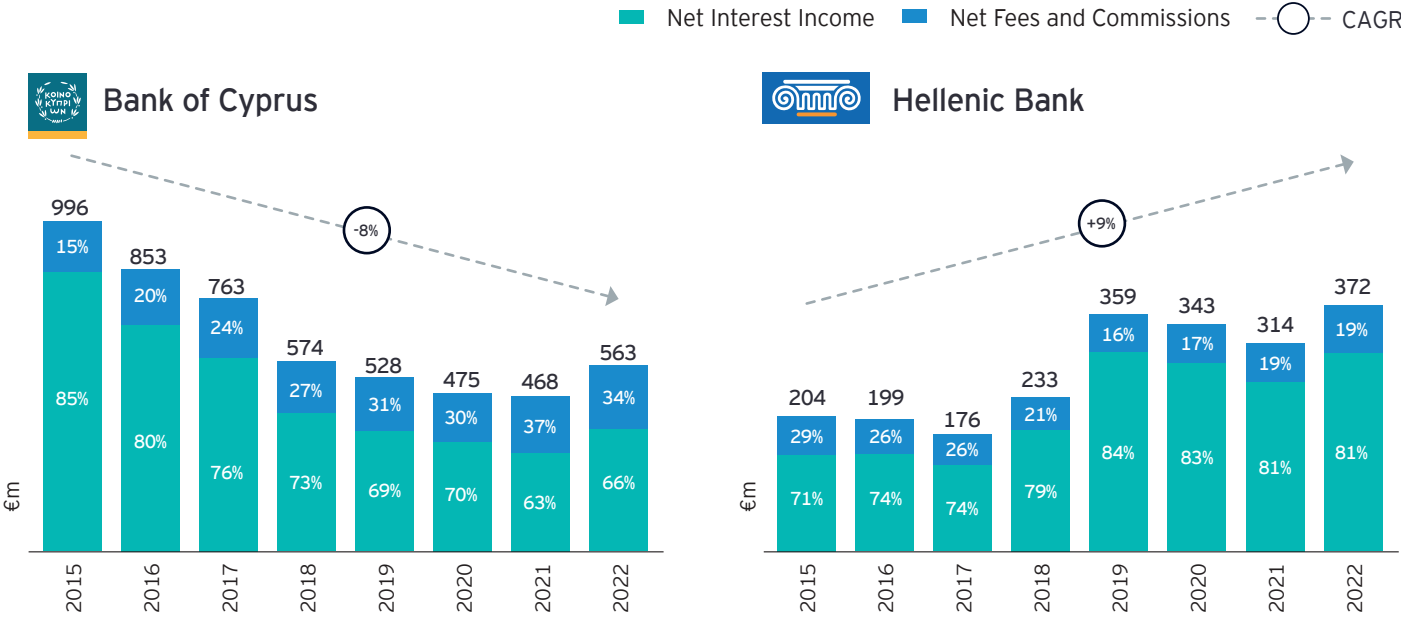
Banks should aim to diversify income by identifying strategic initiatives to boost non-interest income, in order to enhance resilience when market conditions change and interest rates fluctuate.

In latest years BoC's income mix has been healthier compared to other banks, with net fee income comprising 34% of total income based on 2022 figures.

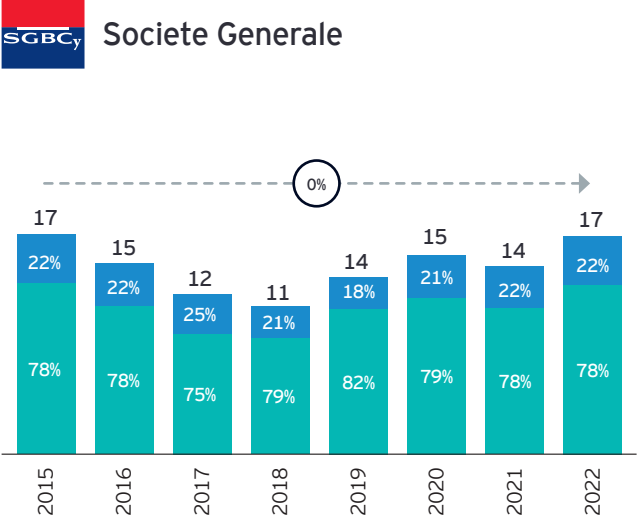
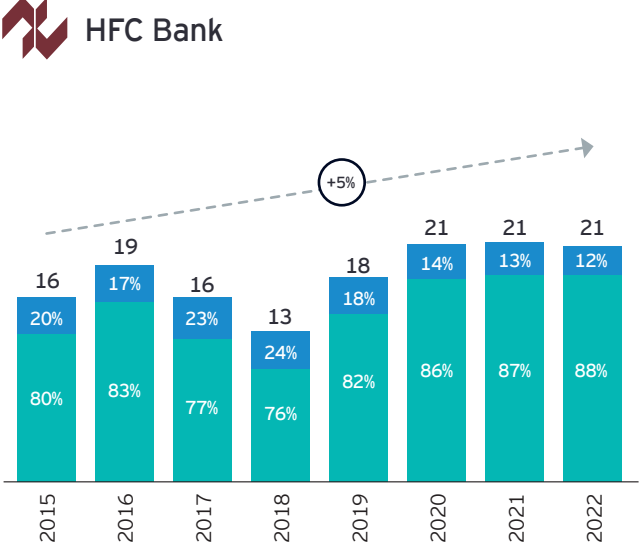
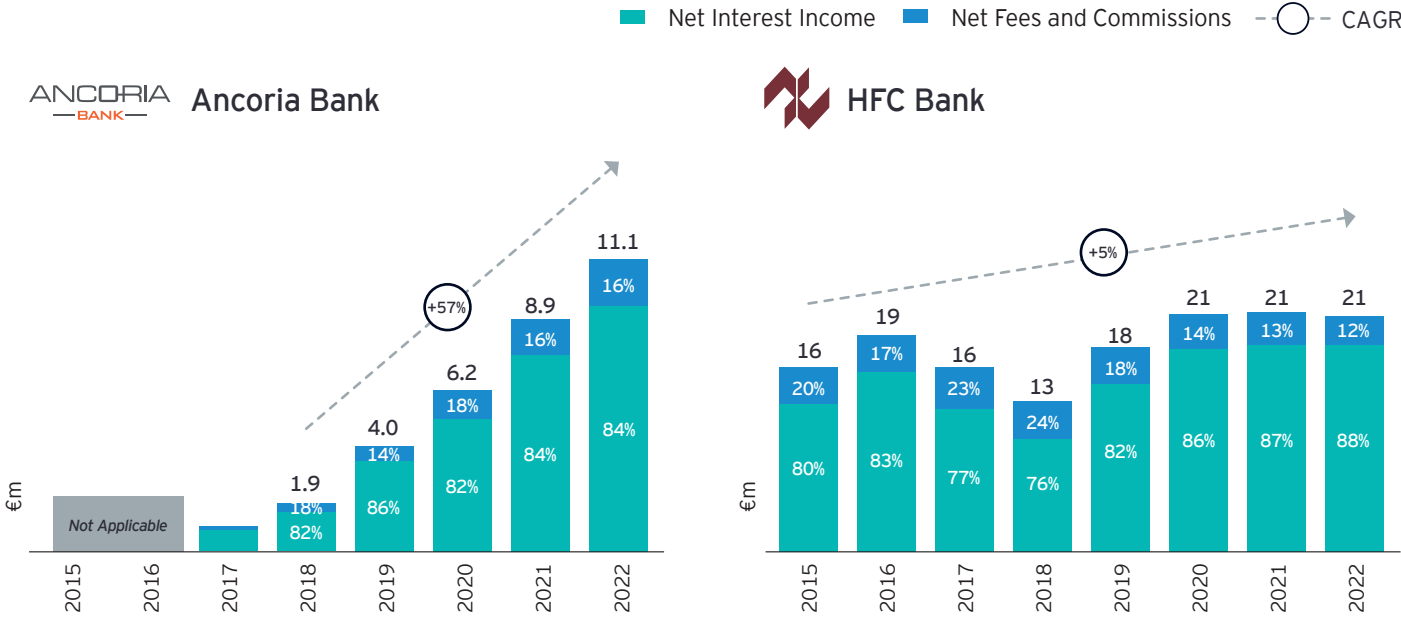
Net Interest Income to Net Fee Income as at year end 2022, €m



09_Net Interest Income, Net Fee Income and Commission Income



09_Net Interest Income, Net Fee Income and Commission Income



10

Net Interest Margin (NIM)

Almost all banks experienced an improvement in net interest margin in 2022, mainly due to interest rate hikes.

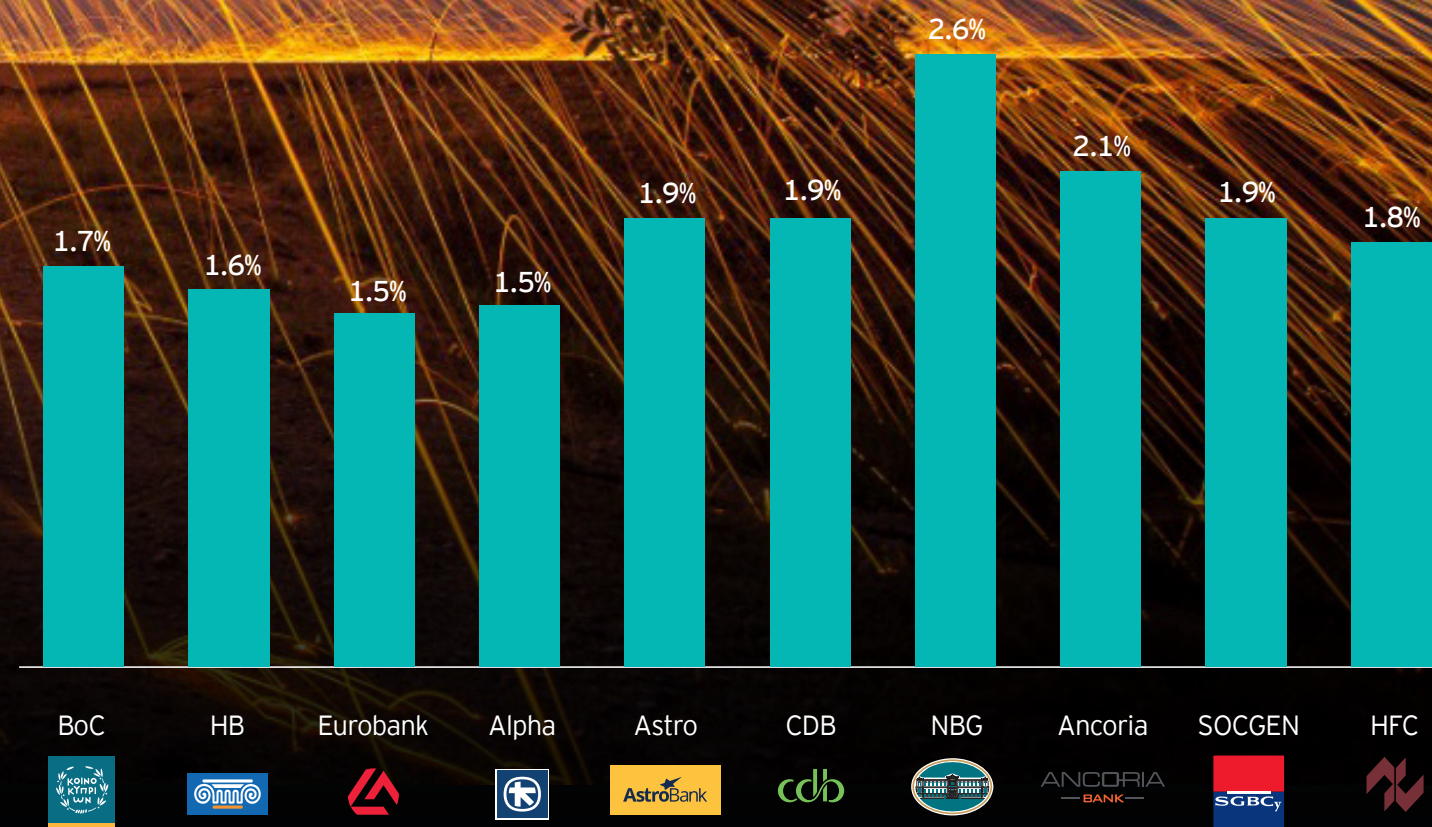
In 2023, NIM is expected to continue improving as interest rates kept going up and deposit rates remained relatively low, hence the spread widened.

Eurobank's low NIM in 2022 can be attributed to its substantial volume in cash placements with Central Banks and Credit Institutions. Cash placements were

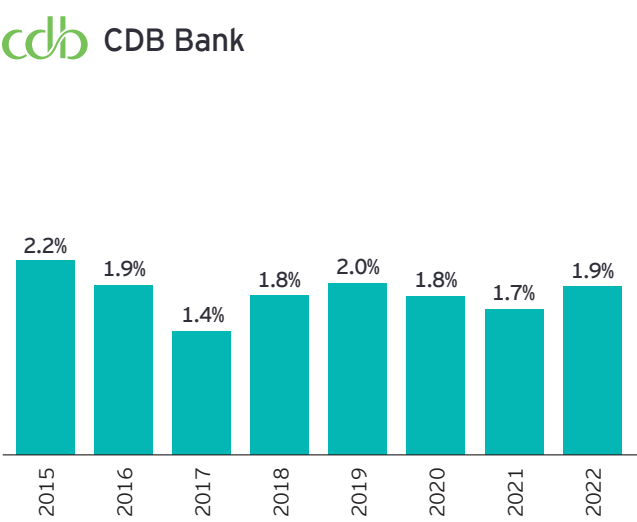
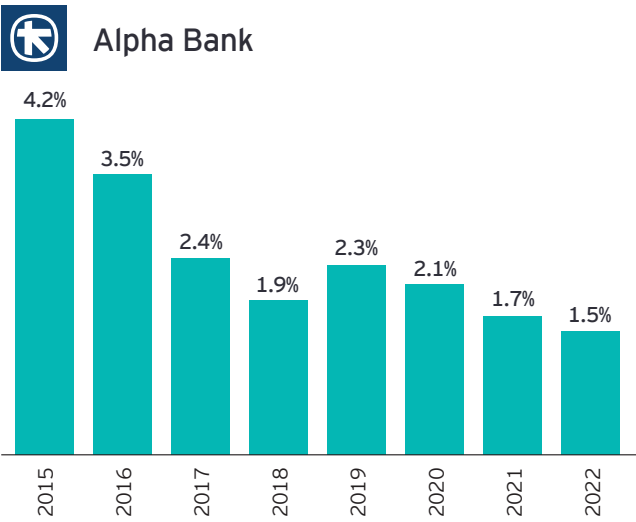
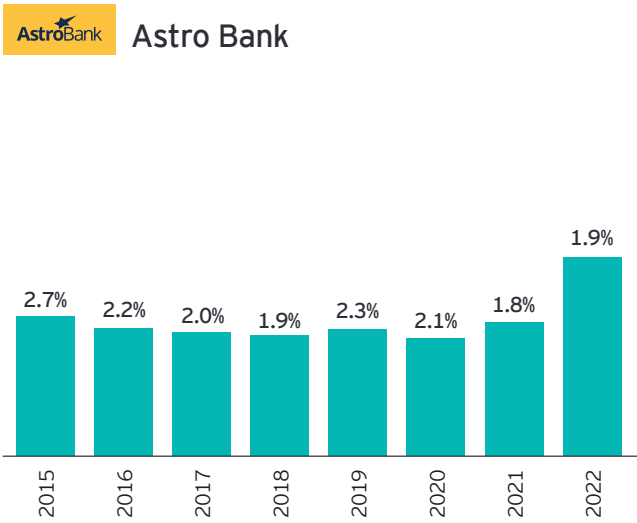
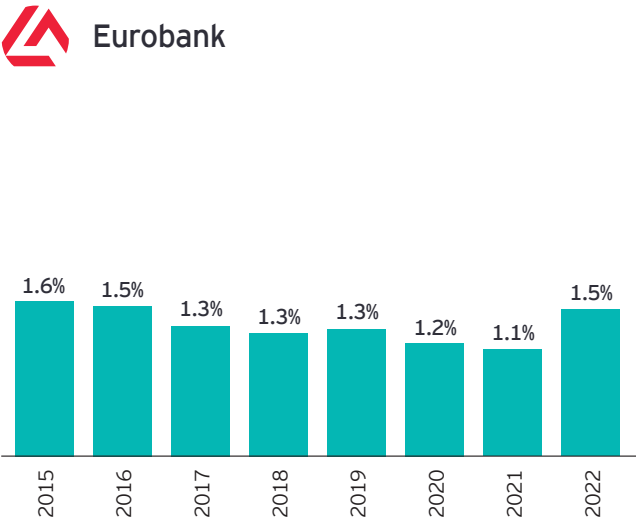
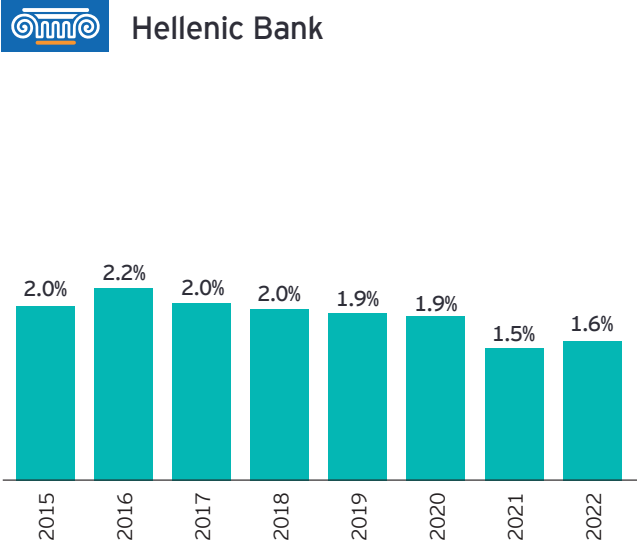
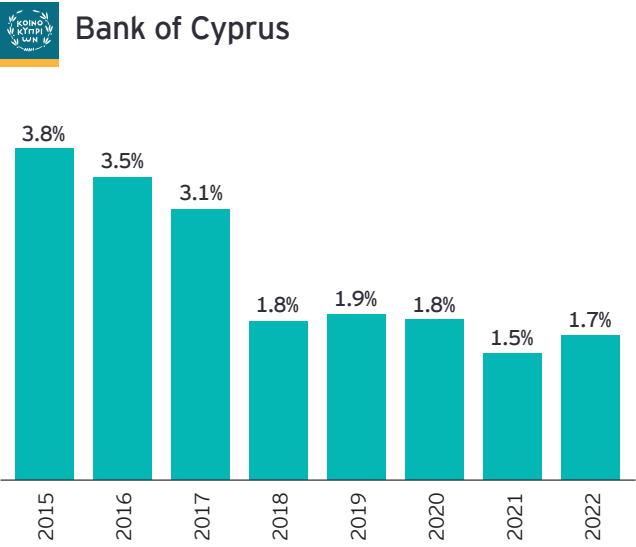
2x its loan balance as at y/e 2022. Despite this, the bank saw a notable increase in its NIM, approximately 0.4% from 2021 to 2022, surpassing the growth observed in the two largest banks.

NBG witnessed the most substantial rise in NIM, climbing from 1.6% to 2.6% between 2021 and 2022. This increase was largely fueled by the higher interest rates and the decrease in cash placements with central banks, which saw a reduction of over 70%.

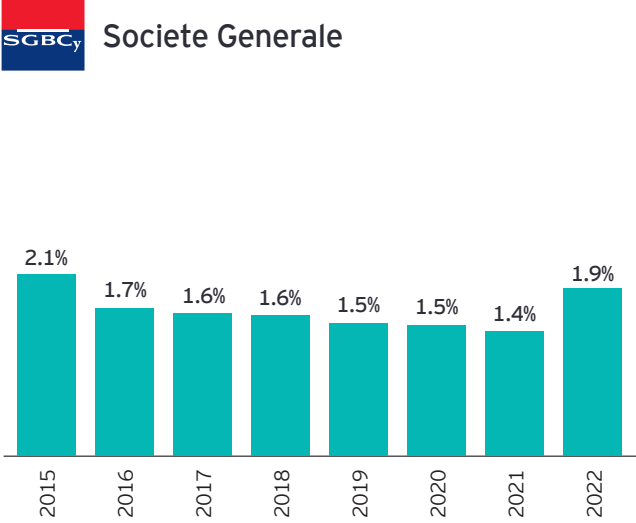
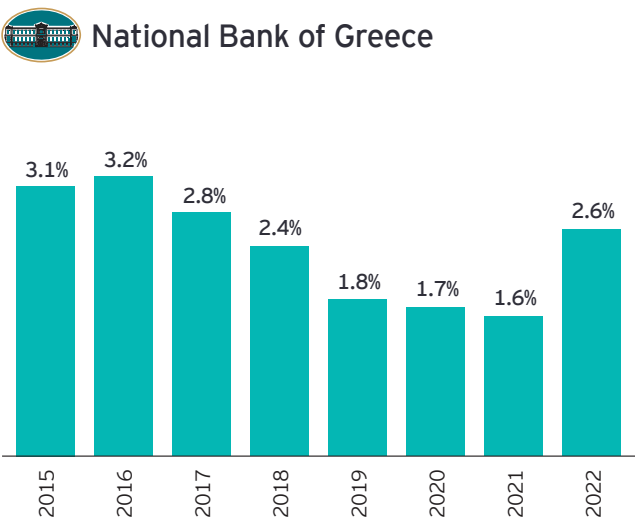
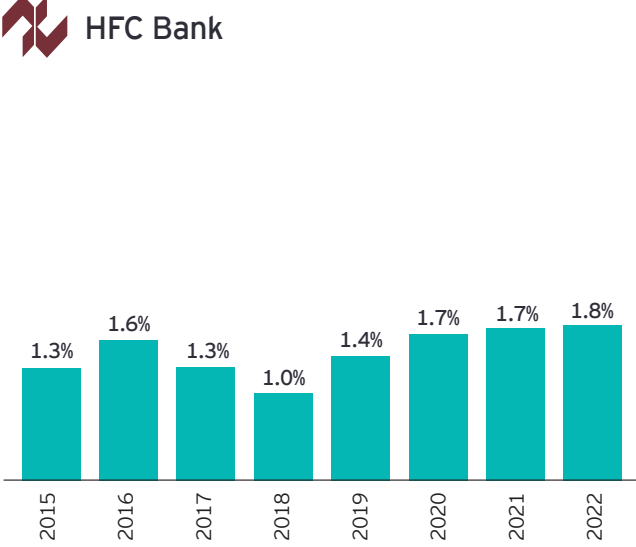
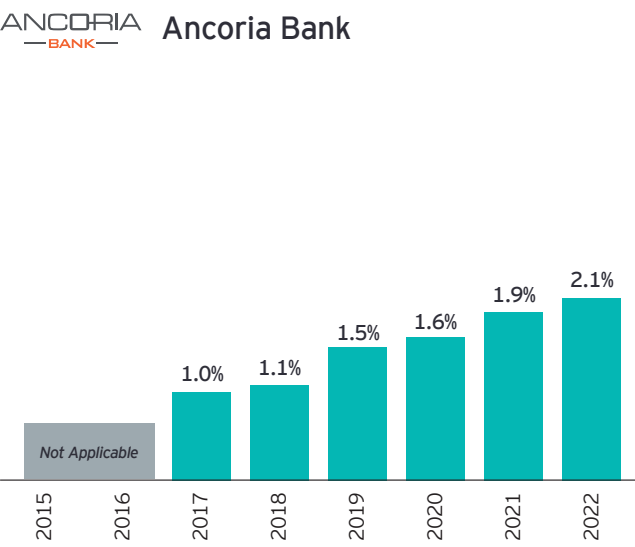
NIM as at year end 2022, %



10_Net Interest Margin (%)



10_Net Interest Margin (%)




11

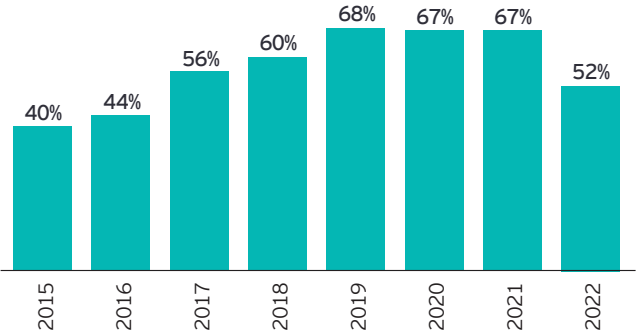
Cost to Income


Cost to Income as at year end 2022

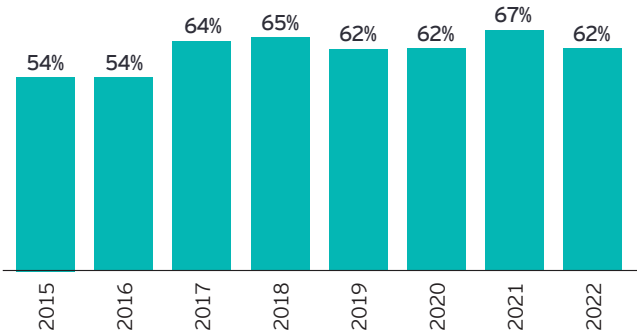


11_Cost to Income (%)

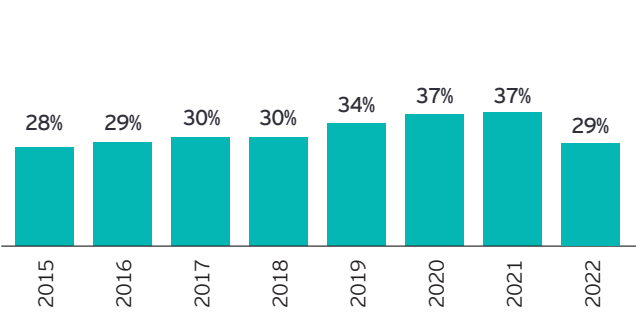
 Bank of Cyprus



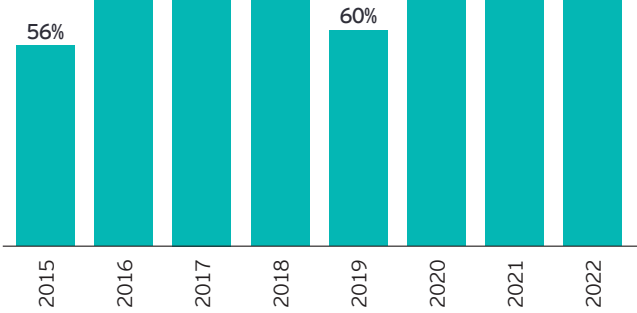
 Hellenic Bank



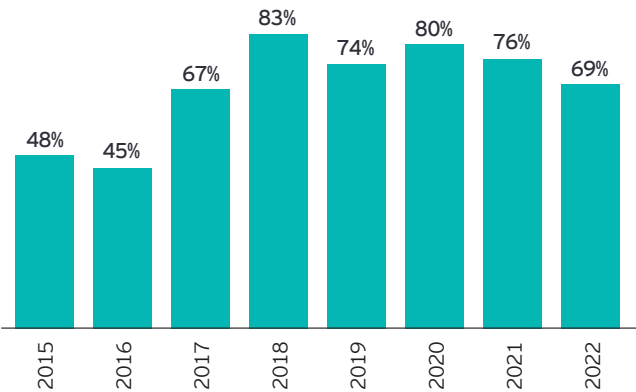
 Eurobank



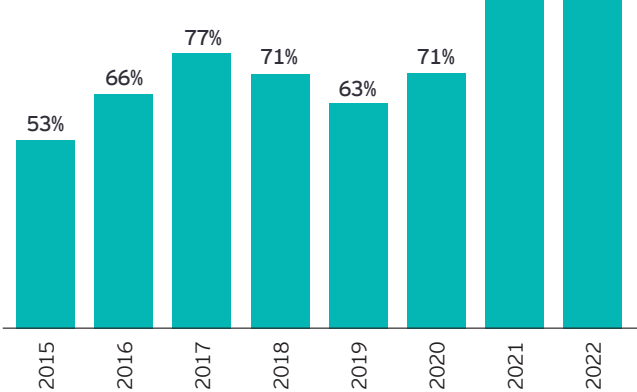
 Astro Bank



 Alpha Bank

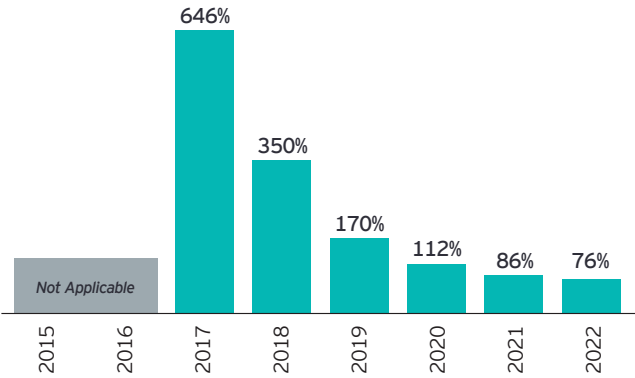


 CDB Bank

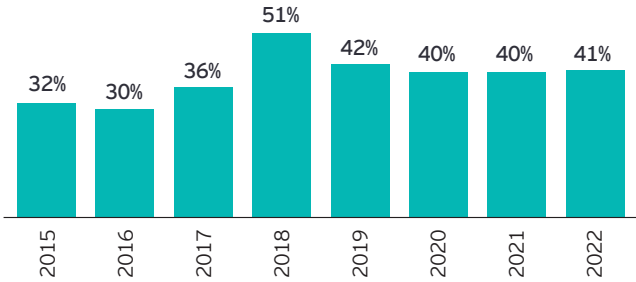


11_Cost to Income (%)

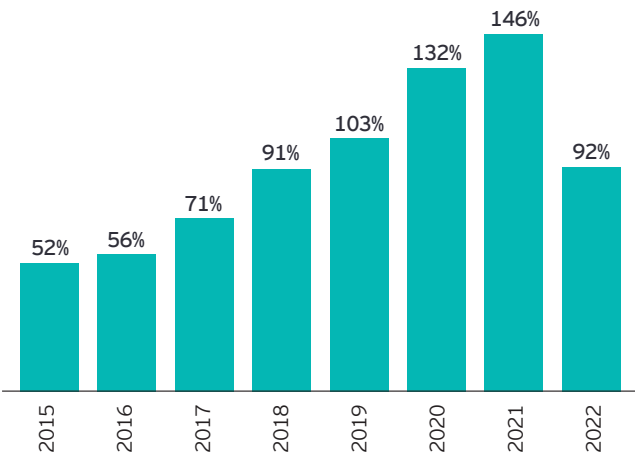
 Ancoria Bank



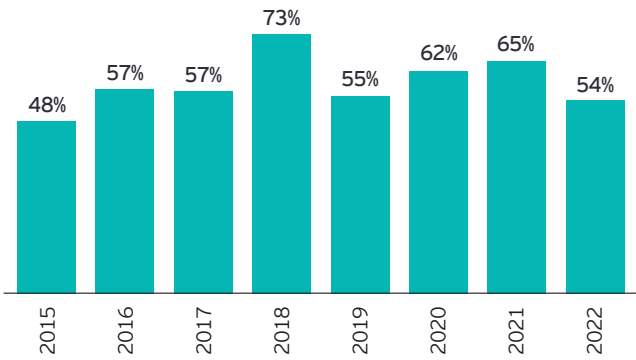
 HFC Bank



 National Bank of Greece



 Societe Generale



12

Number of Employees

Average Cost per Employee
(excluding VRS restructuring costs)

From 2015 to 2022, BoC's number of employees reduced by 37% mainly due to Voluntary Retirement Schemes and workforce carve-outs as a result of NPL trades. While the number of employees reduced, the cost per employee increased by 18%.

Hellenic Bank's headcount increased since the acquisition of Cooperative Bank's healthy part.

Similarly, Astrobank's headcount increased due to the acquisition of USB, while the average cost per employee remained relatively stable.

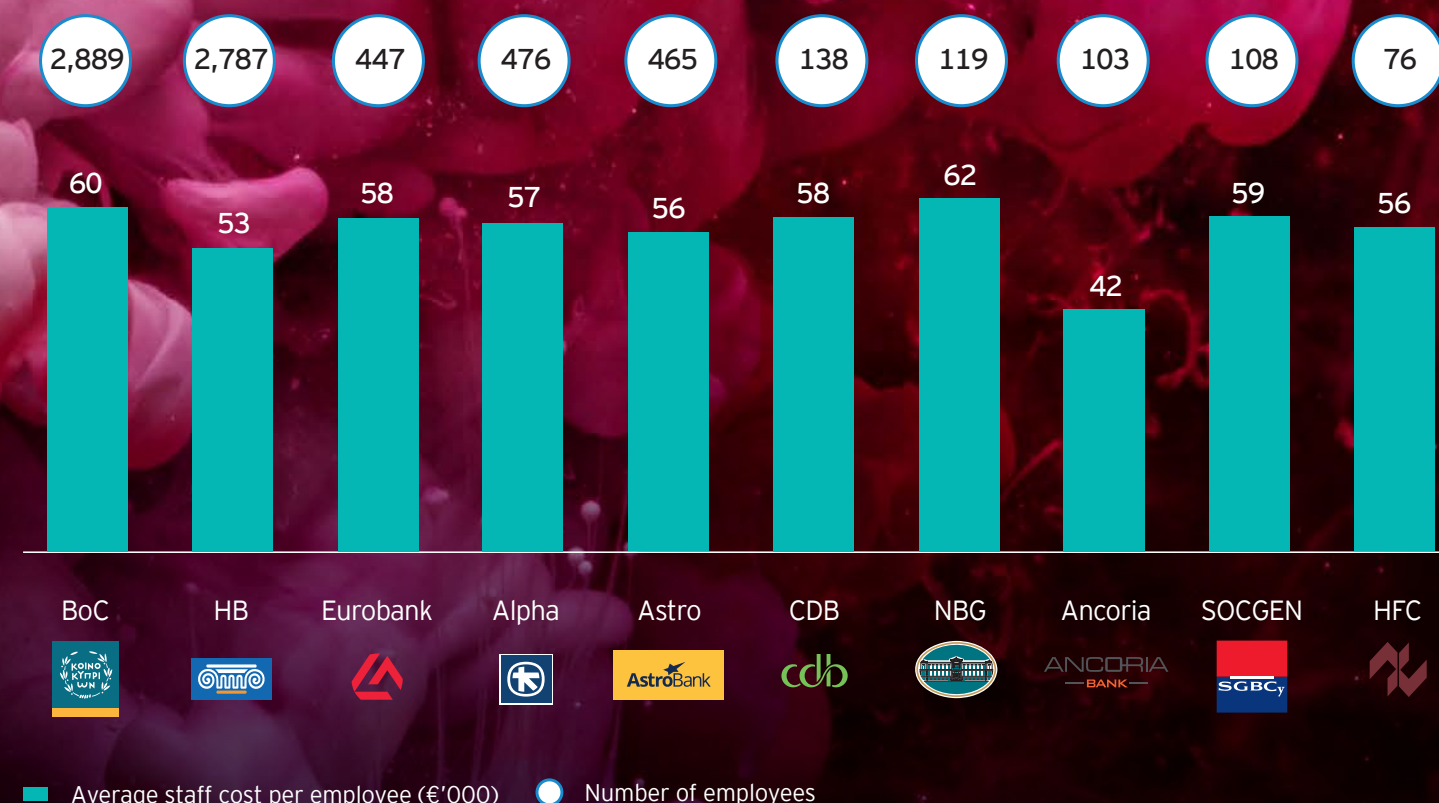
Eurobank experienced a steady increase in the number of employees, while managing to maintain the average cost per employee relatively stable.

Ancoria had been increasing its workforce since 2015 when it began operations, while maintaining a relatively stable average cost per employee.

Banks should proactively engage in re-skilling and up-skilling their employees to adapt to the evolving landscape of the banking sector. Customised training programs, digital learning platforms, mentoring programs, collaborations with educational institutions are just some of the measures that could be employed to ensure the workforce remains relevant and competent in the face of technological advancements and changing market dynamics.

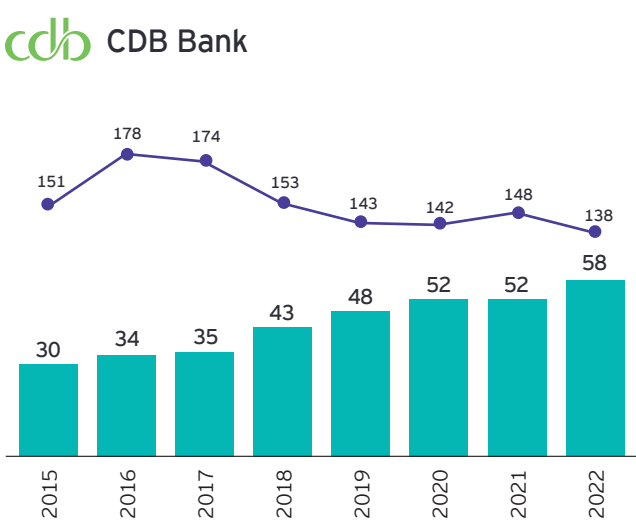
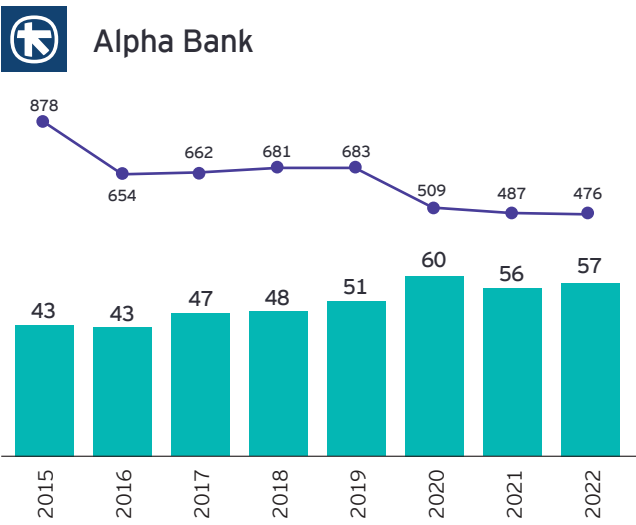
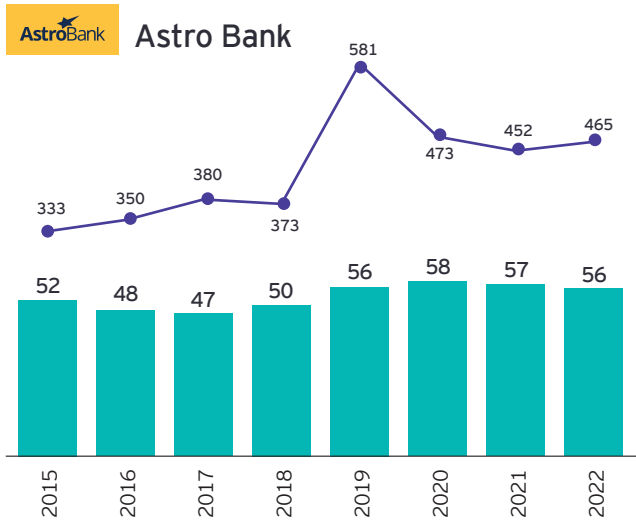
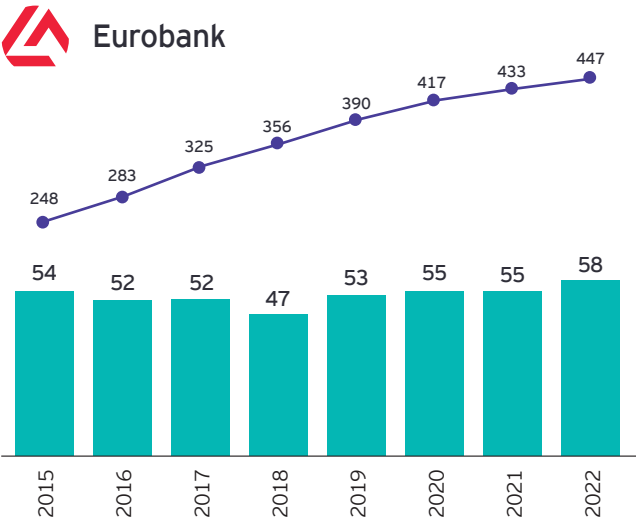
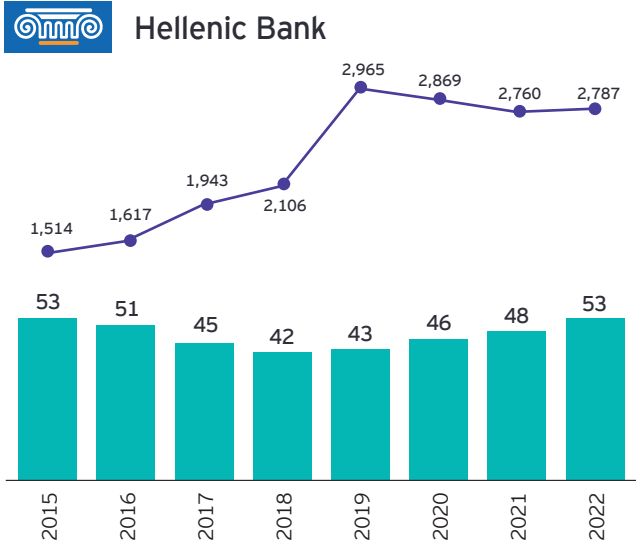
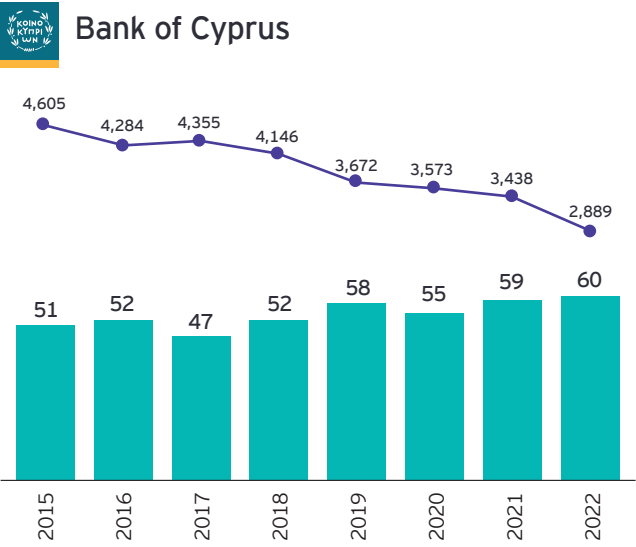
It's also important to revisit and reformulate the remuneration framework of bank employees, particularly those not covered by union agreements. Performance driven packages should be promoted to foster a more equitable and motivating work environment where employees are recognized and rewarded for their contribution, productivity and skills.

Number of Employees and Avg. cost per employee as at year end 2022



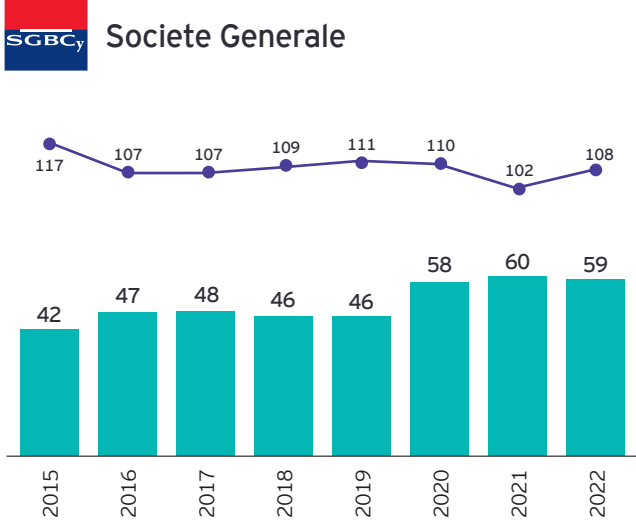
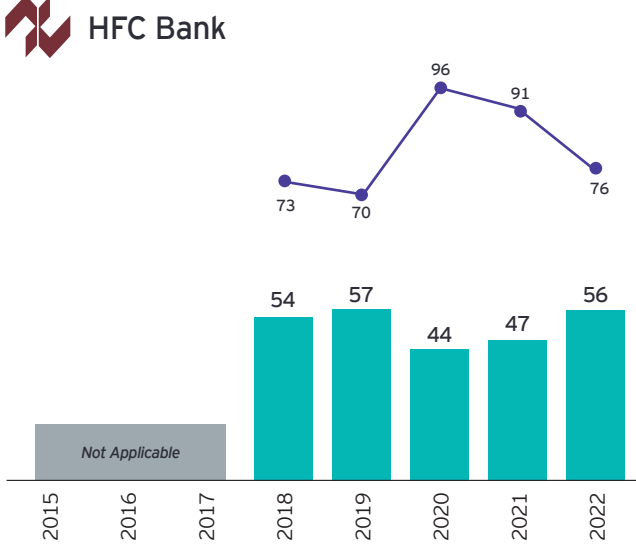
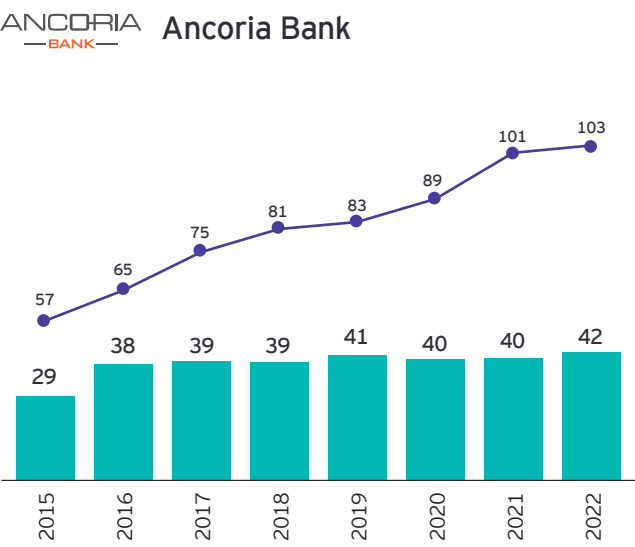
12_Number of Employees and Average Cost per Employee

Average staff cost per employee (€'000) Number of employees



12_Number of Employees and Average Cost per Employee

Average staff cost per employee (€'000) Number of employees



13

Total OPEX and Number of Branches

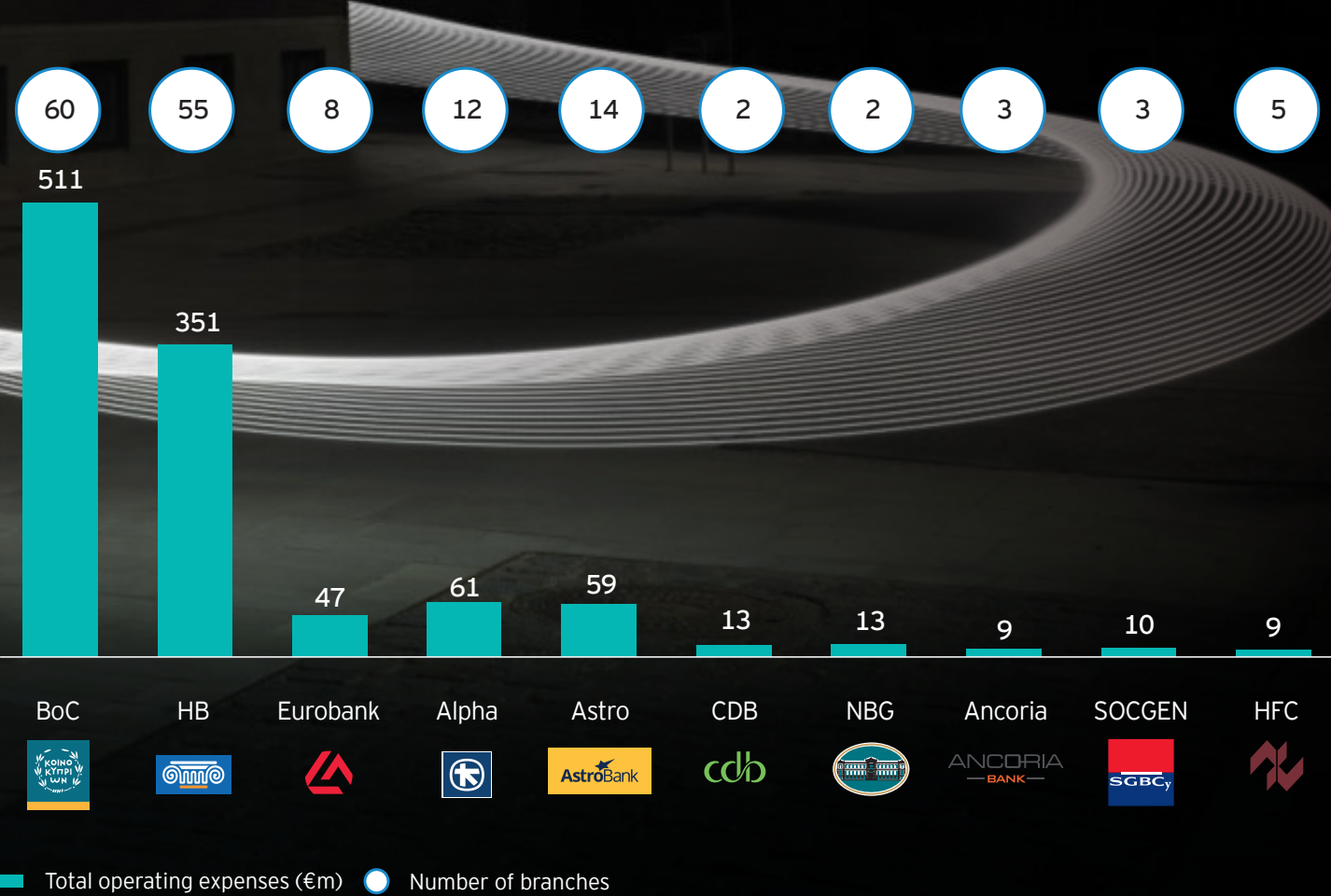
Employee and branch optimization have been the leading cost reduction initiatives for banks. The global shift towards digital banking requires fewer branches. Technological breakthroughs are expected to improve customer service and create operational efficiencies.

BoC reduced its branch network from 129 to 60 over the past 7 years.

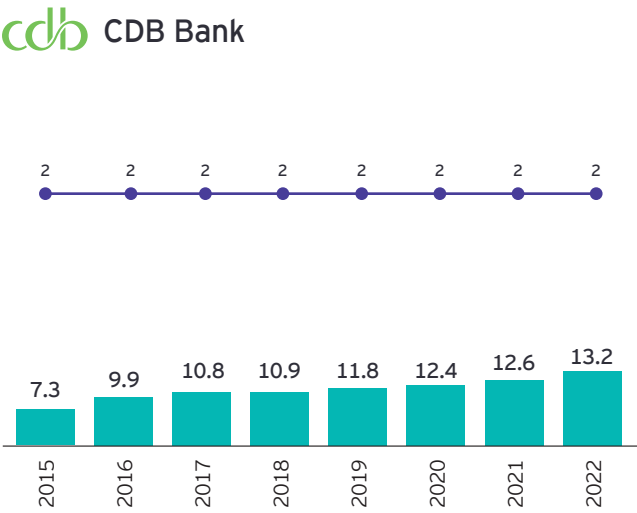
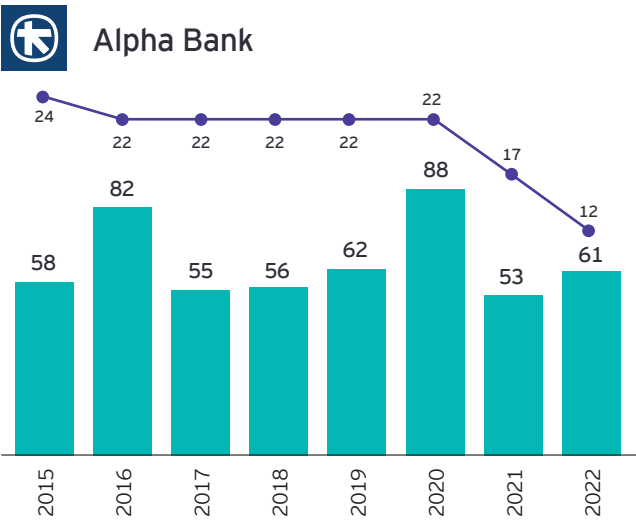
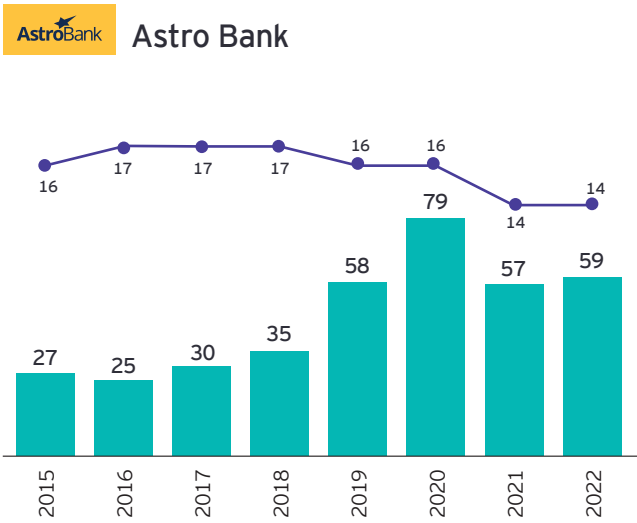
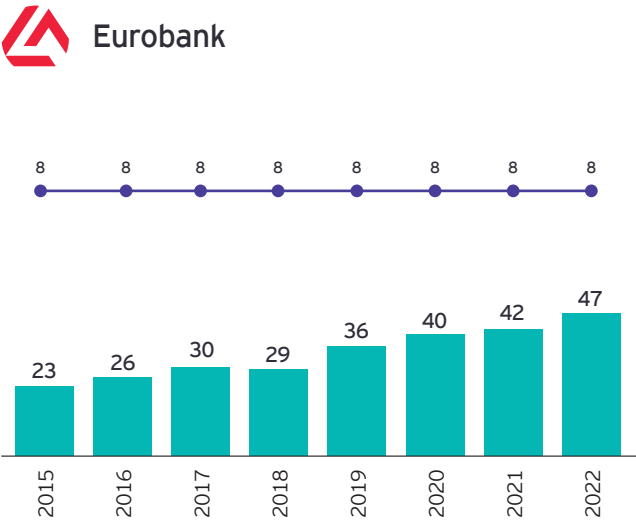
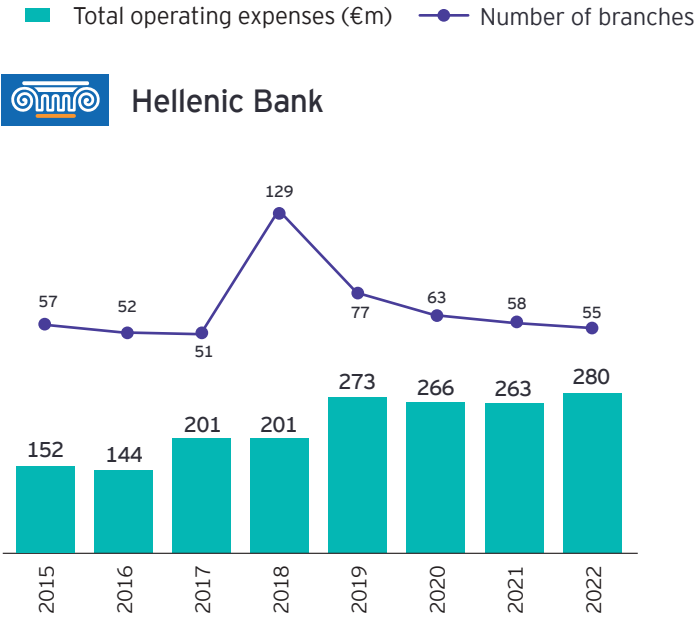
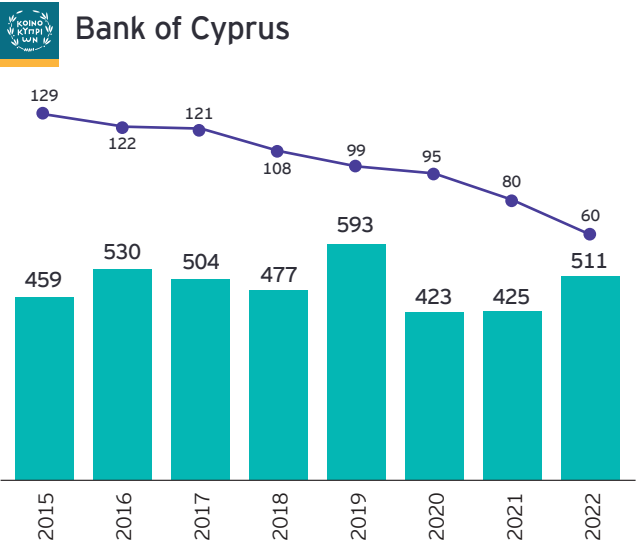
Hellenic Bank, despite the acquisition of Cooperative Bank which increased its retail operations (loans and deposits) and the number of branches, it managed to reduce its network to levels prior to the acquisition.

Similarly, Alpha Bank halved its branch network since 2015 (from 24 to 12).

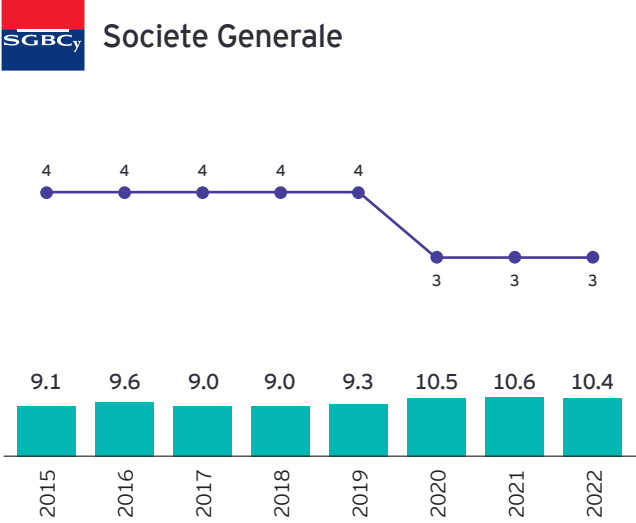
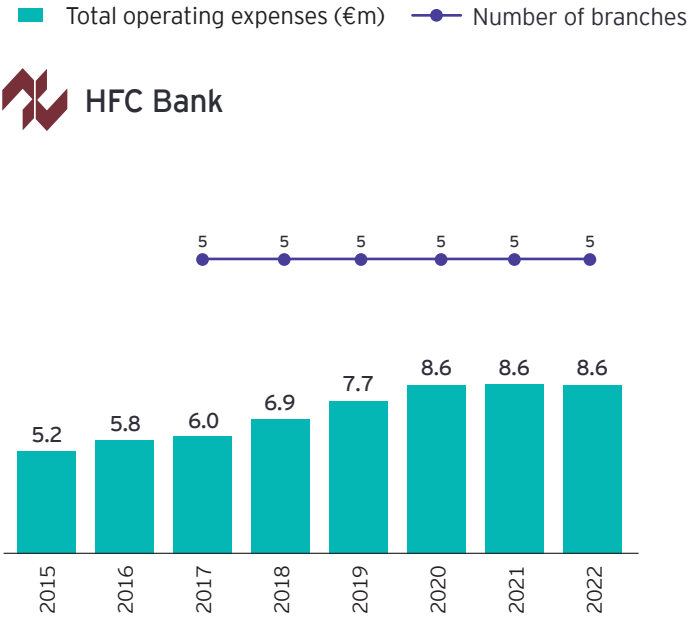
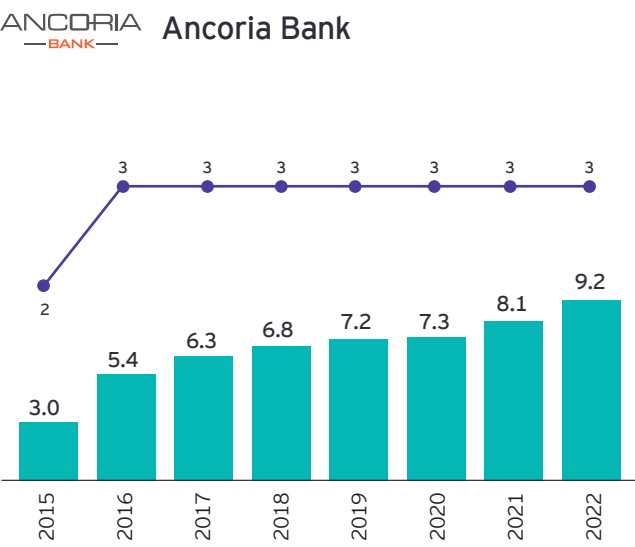
Total operating expenses and Number of Branches as at year end 2022



13_Total OPEX and Number of Branches



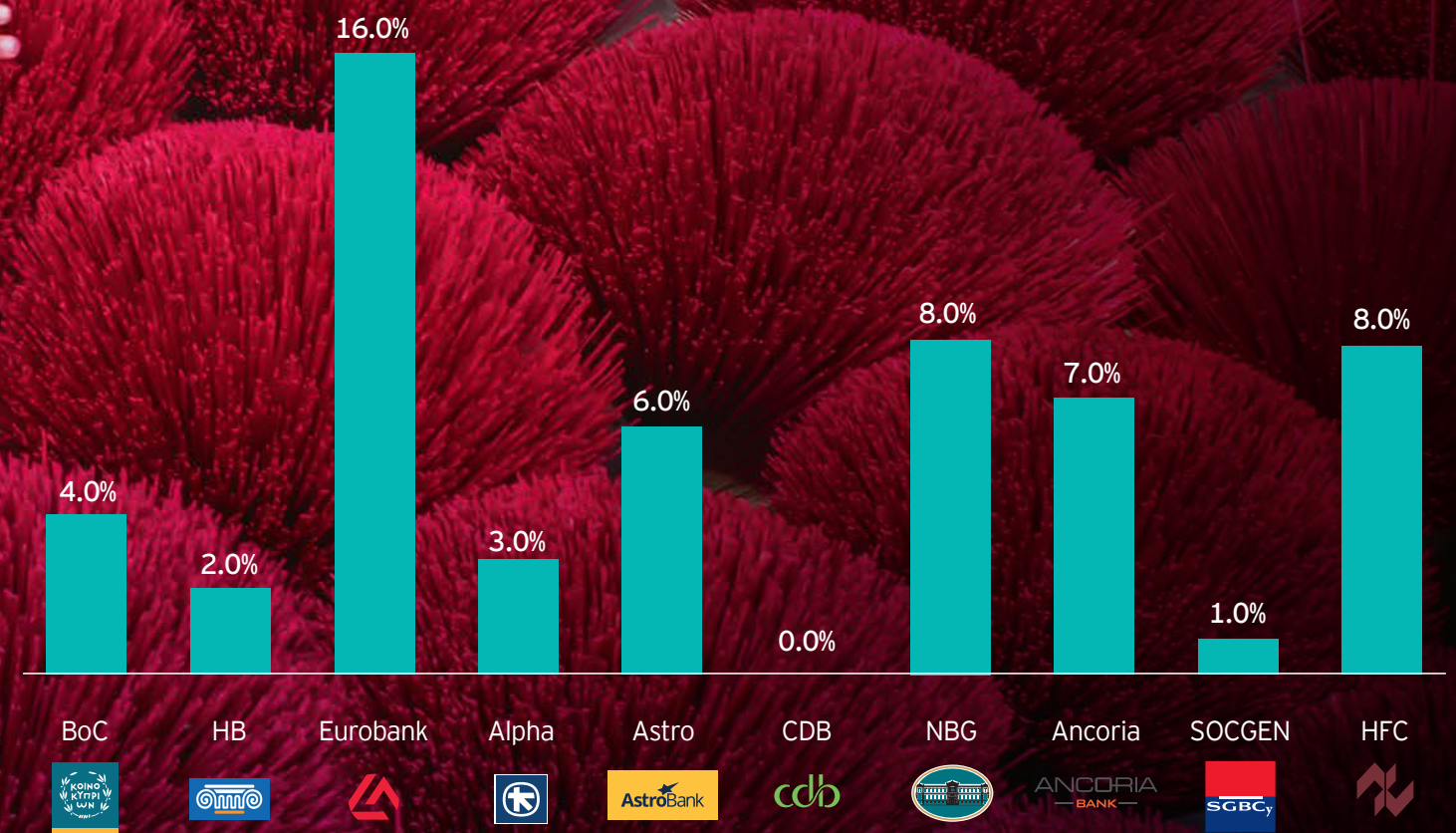
13_Total OPEX and Number of Branches



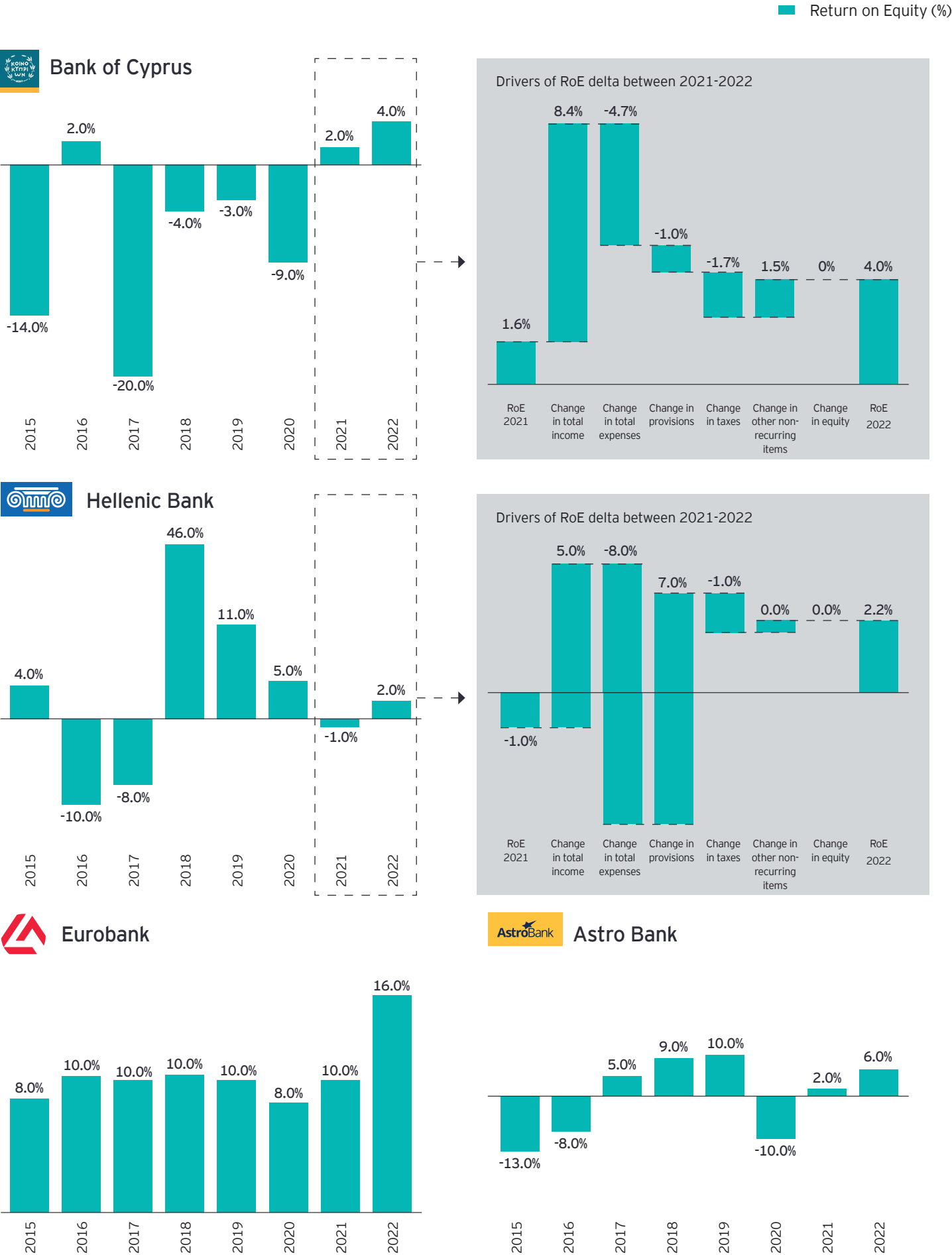
14

Return on Equity

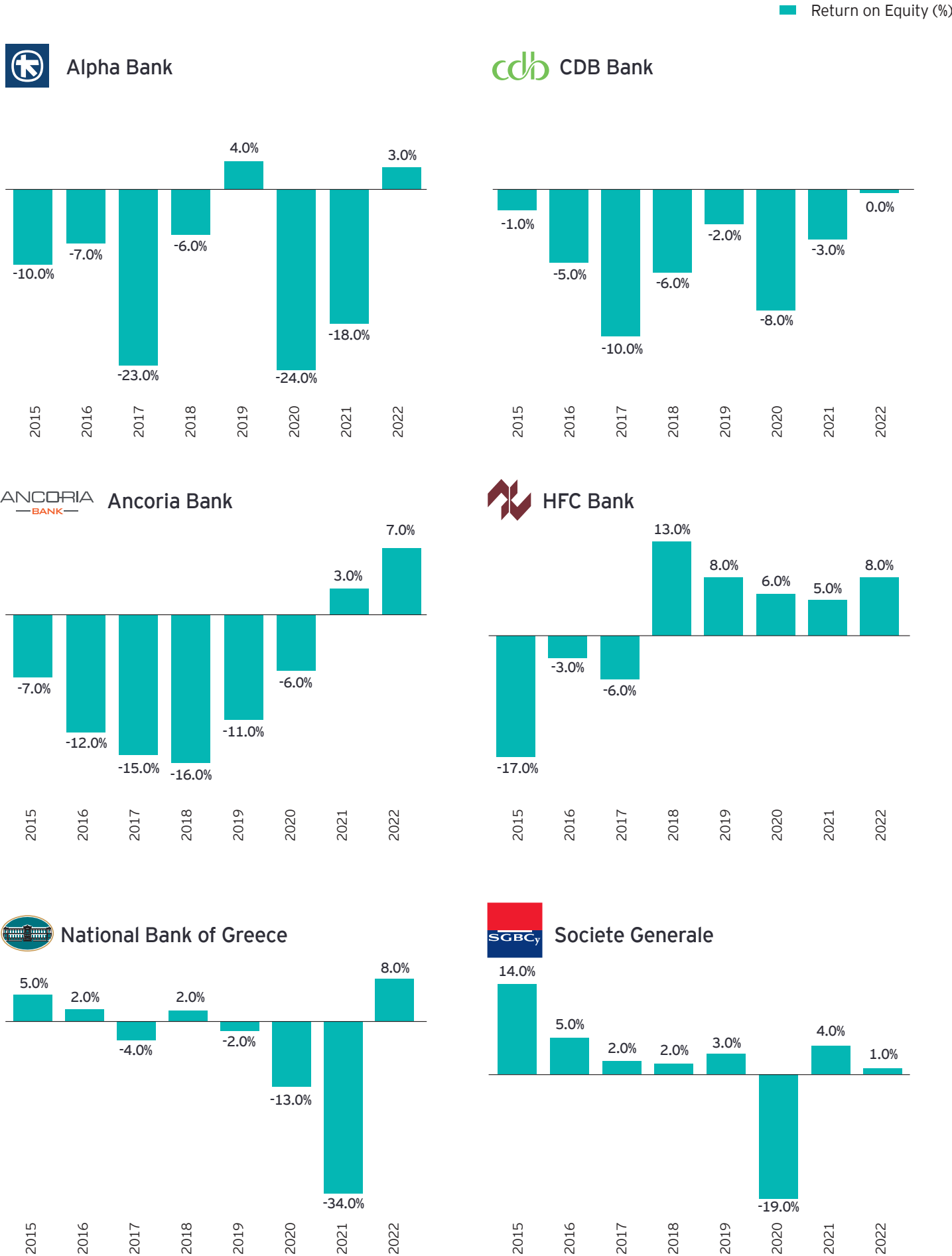
RoE (%) as at year end 2022



14_Return on Equity



14_Return on Equity



15

Price to Book Value Vs Return on Equity

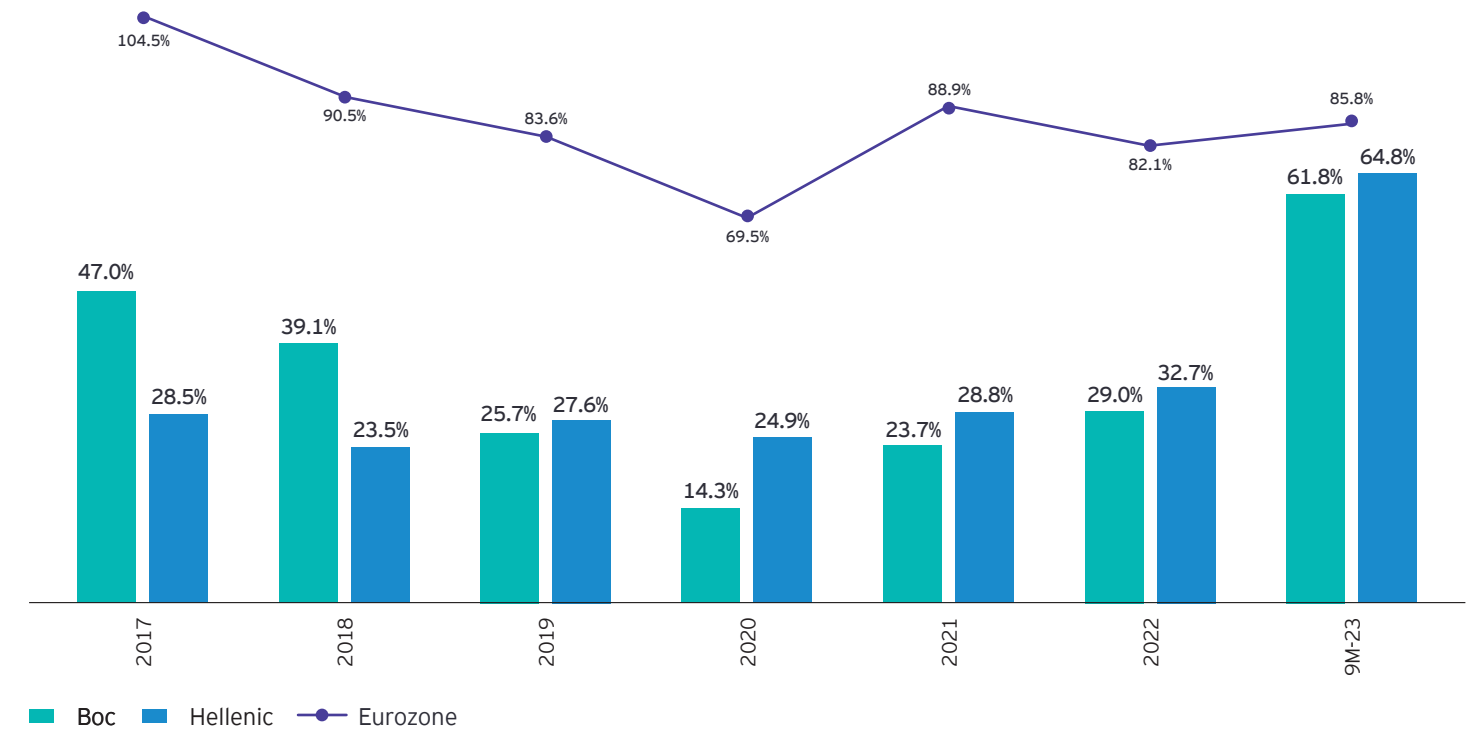
In recent years, European banks have lagged the market, with price-to-book values (P/BV) ratios below one, indicating lack of investor confidence to generate shareholders value.

Cypriot banks have traditionally suffered from low P/BV ratios due to a combination of factors: asset quality, low flexibility in cost reduction initiatives, small market size, and lack of exit options for investors.

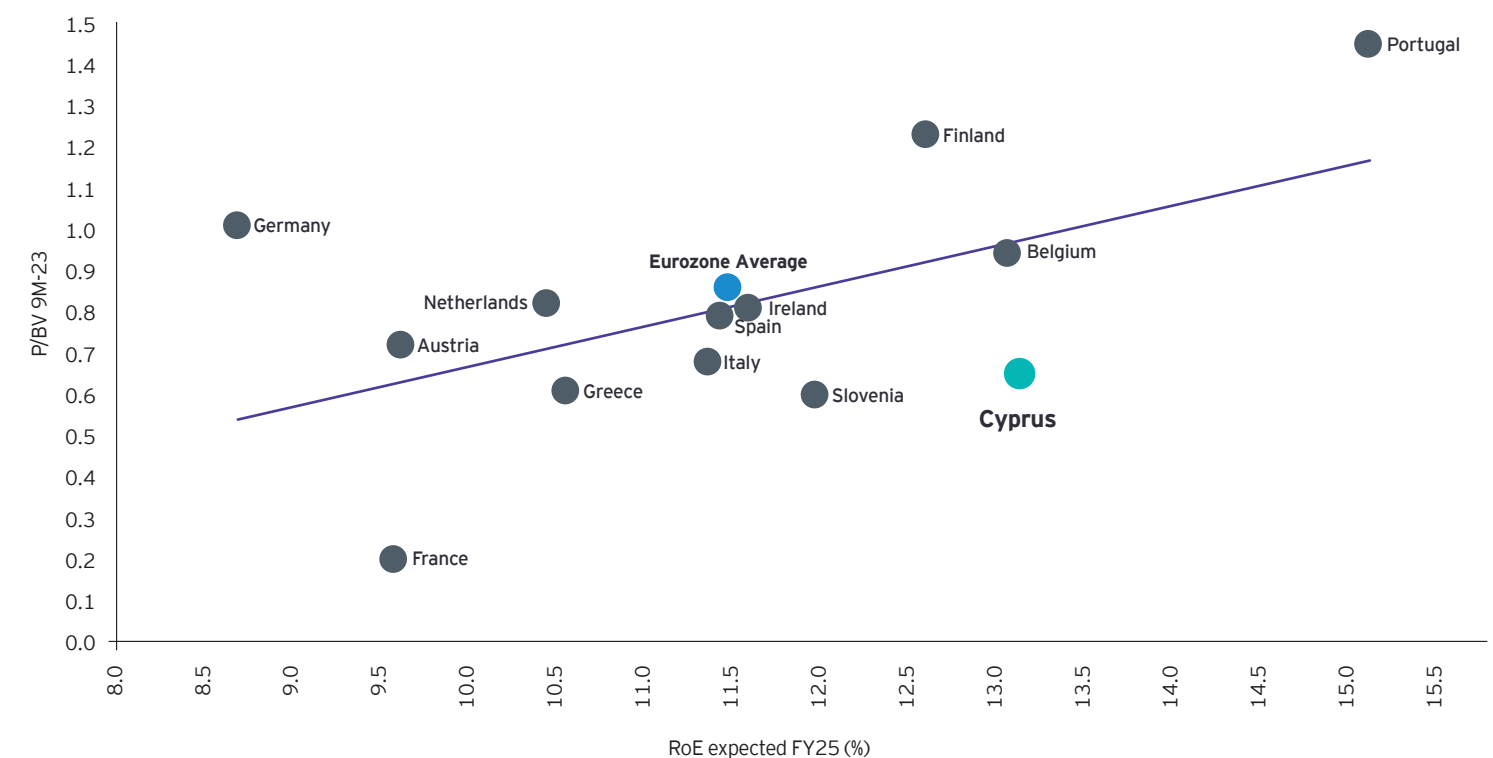
With the effects of interest rate hikes materializing leading to increased profitability, P/BV ratios have double for the two Cypriot systemic banks for the first nine months in 2023 compared to 2022.

Assuming Cypriot banks manage to capture the RoE forecasts of c13% by 2025, it could result to P/BVs close to 1.0. This is based on predictions based on information extracted from financial research platforms, and a simple regression between expected return and P/BV ratios of European banks.

Price to book values of Cypriot Systemic Banks vs Eurozone



Price to Book Values and Forecasted RoE of European Banks (Country Level)



Source: S&P Capital IQ - This analysis includes data from listed banks spanning 13 European countries, involving a review of 64 banks in total

Cheat Sheet:

Summary of all KPIs

for 2022

KPI		BoC	HB	Astro	Alpha	Eurobank	CDB	NBG	Ancoria	SOCGEN	HFC
Total Assets (€m)		25,435	19,989	2,726	2,954	8,931	548	352	486	704	1,044
Total Equity (€m)		2,101	1,121	204	227	636	38	42	47	65	122
Cash & Placements (€m)		9,772	8,749	805	1,292	4,794	223	26	109	392	76
Stock of property (€m)		1,041	131	141	16	32	4	10	0	8	0
Gross Loans to customers (€m)		10,132	6,223	1,203	1,037	2,776	250	204	334	384	878
Corporate (€m)		1,642	625	201	172	1,549	170	55	3	199	0
SME (€m)		3,492	1,938	647	248	0	39	101	152	70	0
Households (€m)		4,771	3,538	356	602	122	41	40	179	77	627
Other (€m)		226	122	0	15	1,105	0	8	1	38	251
Accumulated Provisions (€m)		178	190	112	14	46	49	18	1	139	129
Net Loans to customers (€m)		9,953	6,033	1,091	1,021	2,730	216	186	333	245	749
Customer Deposits (€m)		18,998	15,928	2,112	2,433	7,203	487	288	430	603	899
Performing loan stock (€m)		9,723	5,613	969	986	2,706	184	168	333	196	604
Non-performing loan stock (€m)		408	610	234	51	70	65	36	1	188	274
NPE ratio (%)		4%	10%	19%	5%	3%	26%	18%	0%	49%	31%
NPE Provision Coverage (%)		69%	55%	45%	32%	77%	47%	49%	11%	36%	47%
LCR (%)		291%	444%	281%	192%	246%	304%	n/av.	544%	229%	721%
Risk-weighted Assets (transitional, €m)		10,114	5,674	1,156	1,099	2,233	240	233	231	326	n/av.
CET1 ratio (transitional, %)		15%	18%	17%	15%	27%	16%	22%	20%	20%	34%
Total Capital ratio (transitional, %)		21%	21%	18%	21%	27%	21%	22%	20%	23%	34%
Gross Customer Loans to Customer Deposits (%)		53%	39%	57%	43%	39%	51%	71%	78%	67%	98%
Net Customer Loans to Customer Deposits (%)		52%	38%	52%	42%	38%	44%	65%	77%	41%	83%
Number of employees		2,889	2,787	465	476	447	138	119	103	108	76
Gross loans to customers per employee (€m)		3.5	2.2	2.6	2.2	6.2	1.8	1.7	3.2	3.6	11.6
Net Loans to Customers per Employee (€m)		3.4	2.2	2.3	2.1	6.1	1.6	1.6	3.2	2.3	9.9
Number of branches		60	55	14	12	8	2	2	3	3	5
Interest Income (€m)		451	341	56	50	156	11	9	10	15	19
Net Interest Income (€m)		370	301	51	44	127	10	9	9	13	18
Net Fees and Commissions (€m)		192	72	17	15	36	3	3	2	4	3
Total Income (€m)		710	414	73	70	164	13	14	11	17	21
Total operating expenses (€m)		511	351	59	61	47	13	13	9	10	9
Staff Cost (€m)		294	147	28	37	26	8	7	4	6	4
Average staff cost per employee (€'000)		60	53	56	57	58	58	62	42	59	56
Depreciation and amortization (€m)		34	25	4	4	5	1	1	1	1	1
Other operating expenses (€m)		183	179	28	20	17	4	5	4	3	4
NIM (%)		1.7%	1.6%	1.9%	1.5%	1.5%	1.9%	2.6%	2.1%	1.9%	1.8%
Interest yield on customer loans (%)		3.3%	3.4%	3.4%	3.4%	3.4%	3.6%	3.4%	2.9%	3.1%	1.4%
Cost of customer deposits (%)		0.04%	0.04%	0.07%	0.02%	0.20%	0.04%	0.00%	0.03%	0.16%	0.01%
Net fee & commission / Total income (%)		27%	17%	23%	21%	22%	22%	25%	16%	21%	n/av.
Cost to Income (%)		52%	62%	73%	69%	29%	93%	92%	76%	54%	41%
Cost of Risk (%)		0.4%	0.0%	-0.5%	0.2%	0.1%	0.1%	-0.1%	0.1%	1.6%	-0.1%
ROE (%)		4.0%	2.2%	6.2%	2.9%	15.6%	-0.1%	8.4%	7.0%	0.9%	8.2%

Sources & Calculation basis

#	Analysis	Source / Calculation basis
01	Real GDP and Growth Rate	Statistical Office of the European Communities
01	FS GVA to Total GVA	Eurostat
01	Inflation	Statistical Office of the European Communities
01	Unemployment Rate	Oxford Economics
01	Interest Rate: 6M EURIBOR	ECB data portal
02	Gross Loans per Segment, i.e. Corporate, SME, Retail, Other	CBC Database: Aggregate Cyprus banking sector data on NPLs
02	Net Interest Income Vs Net Fee and Commission Income	CBC Database: Aggregate Cyprus banking sector data
02	Net Interest Margin (NIM)	CBC Database: Aggregate Cyprus banking sector data
02	Loans to GDP	Loans to GDP calculated by Gross Loans to customers, over Real GDP.
02	Customer Deposits to GDP	Customer Deposits to GDP calculated by Customer deposits over Real GDP.
02	Total Capital ratio (transitional)	CBC Database: Key aggregate financial indicators for the Cyprus banking sector
02	Performing to Non-Performing Loans and NPE Provision Coverage	CBC Database: NPE Provision Coverage calculated by NPE Accumulated Impairment over Gross NPEs
02	New Lending (Retail and NFC)	CBC Database: MFS Report NFC means Non-financial corporations
02	Euribor to Net Interest Income	ECB data portal and CBC Database
02	Net Customer Loans to Customer Deposits	CBC Database: Calculated by Net loans and advances to customers over Customer deposits
02	Cash and cash equivalents	CBC Database: Aggregate Cyprus banking sector data

#	Analysis	Source / Calculation basis
02	Cost to Income	CBC Database: Key aggregate financial indicators for the Cyprus banking sector
03	Total Assets	As reported in FS
04	Gross Loans	As reported in FS (FinRep definition)
05	Net Loans per employee	Net Loans to Customers, over number of employes as at the year end
06	Asset Quality	As reported in FS
07	Customer Deposits and Cost of Deposits	Cost of Deposits calculated by interest expense of customer deposits for the year, over the average customer deposits of the current and prior year.
08	Capital ratio	As reported in FS
09	Net Interest Income and Net Fee and Commission Income	As reported in FS
10	Net Interest Margin	Net Interest Income, over average interest-bearing assets. Interest bearing assets included for NIM calculation are presented on the next page.
11	Cost to Income	As reported in FS. If not reported calculated by the total operating costs (excluding LEVY and any restructuring / VRS costs) , over the total income for the year.
12	Number of Employees and Average Cost per Employee (excluding VRS restructuring costs)	As reported in FS
13	Number of Branches, and Total Operating Expenses, including staff cost, depreciation and amortization, other operating expenses (incl VRS restructuring costs)	As reported in FS
14	Return on Equity	Calculated by Net Profit or Loss for the year over Average Equity
15	Price to Book Value Vs Return on Equity	S&P Capital IQ

Sources & Calculation basis

Interest Bearing Assets

Banks	Calculation basis for Interest Bearing Assets
Bank of Cyprus	Cash and balances with central banks + loans and advances to banks + loans and advances to customers + loans and advances to customers held for sale + prepayments, accrued income and other asset + investments (debt securities - investments which are not interest bearing)
Hellenic Bank	Consist of Cash and balances with Central Banks, placements with other banks, loans and advances to customers (including loans and advances to customers classified as held for sale), investments in debt securities (excluding any accrued interest) and indemnification assets. For calculating the average of the interest[1]bearing assets, the Bank uses the arithmetic average of total interest-bearing assets at each reporting date from the beginning of the year.
Astrobank	Consist of Cash and balances with Central Banks, placements with other banks, net loans and advances, investments in debt securities at amortised cost and debt securities at fair value through profit or loss. For calculating the average of the liquid assets, the Group uses the arithmetic average of total liquid assets at each reporting date from the beginning of the year.
Eurobank, SocGen, CDB, Alpha, Ancoria, HFC, NBG	Sum of: (1) cash and balances with central bank, (2) placements with other banks, (3) Loans and advances to customers, (4) investments in debt securities (both held at amortized costs and FV through PnL).

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