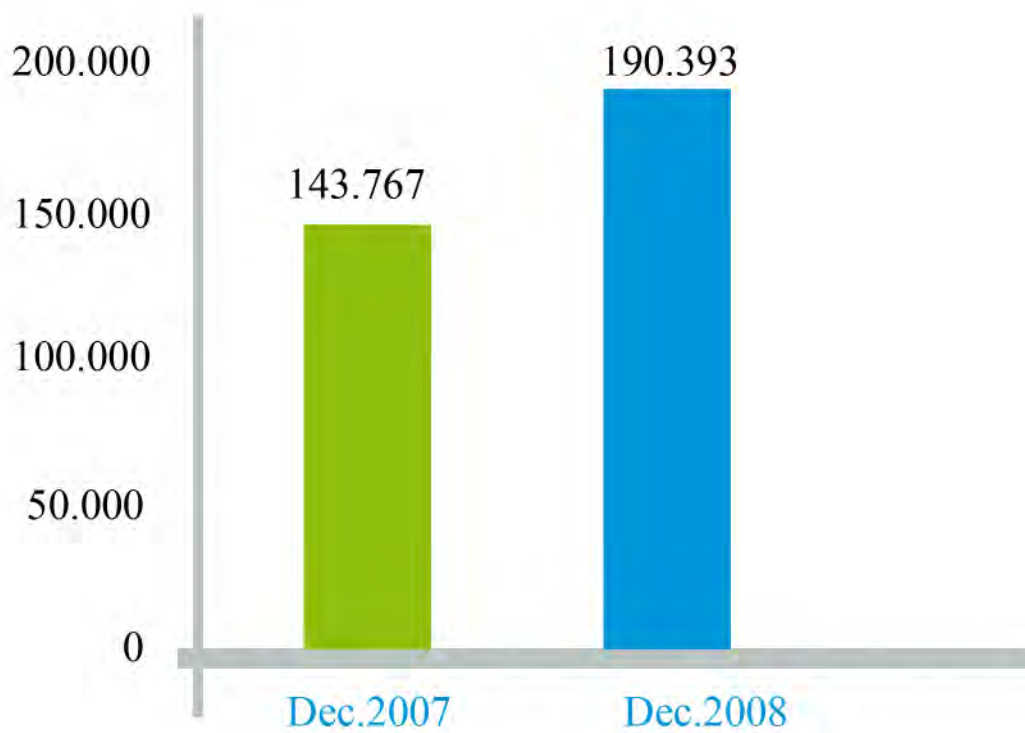


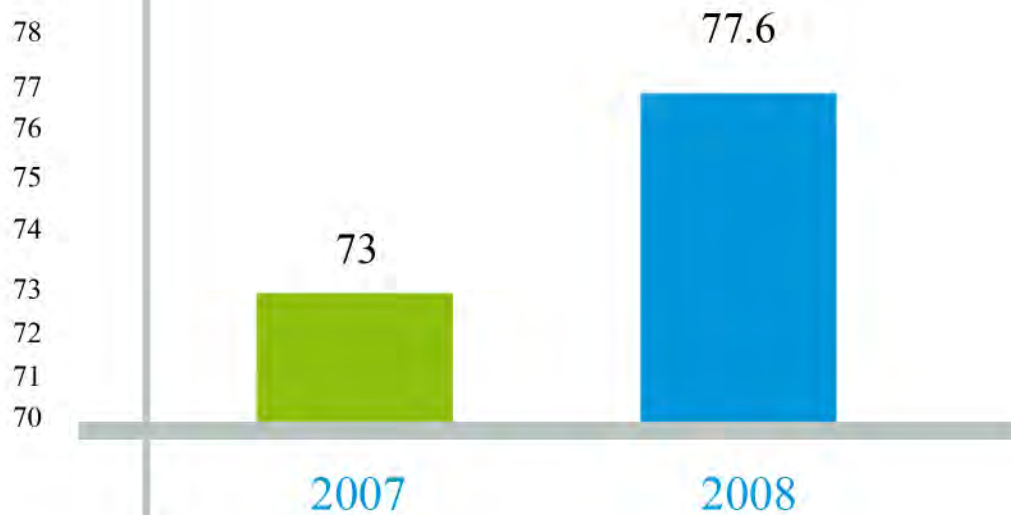
II. Emporiki Bank Activities

Total Loan Portofolio

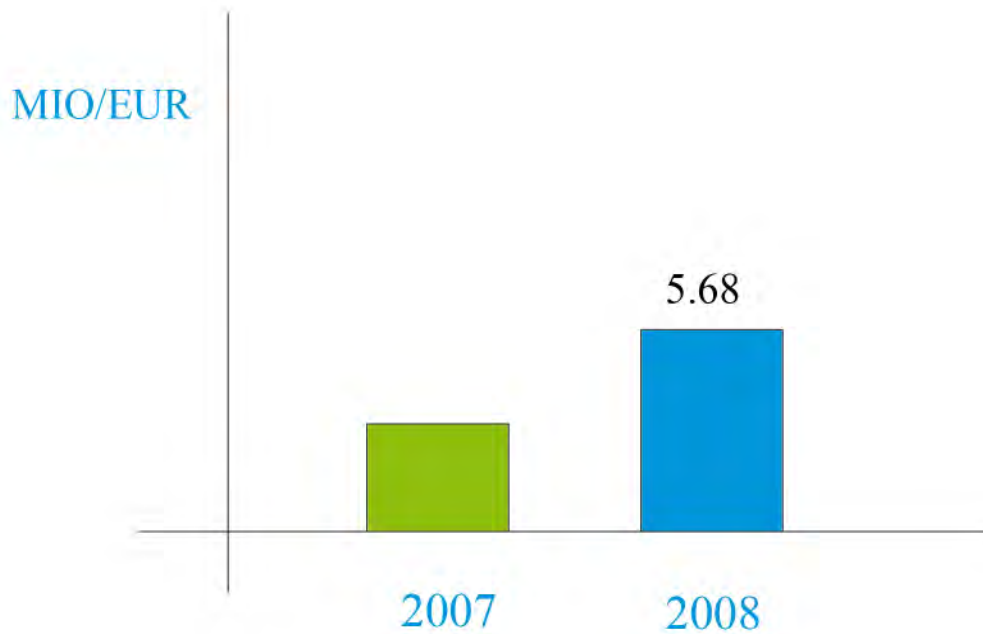


MIO/EUR

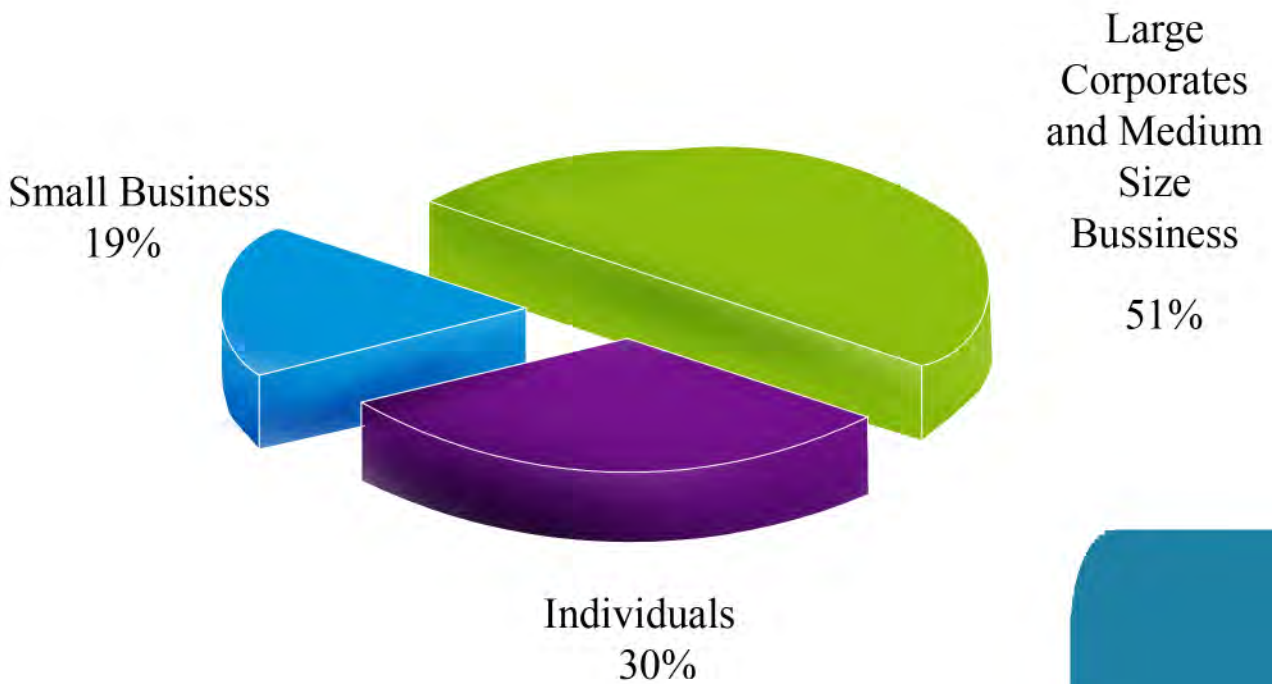
Total Deposits



Total Fixed Assets



Credit activity – Loan portfolio composition



a. Corporate and Investment Banking

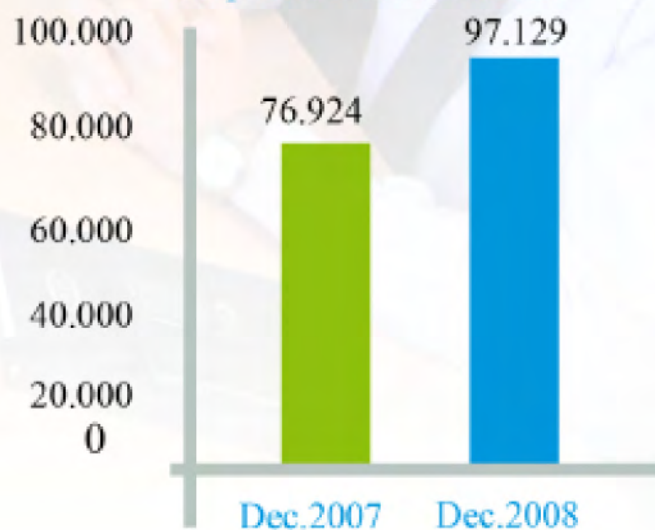




Corporate and Investment Banking - Achievements

- Initial approved target for 2008 relying on the optimism in the market as well as the Group's strategy for expansion at that time.
- Despite enhanced competition, achieved to maintain relationship with existing Mid-market clientele.
- Focused on exploiting synergies of co-operation at Group level for major corporate clients aiming to operate/enhance business in Albania

Corporate Loan Portfolio





Dritan Mustafai

**Deputy General-Head Corporate and
Investment Banking Unit**

Corporate and Investment Banking

Corporate activity remains a key business of the Bank, with an extended range of products and business solutions offered to meet the needs of SMEs and Large Companies.

Special tailored offers are main factors of successful penetration in a dynamic and highly competitive market. Despite the growing competition, the Bank pursued a prudent approach in order to maintain a healthy portfolio.

During 2008 we carried out successfully certain key commercial objectives:

- Further penetration in the mid market and corporate segments, aiming to provide competitive package deals with clients having positive credit records, in line with the commercial and risk strategy of the Group.

- Approach selective project investments in the country, sponsored by foreign investors in the loop of corporate and investment banking arms of the Group.

- Priority was given to the development of institutional clientele, focusing on the establishment of account relation with State institutions, key utility companies and various organizations, for increasing our deposit base and for exploiting cross-selling activities. Average deposit balances increased as well, despite volatility and acute competition in that market. Efforts are made to extend the range of clientele, which is expected to reward in new business to be approached in due course.

Lending portfolio balance amounted to EUR 97 million approx., increased by 26% compared to end-2007, with growth slowing up during the 2nd half of 2008, in line with new risks identified due to the global and local economic performance. The revising of internal policies and commercial strategy implemented towards the end of 2008 led to more prudent expansion of the portfolio. We focused mainly in performing sectors of the economy and distinctive investment projects.

The profitability margins sourced from the core activities were increased, with no portfolio leakages or any back-steps noted during the stated period. The number of business groups and public entities has increased in our portfolio during 2008.

This derives from a strongly build relationship and increase of interaction with clients, as well as side benefits from cross-selling activities through the network of branches.

Since 2006 Calyon (the corporate and investment banking arm of Credit Agricole Group) has taken into consideration various financing opportunities in Albania. Jointly we have exploited business opportunities arising from both Public and Private Sector, aiming to increase the Group presence in the country.

We leverage on the flow of information regarding new investments that penetrate in the Country, aiming to take advantage of the clients' expansion plans, in order to offer regional / global service.

We maintain direct communication and developed account relationship with the local subsidiaries of certain international groups, being Group clients, having business interests in Albania.

b.Retail Banking



Retail Banking Activity – Achievements

Heriola Spahiu
Head of Retail Banking Unit

- Completed organizational structure
- Business Center fully functional
- Marketing & Products Development
- Direct Sales & Alternative Distribution Channels

- Aggressive approach towards the clientele in terms of new products introduced
- Focus on deposits products (Extra deposit, Smile deposit, etc.)
- Innovative schemes of collaboration with co-branded cards with retailers applying bonuses for deposit customers
- New packages of products (Emporiki Home, Emporiki Business, VIP consumer, payroll, etc.)

Considerable increase of clientele (Individuals and Small Businesses), especially due to the contribution of the new branches outside Tirana.

- Best branches (Durrës, Fieri, Korça, Twin Towers, Kombinat, Bardhyl)
- Very good Small Businesses approached (cross selling strategy is always followed)
- Wealthy individuals approached for new deposits, due to the good rates offered.

• Individuals

The Individuals Sector handles the Individuals & Professional segment of customers. As main target are the increase of sales in operational and lending products, and also the maintenance of a sound portfolio.

During last years, our Bank is offering specific products and services, with the strategy to upgrade the overall approach towards individual customers, and to be in accordance to the framework of the Group's policy for the Retail segment clientele.

Taking into consideration the end of year results the weight of individuals is 30%, comparing with outstanding loans portfolio of overall Bank (62% compare to Retail portfolio), and in deposits the individuals' part is 48% of the Bank.

During 2008, our Bank offered singular products in the market with the focus collecting deposits and increasing lending to individuals. The dedicated and qualified services that we offer to customers, especially to VIP's, has provided us a good impact in increasing of the affluent customers' number. For the enlargement of individuals' clientele, have contributed also important customers and collaborators of the Bank (i.e. construction companies & related undertakers, notaries, evaluators, certified accountant, etc), that diversify the customers regarding the business area they operate. The variety of the lending and operational products that we offer for the individuals segment is large and covers the majority part of the customer needs.

Regulations issued by the Bank of Albania during the year, regarding the transparency toward overall customers of the financial market, facilitate the legible concurrence between banks and point out the quality of our Bank services & products.

The first half of the year, for our Bank, highlights more positive developments in individuals' sales relative to the second one, when especially the last quarter was distinguished for the worsening of the main indicators.

The world crisis was accompanied with trouble and insecurity into the customers' approach, especially to the individuals, who decelerate somehow their investments in mortgages, consumer, and especially in personal deposits. Despite the crisis our Bank realized a 38% growth in loans to individuals segment, manifesting a satisfactory interest rate, in opposite with deposits, that go down with a decrease 15% of the 2007's volume.

Furthermore, non-performing loans to individuals have been increased significantly, in accelerated phases, with consequence the quality of the loan portfolio. The level of the abovementioned indicators is not estimated as critical, but the dynamic and intensity of developments requires a more prudential and ongoing monitoring.

Through the establishment by BOA of the Credit Registry, we can evidence the customers with a bad status and history. In this connection, we can also avoid the approach of the bad customer.

Retail Loan Portofolio



Karta e Debitit Visa Electron

- Komisioni 0 për çdo blerje brenda territorit të Shqipërisë
- Mund të lidhet me një deri në tre nga llogarët tuaja (rjedhese apo kursimi)
- Komisioni 0 për tërheqjet cash në bankomatat e Bankës t'Komerciale në Shqipëri
- Komisioni 0.4% në 7 ditët e pasës

Karta e Debitit Visa Electron

Jepuni perspektivë parave tuaja

6.1%

• Small Business Customers

The Bank revised its market segmentation policy, extending the small business clientele to all companies having an annual turnover up to EUR 3 million. In order to improve the services and products offered to this target market, and following the positive experience with the Credit Center during 2007, we created the first Business Center for Tirana Branches. The Business Center was established with the aim to further centralize the relation with small business customers, in order to maintain a dedicated and highly professional relationship with such clientele, and be closer to their needs. Furthermore, the Bank redesigned its products offered this segment with the aim of better responding to its needs and be competitive in the market.

The volume of loans to small business and professionals grew up with 45%, representing 27% of the total portfolio of business loans. 81 % of the business loans are granted in foreign currency and more than 62% are granted for a long term period (above 5 years).

Our intention is that Small Business achieves a larger share of the total lending portfolio being a higher profitability segment and having the possibility of cross-sale of products. However, with the tough period the financial system is going through our aim is to have a very prudent and scrutinized approach in our analysis in order to maintain a qualitative portfolio.



c. Network



Network of Branches

Emporiki Bank, in the eve of its 10-th year of operation in Albania covers more than 82 % of the population with 20 outlets in the country.

These branches and agencies are located mainly in major towns including Tirana, the capital, and it is rapidly expanding toward smaller remote areas.

Emporiki Bank Albania operates in a modern on-line service regardless of the location, maintaining always superior and dedicated service to all groups of clientele.

The expansion plans for 2009 are impressive but prudent keeping in consideration new potential crisis situation Albania and the world are expecting to face.

All new outlets that will be joined to Emporiki coverage map starting from 2009 will be established in the revolutionary model offered by Credit Agricole group. This model will uniform branches of the group around the globe.

To get more detailed information about us everyone is welcomed to contact our well trained staff in any of Emporiki Bank Albania.

