The role of the banking affiliates at the Balkan countries for the Greek banks

Simeon Karafolas
Department of Financial Applications
Technological Educational Institute of Western Macedonia
skarafolas@yahoo.gr

Abstract
The paper proposes an examination of the role of the banking affiliates at the Balkan countries for the Greek banks, parents of those affiliates. Greek banks created an important banking network in the Balkan countries since the decade of 1990. This network is extended to countries Albania, Bulgaria, FYROM, Romania, Serbia but also Turkey. This network took the form either of affiliate or banking branch and representative office. Greek banks tried to take a part of the local banking market in the former socialist countries after the change of political regime and the opportunities that appeared. Their policy followed or even prepared and helped the extension of other Greek companies in several sectors. The extension to Balkan countries registered a different banking policy in comparison to previous decades in which Greek banks followed mainly the immigrant population. The paper examines the role of this banking network, mainly through the affiliates for which data is available. The examination is based especially on the balance sheet elements.

Keywords: Banks, Greece, Balkan countries, balance sheet, financial statement

JEL Classification: G21, F21, F23,

Introduction

Greek banking presence abroad appears the decade of 60's as a consequence of the opening of Greek economy to the world economy. From the decade of 70's, Greek banks began to have a significant presence abroad that can be distinguished in two main periods (according to the reasons of banking internationalization, Karafolas, 1986):

- The first period till the end of 80's
- The second period that begins from the decade of 90's.

During the first period Greek banks followed the Greek immigrants to the host countries (Karafolas 1986, 1988, 1998). The main target was to serve Greek immigrants abroad: by collecting their saving and transfer it in Greece and by offering loans for small business financial needs. Greek banking presence was not related, mainly, to the trade, Greek investments abroad, and international financial markets as it is the case for multinational banks, (Karafolas 1986). National Bank of Greece (NBG) was an exception but even this bank did not have the characteristics of other multinational banks.

The second period, the Greek banking presence followed much more the reasons of presence abroad applied to multinational banks. Since the decade of 90's Greek banks have a strong presence in the Balkan countries, mainly to the ex-socialist countries. The principal characteristic is that Greek banks follow the Greek companies who invested to these countries and have important trade relations. The extension of Greek banks to Balkan countries differentiates the strategy they followed the previous period. This strategy is different in comparison to other host countries as well, mainly because reasons for banking presence are different.

Many issues can be examined with regard Greek banking presence in Balkan countries, such as reasons for this presence, banking penetration to the local banking markets. This paper examines the structure of the balance sheet and income statement of affiliates of Greek banks in these countries. This examination can provide us of some ideas on the policy of Greek banks. Have they a particular policy with regard banking activities, is there a homogenous comportment of affiliates, of Greek parent banks or host countries that can appear through banking activities?

The paper examines in the section 2 the banking network created in the Balkan countries; section 3 discusses the methodology and data, section 4 presents the results found, while section 5 offers the conclusions.

Greek banking network in Balkan countries

Forms of banking presence abroad

Banking internationalization can be either indirect through corresponding banks in host countries or autonomous presence that takes several forms. This paper is interested to the autonomous Greek banking presence.

The autonomous banking presence abroad can be of three forms (Karafolas 1986):

Affiliate, Branch, Representative office.

- Affiliate bank is a banking institution, under the law of the host country, in which the parent bank has the majority of the stock capital or it has the whole capital. For the parent bank, the affiliate may be the result of a new institution or the acquisition of shares of an existed, already, one. The affiliate publishes data of balance sheet and income statement.
- Branch is directly related to the parent company. It depends on the home country law and the parent bank is entirely responsible for its activities. Branch’s activities are registered directly to parent’s bank balance sheet and income statement. Therefore the branch does not publish balance sheet and income statement data.
- Representative office is a bureau created from the parent bank in order to give information on the banking system, economic and political situation of the host and home countries to parent’s company clients. Representative office cannot provide banking services.

Greek banking network in Balkan countries

Six Greek banks have a network in five ex-socialist Balkan countries and Turkey. These banks are: Alpha Bank, Emporiki Bank, Eurobank, Marfin Egnatia Bank, National Bank of Greece and Piraeus Bank, (table 1).

Greek banks created a network in the follow Balkan countries mainly ex-socialist: Albania, Bulgaria, FYROM, Romania, Serbia and Turkey, (table 1).

Table 1

The Greek banking presence in these countries dates since 1993, table 1. After 1993, almost every year one or more Greek banks open a branch or an affiliate. The first banking network was created in Bulgaria. In the three next years Greek banks created a network in Romania and Albania. In FYROM and Serbia the Greek banking presence appeared later. Political problems with FYROM and political situation in Serbia may be considered as a main reason for this delay.

Greek banking presence took the form of affiliate and branch mainly. The form of affiliate bank is the most important according to the number of branches they have in the host countries. On 2010, affiliates' banking network had in total 2471 branches, mainly due to the Finansbank network of 530 branches in Turkey. Within Greek banks, National Bank of Greece, Pireaus Bank, Emporiki Bank and Ionian Bank have been the pioneers of the extension to Balkan countries considering the dates on presence in the hot countries. With regard the total number of branches on 2010, NBG with 985 branches and Eurobank with 676 have the bigger network followed by those of Piraeus and Alpha Bank, table 1.

Within host countries, Romania host the biggest network of 843 agencies owned to 6 Greek banks, table 1. Turkey, Bulgaria have also important branches network.

Methodology, sample, data

A classification of balance sheet and statement of income was considered in order to distinguish the orientation of banks' activities and thus, their policy. Elements of balance sheet and income are used for a financial ratio analysis as well. Balance sheet structure is examined through assets and liabilities elements. Assets are grouped in the following categories:

- Loans to customers
- Loans to financial institutions
- Bonds and treasury bills
- Other assets

Available funds, fixed assets and divers assets were considered as "Other assets".

Liabilities are grouped in the following categories:

- Deposits of customers
- Deposits of the financial institutions
- Capital and reserves
- Other liabilities

Income is examined on the basis of the following two categories:

- Total income by distinguishing the interest net income and other operating income, mainly due to commissions and fees.
- Non-interest expenses by distinguishing personnel expenses and other non-interest expenses.

Financial ratio analysis is examined on the basis of profitability level and capital adequacy.

Profitability is examined through the following categories: Return on average equity, Return on average assets

Capital adequacy is examined under two ratios: Equity on assets, Equity on loans

Within the examined sample, 19 affiliates of Greek banks were considered. Two of them are Albanian banks, four are Bulgarian banks, two are in FYROM, five are in Romania, four are in Serbia and two in Turkey. Branches created by Greek banks were not considered because they do not publish autonomous balance sheet and income statement.

The examination was concentrated on one year. The examined year has been 2010. Even with one year statement we can have a sufficient image of the balance sheet and income structure, Further, this year may indicate problems that appear because of the economic and financial crisis.

Data of the sample have been provided by banks' annual reports and Bankscope.

Results

Importance of affiliates

Table 2 presents the balance sheet structure for 19 affiliates of Greek banks in 6 Balkan countries (Albania, Bulgaria, FYROM, Romania, Serbia and Turkey).

Table 2

Banks' assets show a strong differentiation with regard importance of these affiliates. Finansbank, the Turkish affiliate of National Bank of Greece, (NBG), is far the most important affiliate since it concentrates 36,6% of consolidates assets of the examined affiliates, (table 3).

Table 3

The second more important affiliate, the Alpha Bank Romania concentrates 10,8% of consolidated assets. A strong concentration appears within affiliates since 5 more important banks have 70% of consolidated assets.

Within countries, Turkey's affiliates concentrate 40,9% of consolidated assets, due mainly to the importance of Finansbank. Affiliates in Romania concentrate the second more important part of assets with 27% of assets. The rest of assets is provided by Bulgarian affiliates (20,7%), Serbia (6,8), FYROM (2,7%) and Albania (1,8%). We must notice nevertheless that this image corresponds only to the affiliates and not to the total of banking activities since the branches' activities are not registered to this table.

Within banks, NBG affiliates concentrate more than the half of banking assets with 51,3% of consolidated assets. That corresponds to a policy of strong presence in the host country showed not only by the Finansbank in Turkey but also with this of United Bulgarian Bank in Bulgaria and Banca Romaneasca in Romania, table 3. Within other banks, Eurobank's affiliates concentrate 22,3% of consolidated assets followed by those of Alpha bank (13%), Piraeus Bank (12%), Emporiki Bank (1%) and Marfin –Egnatia Bank (0,3%).

The balance sheet structure

The consolidated balance sheet shows on assets that loans to non bank customers concentrate the majority of assets with 65% of consolidated assets, (table 4). Loans to financial institutions, (interbank market), have 8% of assets; therefore 73% of assets concern loans. Bons and Treasury Bills have 13% of assets while 13% concern other assets. On liabilities we observe an analogous since deposits of non bank customers are 54% of consolidated liabilities while deposits through the interbank market are 19%. Both deposits concentrate 73% of liabilities. The rest of consolidated liabilities are shared between banks' own capital and other liabilities, (table 4).

Table 4

The structure of consolidated assets does not reflect the structure of all affiliates. For 10 of them, part of loans to customers in total assets is higher in comparison to the consolidated structure. For other 7, loans through interbank market occupy a much higher part in comparison to consolidated structure. Within all banks only in two of them loans to non bank customers are less than 50% of assets. This image shows that the presence of Greek banks in these host countries is oriented to serve companies in the host market; this target seems to be achieved by them, at least by a strong majority of them.

The structure of liabilities for every bank, as well, shows differentiations. For only 6 banks the part of customer's deposits is higher than the consolidated one. For 6 other the structure is quite similar to the consolidated while for the rest of banks, customers' deposits are much lower than the consolidated. If we consider the importance of non bank customers' deposits in the liabilities, regardless to the consolidated structure, (that is influenced by the Finansbank participation), we observe a rather well establishment of Greek banks in the local markets since only for 5 banks those deposits are lower than 50% of liabilities. A country examination does not show a differentiation within countries. It is rather a question of the bank's policy. We observe on the contrary that interbank deposits tend to occupy the part of non bank customers' deposits.

One question was if the extended network influenced the structure, mainly of liabilities, by giving the possibility to collect deposits of non bank customers. The number of branches does not seem to have a significant role since banks with smaller network have on assets, and especially on liabilities, very significant participation of loans and deposits from non bank customers.

Considering the deposits received from non-bank customers and loans accorded to them, it seems that the group of affiliates is rather loans dominated. Consolidated loans to no banks customers are 118% of non bank customers' deposits. Within banks, for 11 of them loans to non bank customers are higher to deposits of non banks customers and for 8 of them lower. The part non covered by deposits is covered mainly from the interbank market (banks' deposits), table 2.

The income statement analysis

Structure of income revenue and non-interest expenses is presented in table 5. Total income is divided to *Net Interest Income* and *Other Operating Income*.

Table 5

Net interest income provides 59% of total income against 41% provided by other operating income, (table 6).

Table 6

Finansbank profited more than the other banks; this bank holds 30,7% of total income, (table 7). Stedionica Banca, the Eurobank affiliate in Serbia, presents an interest case since this bank holds 22,5% of total income that is provided mainly by non operating income.

Table 7

Net interest income is the main revenue source for twelve affiliate banks while other operating income is the main revenue for five affiliates.

Non-interest expenses are mainly due to non personnel expenses, 75% on a consolidated basis; personnel expenses participate only for 25% on total expenses, (table 6). This structure reflects 17 affiliates against only one for which personnel expenses are more important and one other for which the two categories of expenses are almost equal. The recent acquisition of some banks and the need of restructuring of the bank may offer an answer to this image; another reason can be the low level of salaries on theses banking markets.

A financial ratio analysis

The analysis of balance sheet and income structure allowed observing the significance of diver categories of banking activities. A financial ratio analysis will permit to have a comparative position of these banks. Two categories of financial ratios are examined, table 8: the capital adequacy and the profitability ratios.

The ratio Equity/Assets expresses the equity multiplier. A high ratio indicates an under-leveraged situation (Brigham, E. and Gapenski, L., 1997). The same indication is offered from the ratio Equity/Loans. The under-leveraged situation suggests that banks used only a part of their possibilities of growth and therefore good opportunities of growth must be expected. With regard the average of affiliates, four banks are distinguished as under-leveraged. These are banks of four different countries. Consequently there is no concentration of opportunities' growth only to one or two countries. From the rest of 15 banks, six have quite low ratios comparatively to the average ratios, table 8.

Table 8

Profitability is examined on two different parameters; the return on assets and the return on equity, table 8. Within 19 banks, five of them in four countries have negative results as a consequence of economic and financial crisis; the rest fourteen banks have positive results.

With regard return on assets, under the exception of banks with negative results, only one presents a ratio lower of the average. Five banks present a ratio multiple to the average, (table 8). A similar image is observed the ratio of return on equity. Most of banks have a ratio higher to the average while for six of them it is multiple to the average, (table 8).

Summary and Conclusions

The scope of the paper was to examine the activities and results of Greek banks in the Balkan countries. The paper shows six Greek banks having affiliates in six Balkan countries, five ex-socialist, Albania, Bulgaria, FYROM, Romania, Serbia plus Turkey. Since 1993 they began to create this network. It took the form, mainly, of affiliate banks and branches. Affiliates constitute the bigger form of presence regarding banking agencies and activities. For the paper's scope only affiliates have been considered as having the possibility to provide balance sheet and income data. The paper examined the importance of those affiliates and their comportment with regard banking activities offered by the balance sheet structure. This comportment is issued by the specific bank policy. The paper provided also a financial ratios' analysis in order to examine the profitability and capital adequacy of these banks.

Numerous are the paper's findings:

A concentration of assets appears clearly since one bank, Finansbank in Turkey, has almost 37% of consolidated assets while the five most big of them concentrate 70% of total assets. Analogous conclusions concern the income of those affiliates.

Results of balance sheet, income and profitability do not distinguish a Greek parent bank having her affiliates with a particular comportment. A Greek parent bank can have affiliates presenting different structures and results in several of these host countries. No particular results appear for countries as well.

The basis of activities for most of the Greek affiliates is "services to non bank customers" since loans and deposits to this category is the most important category of the balance sheet. Interbank market is the most important category only in few cases for assets and liabilities.

Network's growth does not appear to influence the structure of balance sheet.

For most of affiliates, interest income and non interest expenses provide the main source of revenue and expenses.

Analysis on profitability and capital adequacy permit to distinguish a small number of affiliates with better results than the majority and some of them with negative results. A relation to a particular country or to a Greek parent bank does not appear. Excellent results on profitability are not translated automatically to excellent results on capital adequacy.

References

Alpha Bank, Annual Reports of years 1990-2010
Bankers' almanac, 2010
Brigham, E. and Gapenski, L. (1997) "Financial Management", Florida, International Edition, The Tryden Press. Bureau van Dijk, 2011, Bankscope 2011, February
Emporiki Bank, Annual Reports of years 1990-2010
Marfin - Egnatia Bank, Annual Reports of years 2009-2010
Eurobank Annual Reports of years 1994-2004
Karafolas, S., 1986, "L´ internationalisation du système bancaire grec", Doctorat de 3em cycle, Université Lumière - Lyon 2, Lyon, France
Karafolas, S., 1998, "The migrant remittances in Greece and Portugal: an examination of the distribution by country of provenance and the role of the banking presence", *International Migration*, **36**(3), pp. 357-381
Karafolas, S., 1988, "Les banques grecques à étranger", Cahier Monnaie et Financement, Décembre, pp. 121-149
Karafolas, S., "Le rôle de l´ιmmigration dans internationalisation des banques (quatre cas: Espagne, Grèce, Italie, Portugal)", Université Lumière - Lyon 2, Lyon, France
National Bank of Greece, Annual Reports of years 1990-2010
Pireaus Bank, Annual Reports of years 1995-2010

Table 1: Banking network of affiliates of Greek banks in Balkan countries, end of 2010

Bank	Country	Affiliate bank	Opening Year	Number of branches
National Bank of Greece	Bulgaria	United Bulgarian Bank AD	2000	249
	Romania	Banka Romaneasca SA	2003	140
	FYROM	Stopanska Banka	2000	66
	Turkey	AD Finansbank	2006	530
Emporiki Bank	Albania	Commercial Bank of Greece (Albania) SA	1999	24
	Bulgaria	Commercial Bank of Greece (Bulgaria) SA	1994	17
	Romania	Emporiki	1996	29
Pireaus Bank	Albania	Tirana Bank	1996	50
	Bulgaria	Piraeus Bank	1993	101
	Romania	Piraeus Bank Romania	2000	187
	Serbia	Piraeus Bank Beograd	2005	44
Marfin Egnatia Bank	Romania	Egnatia Marfin Bank (Romania)	1998	30
Alpha Bank	Romania	Alpha Bank Romania	1995	167
	FYROM	Alpha Bank AD Skopje	2000	23
	Serbia	Jubanka	2005	138
EFG-Eurobank Ergasias	Bulgaria	Bulgarian Post Bank AD	1998	142
	Romania	Banc Post SA	2003	290
	Serbia	EFG-Eurobank AD, Beograd (post bank in 2003)	2003	126
	Serbia	Nacionalna Stedionica-Banka Eurobank Tekfen	2005	70
	Turkey		2008	48
Total				**2.471**

Table 2: Balance sheet of affiliates of Greek banks in Balkan countries, end 2010 (million euros)

Bank	Emporiki Bank	Tirana Bank	United Bulgarian Bank	Emporiki Bulgaria	Bulgaria Post Bank	Piraeus Bank	Stopanska Bank	Alpha Bank
Host country	Albania	Albania	Bulgaria	Bulgaria	Bulgaria	Bulgaria	FYROM	FYROM
Parent Bank	Emporiki	Piraeus	NBG	Emporiki	Eurobank	Piraeus	NBG	Alpha
Loans to customers	161	450	2.956		2.124	1.616	690	78
Loans to Financial Institutions	4	9	11		503	368	2	6
Bons & Treasury Bills	1	133	110		155		50	21
Other Assets	19	55	731		442	103	326	25
Total Assets	**185**	**647**	**3.808**	**286**	**3.224**	**2.087**	**1.068**	**130**
Deposits of Customers	69	497	2.249		2.372	677	869	66
Deposits of Financial Institutions	83	53	831		224	1.048	38	34
Equity & Reserves	26	94	560	30	402	292	116	24
Other Liabilities	7	3	168		226	70	45	6
Total Liabilities	**185**	**647**	**3.808**	**286**	**3.224**	**2.087**	**1.068**	**130**

Table 2: Balance sheet of affiliates of Greek banks in Balkan countries, end 2010 (million euros)

Alpha Bank Romania	Banca Romaneasca	Piraeus Bank Romania	Marfin Egnatia	Banc Post	Piraeus Bank Beograd	Jubanca	Stedionica Banca	Nacionalna	Finansbank	Eurobank Tekfen	**Total**
Romania	Romania	Romania	Romania	Romania	Serbia	Serbia	Serbia	Serbia	Turkey	Turkey	
Alpha	NBG	Piraeus	Marfin	Eurobank	Piraeus	Alpha	Eurobank	Eurobank	NBG	Eurobank	
3.222	1.236	1.247	79	1.732	390	543	815	21	11.289	697	29.346
187	52	127	2	490	20	94	340	18	1.064	295	3.592
455	161	419	11	378	25	13	108	4	3.310	642	5.996
1.025	309	398	24	620	68	217	356	28	830	297	5.873
4.889	**1.758**	**2.191**	**116**	**3.220**	**503**	**867**	**1.619**	**71**	**16.493**	**1.931**	**45.093**
1.566	862	1.207	32	1.837	255	529	1.034	55	9.719	592	24.487
2.806	602	578	67	692	38	150	194	7	866	461	8.772
352	213	314	13	369	96	99	371	9	2.394	242	6.016
165	81	92	4	322	114	89	20		3.514	636	5.562
4.889	**1.758**	**2.191**	**116**	**3.220**	**503**	**867**	**1.619**	**71**	**16.493**	**1.931**	**45.093**

Source: Bureau van Dijk, (2011)and Annual Reports of Banks, divers years, (author's calculations)

Table 3: Part of bank’s balance elements on consolidated balance sheet elements (%)

Bank	Emporiki Bank	Tirana Bank	United Bulgarian Bank	Emporiki Bulgaria	Bulgaria Post Bank	Pireaus Bank	Stopanska Bank	Alpha Bank
Host country	Albania	Albania	Bulgaria	Bulgaria	Bulgaria	Bulgaria	FYROM	FYROM
Parent Bank	Emporiki	Piraeus	NBG	Emporiki	Eurobank	Piraeus	NBG	Alpha
Loans to customers	0,5%	2%	10%	1%	7%	5%	2%	0%
Loand to Financial Institutions	0,1%	0,2%	0,3%	0,3%	14,0%	10,2%	0,1%	0,2%
Bons & Treasury Bills	0,0%	2,2%	1,8%	0,0%	2,6%	0,0%	0,8%	0,4%
Other Assets	0,3%	0,9%	12,3%	1,0%	7,5%	1,7%	5,5%	0,4%
Total Assets	**0,4%**	**1,4%**	**8,4%**	**0,6%**	**7,1%**	**4,6%**	**2,4%**	**0,3%**
Deposits of Customers	0,3%	2,0%	9,1%	0,4%	9,6%	2,8%	3,5%	0,3%
Deposits of Financial Institutions	0,9%	0,6%	9,3%	1,6%	2,5%	11,8%	0,4%	0,4%
Equity & Reserves	0,4%	1,6%	9,3%	0,5%	6,7%	4,9%	1,9%	0,4%
Other Liabilities	0,1%	0,1%	3,0%	0,2%	4,1%	1,3%	0,8%	0,1%
Total Liabilities	**0,4%**	**1,4%**	**8,4%**	**0,6%**	**7,1%**	**4,6%**	**2,4%**	**0,3%**

Table 3: Part of bank's balance elements on consolidated balance sheet elements (%)

Alpha Bank Romania	Banca Romaneasca	Piraeus Bank Romania	Marfin Egnatia	Banc Post	Piraeus Bank Beograd	Jubanca	Stedionica Banca	Nacionalna	Finansbank	Eurobank Tekfen	**Total**
Romania	Romania	Romania	Romania	Romania	Serbia	Serbia	Serbia	Serbia	Turkey	Turkey	
Alpha	NBG	Piraeus	Marfin	Eurobank	Piraeus	Alpha	Eurobank	Eurobank	NBG	Eurobank	
11%	4%	4%	0%	6%	1%	2%	3%	0%	38%	2%	100%
5,2%	1,4%	3,5%	0,1%	13,6%	0,6%	2,6%	9,4%	0,5%	29,5%	8,2%	100,0%
7,6%	2,7%	7,0%	0,2%	6,3%	0,4%	0,2%	1,8%	0,1%	55,2%	10,7%	100,0%
17,3%	5,2%	6,7%	0,4%	10,5%	1,1%	3,7%	6,0%	0,5%	14,0%	5,0%	100,0%
10,8%	**3,9%**	**4,9%**	**0,3%**	**7,1%**	**1,1%**	**1,9%**	**3,6%**	**0,2%**	**36,6%**	**4,3%**	**100,0%**
6,4%	3,5%	4,9%	0,1%	7,5%	1,0%	2,2%	4,2%	0,2%	39,5%	2,4%	100,0%
31,5%	6,8%	6,5%	0,8%	7,8%	0,4%	1,7%	2,2%	0,1%	9,7%	5,2%	100,0%
5,9%	3,5%	5,2%	0,2%	6,1%	1,6%	1,6%	6,2%	0,1%	39,8%	4,0%	100,0%
3,0%	1,5%	1,7%	0,1%	5,8%	2,0%	1,6%	0,4%	0,0%	63,0%	11,4%	100,0%
10,8%	3,9%	4,9%	0,3%	7,1%	1,1%	1,9%	3,6%	0,2%	36,6%	4,3%	100,0%

Source: Table 2, author's calculations

Table 4: Part on bank's asset-liabilities, (%)

Bank	Emporiki Bank	Tirana Bank	United Bulgarian Bank	Emporiki Bulgaria	Bulgaria Post Bank	Piraeus Bank	Stopanska Bank	Alpha Bank
Host country	Albania	Albania	Bulgaria	Bulgaria	Bulgaria	Bulgaria	FYROM	FYROM
Parent Bank	Emporiki	Piraeus	NBG	Emporiki	Eurobank	Piraeus	NBG	Alpha
Loans to customers	87%	70%	78%	76%	66%	77%	65%	60%
Loans to Financial Institutions	2%	1%	0%	4%	16%	18%	0%	5%
Bons & Treasury Bills	1%	21%	3%	0%	5%	0%	5%	16%
Other Assets	10%	9%	19%	20%	14%	5%	31%	19%
Total Assets	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Deposits of Customers	37%	77%	59%	35%	74%	32%	81%	51%
Deposits of Financial Institutions	45%	8%	22%	50%	7%	50%	4%	26%
Equity & Reserves	14%	15%	15%	10%	12%	14%	11%	18%
Other Liabilities	4%	0%	4%	4%	7%	3%	4%	5%
Total Liabilities	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Table 4: Part on bank's asset-liabilities (%)

Alpha Bank Romania	Banca Romaneasca	Piraeus Bank Romania	Marfin Egnatia	Banc Post	Piraeus Bank Beograd	Jubanca	Stedionica Banca	Nacionalna	Finansbank	Eurobank Tekfen	**Total**
Romania	Romania	Romania	Romania	Romania	Serbia	Serbia	Serbia	Serbia	Turkey	Turkey	
Alpha	NBG	Piraeus	Marfin	Eurobank	Piraeus	Alpha	Eurobank	Eurobank	NBG	Eurobank	
66%	70%	57%	68%	54%	78%	63%	50%	30%	68%	36%	66%
4%	3%	6%	2%	15%	4%	11%	21%	25%	6%	15%	8%
9%	9%	19%	9%	12%	5%	1%	7%	6%	20%	33%	13%
21%	18%	18%	21%	19%	14%	25%	22%	39%	5%	15%	13%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
32%	49%	55%	28%	57%	51%	61%	64%	77%	59%	31%	**55%**
57%	34%	26%	58%	21%	8%	17%	12%	10%	5%	24%	**20%**
7%	12%	14%	11%	11%	19%	11%	23%	13%	15%	13%	**13%**
3%	5%	4%	3%	10%	23%	10%	1%	0%	21%	33%	**12%**
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	**100%**

Source: Table 2, author's calculations

Table 5: Income statement analysis

Bank	Emporiki Bank	Tirana Bank	United Bulgarian Bank	Emporiki Bulgaria	Bulgaria Post Bank	Piraeus Bank	Stopanska Bank	Alpha Bank
Host country	Albania	Albania	Bulgaria	Bulgaria	Bulgaria	Bulgaria	FYROM	FYROM
Parent Bank	Emporiki	Piraeus	NBG	Emporiki	Eurobank	Piraeus	NBG	Alpha
Total Income	*7*	*29*	*249*	*13*	*166*	*82*	*57*	*7*
Net Interest Income	6	26	193	11	138	66	38	6
Other Operating Income	1	3	56	2	28	16	19	1
Non Interest Expenses	*5*	*14*	*93*	*11*	*82*	*38*	*32*	*9*
Personnel Expenses	2	4	28	5	32	9	12	4
Other Non-Interest Expenses	3	10	65	6	50	29	20	5

Alpha Bank Romania	Banca Romaneasca	Piraeus Bank Romania	Marfin Egnatia	Banc Post	Piraeus Bank Beograd	Jubanca	Stedionica Banca	Nacionalna	Finansbank	Eurobank Tekfen	Total
Romania	Romania	Romania	Romania	Romania	Serbia	Serbia	Serbia	Serbia	Turkey	Turkey	
Alpha	NBG	Piraeus	Marfin	Eurobank	Piraeus	Alpha	Eurobank	Eurobank	NBG	Eurobank	
196	*84*	*215*	*6*	*201*	*110*	*24*	*844*	*11*	*1.152*	*315*	*3.766*
159	68	86	4	93	17	23	68	4	930	274	2.210
37	16	129	2	108	93	1	776	7	222	41	1.557
87	*64*	*93*	*3*	*142*	*109*	*44*	*818*	*9*	*630*	*66*	*2.348*
35	28	23	2	46	8	17	18	4	274	35	585
52	36	70	1	96	101	27	800	5	356	31	1.763

Source: Idem. table 2, author's calculations

Table 6: Structure of Income and Expenses, (%)

Bank	Emporiki Bank	Tirana Bank	United Bulgarian Bank	Emporiki Bulgaria	Bulgaria Post Bank	Piraeus Bank	Stopanska Bank	Alpha Bank
Host country	Albania	Albania	Bulgaria	Bulgaria	Bulgaria	Bulgaria	FYROM	FYROM
Parent Bank	Emporiki	Piraeus	NBG	Emporiki	Eurobank	Piraeus	NBG	Alpha
Total Income								
Net Interest Income	86%	90%	78%	88%	83%	80%	67%	92%
Other Operating Income	14%	10%	22%	12%	17%	20%	33%	8%
Non Interest Expenses								
Personnel Expenses	40%	29%	30%	45%	39%	24%	38%	41%
Other Non-Interest Expenses	60%	71%	70%	55%	61%	76%	63%	59%

Bank	Alpha Bank Romania	Banca Romaneasca	Pireaus Bank Romania	Marfin Egnatia	Banc Post	Piraaus Bank Beograd	Jubanca	Stedionica Banca	Nacionalna	Finansbank	Eurobank Tekfen	**Total**
Host country	Romania	Romania	Romania	Romania	Romania	Serbia	Serbia	Serbia	Serbia	Turkey	Turkey	
Parent Bank	Alpha	NBG	Piraeus	Marfin	Eurobank	Piraeus	Alpha	Eurobank	Eurobank	NBG	Eurobank	
Total Income												
Net Interest Income	81%	81%	40%	64%	46%	15%	98%	8%	36%	81%	87%	59%
Other Operating Income	19%	19%	60%	36%	54%	85%	2%	92%	64%	19%	13%	41%
Non Interest Expenses												
Personnel Expenses	40%	44%	25%	60%	32%	7%	39%	2%	44%	43%	53%	25%
Other Non-Interest Expenses	60%	56%	75%	40%	68%	93%	61%	98%	56%	57%	47%	75%

Source: Table 5, author’s calculations

Table 7: Part of bank's Income and Expenses elements to consolidated income and expenses elements, (%)

Bank	Emporiki Bank	Tirana Bank	United Bulgarian Bank	Emporiki Bulgaria	Bulgaria Post Bank	Piraeus Bank	Stopanska Bank	Alpha Bank	Alpha Bank Romania	Banca Romaneasca	Piraeus Bank Romania	Marfin Egnatia	Banc Post	Piraeus Bank Beograd	Jubanca	Stedionica Banca	Nacionalna	Finansbank	Eurobank Tekfen	Total
Host country	Albania	Albania	Bulgaria	Bulgaria	Bulgaria	Bulgaria	FYROM	FYROM	Romania	Romania	Romania	Romania	Romania	Serbia	Serbia	Serbia	Serbia	Turkey	Turkey	
Parent Bank	Emporiki	Piraeus	NBG	Emporiki	Eurobank	Piraeus	NBG	Alpha	Alpha	NBG	Piraeus	Marfin	Eurobank	Piraeus	Alpha	Eurobank	Eurobank	NBG	Eurobank	
Total Income	0,2%	0,8%	6,6%	0,3%	4,4%	2,2%	1,5%	0,2%	5,2%	2,2%	5,7%	0,1%	5,3%	2,9%	0,6%	22,4%	0,3%	30,6%	8,4%	100,0%
Net Interest Income	0,3%	1,2%	8,7%	0,5%	6,2%	3,0%	1,7%	0,3%	7,2%	3,1%	3,9%	0,2%	4,2%	0,8%	1,0%	3,1%	0,2%	42,1%	12,4%	100,0%
Other Operating Income	0,1%	0,2%	3,6%	0,1%	1,8%	1,0%	1,2%	0,0%	2,4%	1,0%	8,3%	0,1%	6,9%	6,0%	0,0%	49,9%	0,4%	14,3%	2,6%	100,0%
Non Interest Expenses	0,2%	0,6%	4,0%	0,5%	3,5%	1,6%	1,4%	0,4%	3,7%	2,7%	4,0%	0,1%	6,0%	4,6%	1,9%	34,8%	0,4%	26,8%	2,8%	100,0%
Personnel Expenses	0,3%	0,7%	4,8%	0,9%	5,5%	1,5%	2,1%	0,6%	6,0%	4,8%	3,9%	0,3%	7,9%	1,4%	2,9%	3,1%	0,7%	46,8%	6,0%	100,0%
Other Non-Interest Expenses	0,2%	0,6%	3,7%	0,3%	2,8%	1,6%	1,1%	0,3%	2,9%	2,0%	4,0%	0,1%	5,4%	5,7%	1,5%	45,4%	0,3%	20,2%	1,8%	100,0%

Source: Table 5, author's calculations

Table 8: Financial Ratios analysis

Bank	Emporiki Bank	Tirana Bank	United Bulgarian Bank	Emporiki Bulgaria	Bulgaria Post Bank	Piraeus Bank	Stopanska Bank	Alpha Bank
Host country	Albania	Albania	Bulgaria	Bulgaria	Bulgaria	Bulgaria	FYROM	FYROM
Parent Bank	Emporiki	Piraeus	NBG	Emporiki	Eurobank	Piraeus	NBG	Alpha
Profitability Level								
Return on Average Equity (ROAE)	-3,32	12,01	6,04	-13,88	4,57	8,8	10,79	-15,37
Return on Average Assets (ROAA)	-0,42	1,71	0,82	-1,41	0,57	1,25	1,31	-2,59
Capital Adequacy								
Equity / Total Assets	14,01	14,57	14,64	10,6	12,4	14	12,47	17,8
Equity / Net Loans	16,01	21,85	18,86	13,95	18,83	18,75	20,04	31,17

Bank	Alpha Bank Romania	Banca Romaneasca	Piraeus Bank Romania	Marfin Egnatia	Banc Post	Pieaus Bank Beograd	Jubanca	Stedionica Banca	Nacionalna	Finansbank	Eurobank Tekfen
Host country	Romania	Romania	Romania	Romania	Romania	Serbia	Serbia	Serbia	Serbia	Turkey	Turkey
Parent Bank	Alpha	NBG	Piraeus	Marfin	Eurobank	Piraeus	Alpha	Eurobank	Eurobank	NBG	Eurobank
Profitability Level											
Return on Average Equity (ROAE)	10,1	-2,87	4,93	8,61	1,13	-1,57	-15,23	6,59	5,19	20,21	6,08
Return on Average Assets (ROAA)	0,63	-0,33	0,69	0,8	0,13	-0,33	-2,06	1,6	0,73	2,7	0,71
Capital Adequacy											
Equity / Total Assets	7,21	12,1	14,34	11,21	11,43	18,96	10,96	22,7	12,16	13,72	11,37
Equity / Net Loans	10,94	17,21	25,2	16,35	21,19	24,44	17,51	45,09	40,34	20,05	11,49

Source: Idem. table 2, author's calculations