

Report on exposure levels to a possible Greek default – July 2011

Rev.1

The following figures highlight the severity of the Greek debt situation and the involvement in this debt of other nations. It should be noted that figures fluctuate especially those that spread across different currencies. 'Bank total debt' (for UK Euro 2.276 Billion) does not necessarily include other lending institutions, such as pension funds, etc., **and so the total UK risk to Greek default is approximately £9¹/₈ Billion (US\$14.6 Billion).**

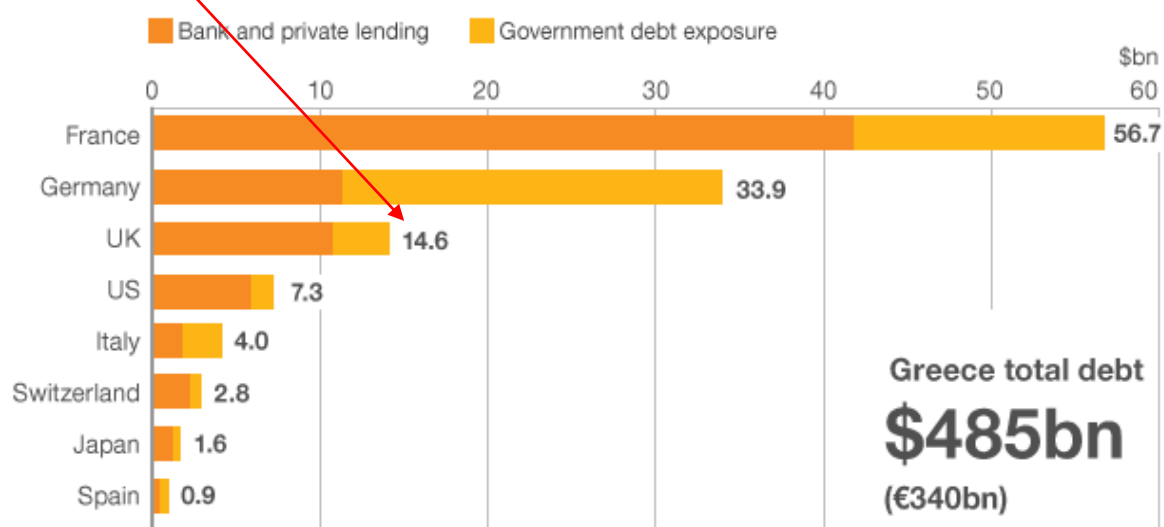
Summary of Greek debt ownership by country					
Country	Number of Banks included	Billions of Euros	Country	Number of Banks included	Billions of Euros
Austria	2	0.665	Holland	3	3.161
Belgium	2	4.07	Italy	5	1.15
Cyprus	1	2.0	Malta	1	0.009
Cyprus/Greece	1	2.943	Portugal	3	1.275
Denmark	1	0.092	Slovenia	1	0.025
Finland	1	0.021	Spain	6	0.746
France	4	9.362	Sweden	1	0.057
Germany	11	7.902	United Kingdom	3	2.276
Greece	6	55.971	Total	54	91.766

Summary of Greek debt by bank				
Bank	Country	Net Sovereign Exposure to Greece in Billions of Euros	% of equity	% of total assets
Agricultural Bank	Greece	10.0	na	31
Hellenic Postbank	Greece	5.371	590	31
Piraeus	Greece	8.7	248	15
NBG	Greece	19.4	218	16
EFG Eurobank	Greece	7.9	196	9
Alpha Bank	Greece	4.6	110	7
Marfin Popular	Cyprus/Greece	2.943	72	7
Bank of Cyprus	Cyprus	2.0	73	5
Dexia	Belgium	3.470	39	1
BPI	Portugal	0.501	29	1
DZ Bank	Germany	1.195	11	0

Commerz	Germany	2.9	27	0
Postbank	Germany	1.2	21	1
BPCE	France	1.185	14	1
BCP	Portugal	0.718	13	1
BNP Paribas	France	5.046	8	0
Landesbank Baden	Germany	1.389	7	0
Soc Gen	France	2.5	6	0
ING	Holland	2.425	6	0
HSH Nordbank	Germany	0.196	5	0
Erste	Austria	0.550	4	0
Norddeutsche Landesbank	Germany	0.197	3	0
KBC	Belgium	0.6	3	0
NLB	Slovenia	0.025	2	0
Raiffeisen	Austria	0.115	2	0
Rabobank	Holland	0.638	2	0
Landesbank Hessen	Germany	0.078	2	0
Royal Bank of Scotland	United Kingdom	1.088	1	0
Casa	France	0.631	1	0
Bayer Landesbank	Germany	0.198	1	0
Unicredit	Italy	0.801	1	0
West LB	Germany	0.103	1	0
Dekabank	Germany	0.046	1	0
Deutsche	Germany	0.4	1	0
Caixa Geral de Depositos	Portugal	0.056	1	0
BBVA	Spain	0.293	1	0
HSBC	United Kingdom	0.8	1	0
Banco Popolare	Italy	0.089	1	0
Jyske Bank	Denmark	0.092	1	0
Barclays	United Kingdom	0.388	1	0
SEB	Sweden	0.057	0.5	0.02
Allied Irish Banks	Ireland	0.041	0	0
Santander	Spain	0.3	0	0
Intesa	Italy	0.2	0	0
OP-Pohjola	Finland	0.021	0	0
Monte dei Paschi	Italy	0.035	0	0
UBI Banca	Italy	0.025	0	0
SNS Bank	Holland	0.098	na	na
Jupiter	Spain	0.064	na	na
Breogan-Caixa nova	Spain	0.041	na	na
BASE	Spain	0.04	na	na
Bank Of Valletta	Malta	0.009	na	na

According to figures from the Bank for International Settlements, UK banks hold a relatively small \$3.4bn (£2.1bn) worth of Greek sovereign debt, compared with banks in Germany, which hold \$22.6bn, and France, which hold \$15bn. When you add in other forms of Greek debt, such as lending to private banks, those figures rise to \$14.6bn for the UK, \$34bn for Germany and \$56.7bn for France, (see chart below

Countries most exposed to Greek debt



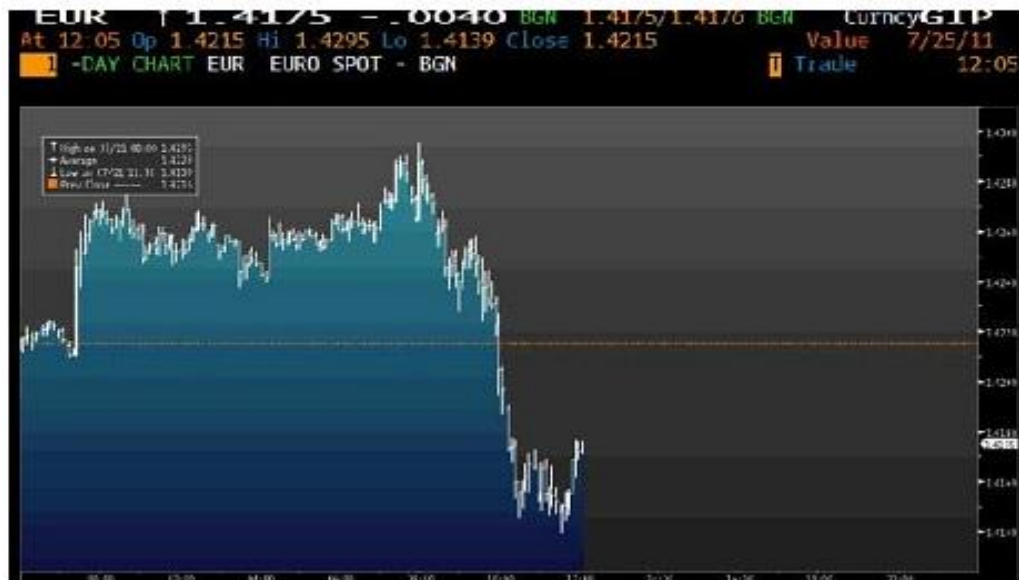
Source: BIS Quarterly Review

Note that the figure shown for UK debt includes 3 elements; Bank, Private and Government.

At the summit meeting on the afternoon of the 21st July 2011, Eurozone leaders agreed a further 109bn euros (\$155bn, £96.3bn) aid package. Private lenders will contribute to the package, which will give Greece decades more to repay its debts. This caused some optimism and some currencies to rise in value.

Below is a 'snapshot' showing how the changing faces of the Greek debt situation affected the currency market prior to the summit meeting. Below was the lunchtime picture from July 21st 2011.

12.12 To give you an image of the dramatic effect of the news about the selective default - the Euro has dropped dramatically against the US dollar. From 1.4295 at 7.59am it fell to a low of 1.4175 at 11.29am.



Information sources:

<http://www.guardian.co.uk/news/datablog/2011/jun/17/greece-debt-crisis-bank-exposed#data>

<http://www.bis.org/>

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http://uk.finance.yahoo.com/news/Euro-zone-eyes-buyback-bank-reuters_molt-2578622387.html?x=0&.v=1

http://www.xe.com/news/2011/07/20/2041689.htm?utm_source=RSS&utm_medium=TL&utm_content=NOGEO&utm_campaign=News_RSS_Art5

<http://www.euro-exchangerate.com/euro-forecast-2107805.html>