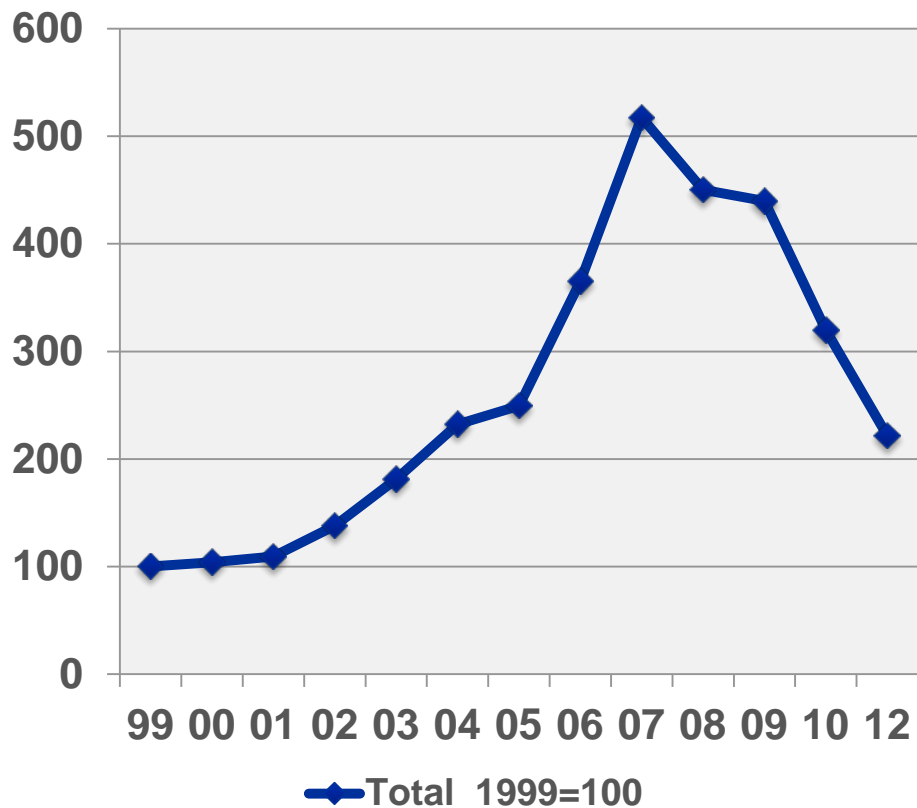


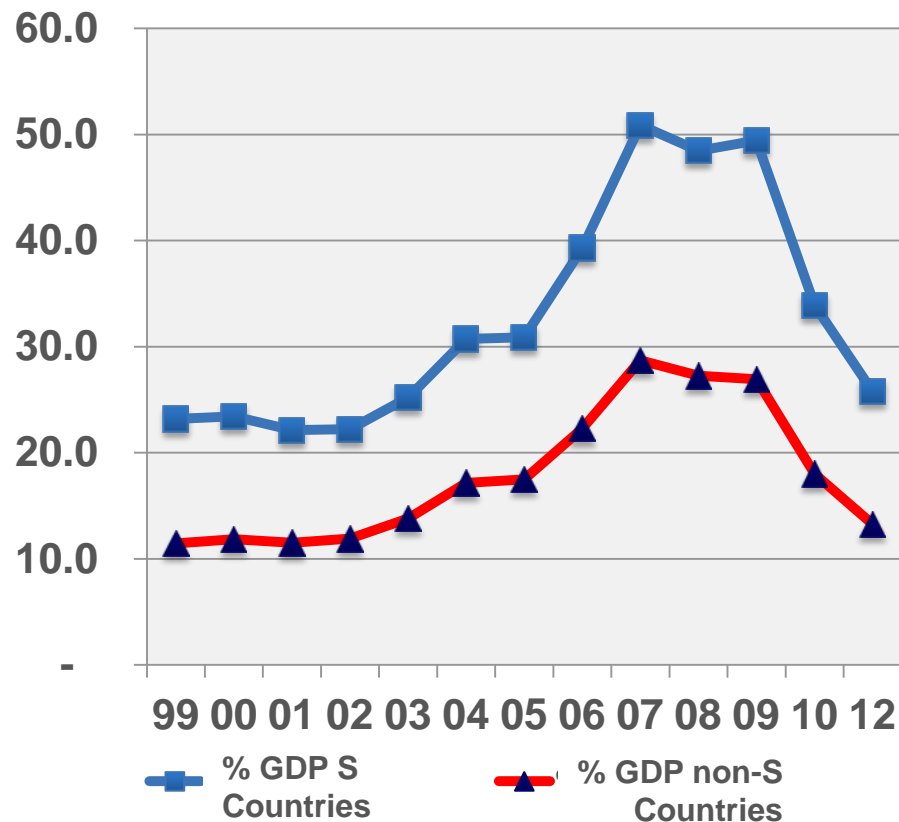
Growth of public and private debt ratios to GDP

| | Public Sector Debt Ratio (% of GDP) | | | Private Sector Debt Ratio (Variation in %) |
|-----------|--|-------|-----------------|---|
| | 1999 | 2007 | Δ 99-07 In % | Δ 99-07 In % |
| Euro Area | 71.7 | 66.4 | -7.4 | 26.8% |
| Greece | 94.9 | 107.2 | 13.0 | 217.5% |
| Italy | 113.0 | 103.3 | -8.6 | 71.2% |
| Spain | 62.4 | 36.3 | -41.8 | 75.2% |
| Portugal | 51.4 | 68.4 | 33.0 | 48.9% |
| Ireland | 47.0 | 25.0 | -46.8 | 101.0% |

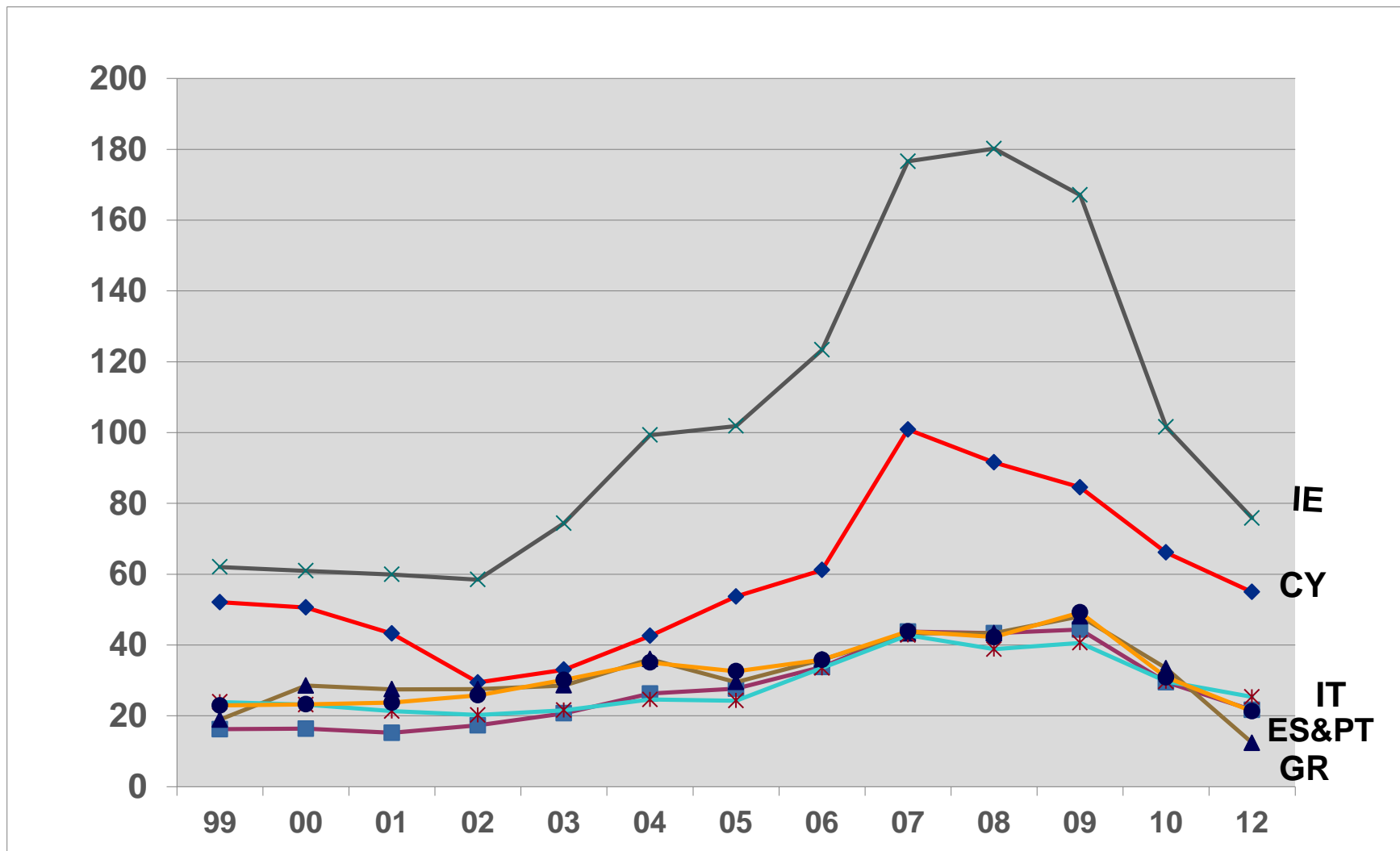
Cumulative growth of total exposure of banks from non-stressed to stressed countries (1999=100)



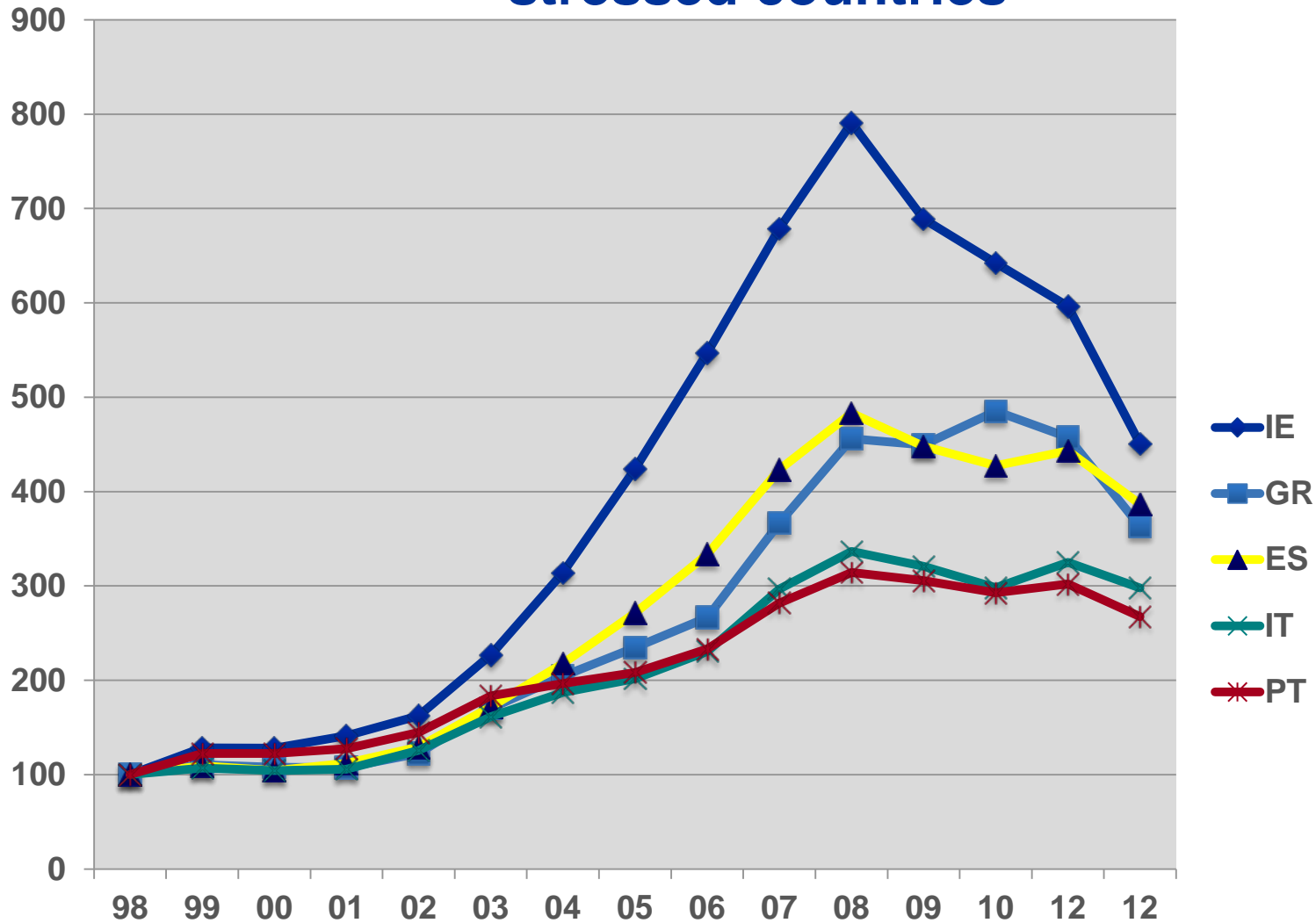
Total exposure of banks from non-stressed to stressed countries in % of respective GDP levels



Total exposure of banks from non-stressed to stressed countries in % of their GDP



Cumulative growth of bank credit to the private sector in stressed countries



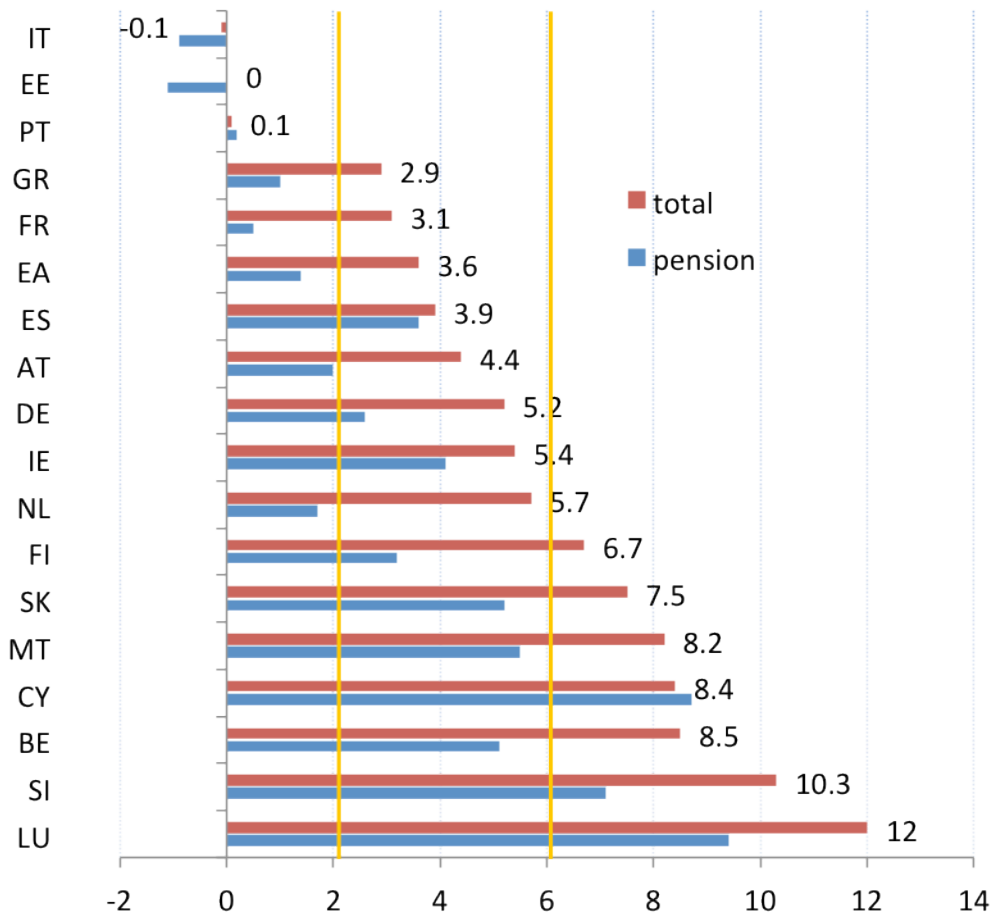
Rebalancing in the euro area

Adjustment in the periphery: public finance

| | Total government nominal budget balance 2012 (as a % of GDP) | Primary government nominal balance 2012 (as a % of GDP) | Change in nominal primary balance 2009-2012 (%) | Change in structural primary balance 2009-2012 (%) |
|------------------|---|--|--|---|
| Greece | -10.0 | -5.0 | 5.5 | 10.6 |
| Spain | -10.6 | -7.7 | 1.7 | 2.0 |
| Ireland | -7.6 | -3.9 | 7.9 | 6.6 |
| Portugal | -6.4 | -2.0 | 5.3 | 5.7 |
| Italy | -3.0 | 2.6 | 3.3 | 3.1 |
| Euro area | -3.7 | -0.6 | 2.9 | 2.2 |

Source: European Economic Forecast, Spring 2013, European Commission

Projected 2010 to 2060 changes in age-related expenditure (as a % of GDP)



Projected total changes 2010-2060 (pensions, health care, education, unemployment):

Small < 2%

IT, EE, PT

2 < Medium < 6%

GR, FR, ES,
AT, DE, IE, NL

Large > 6%

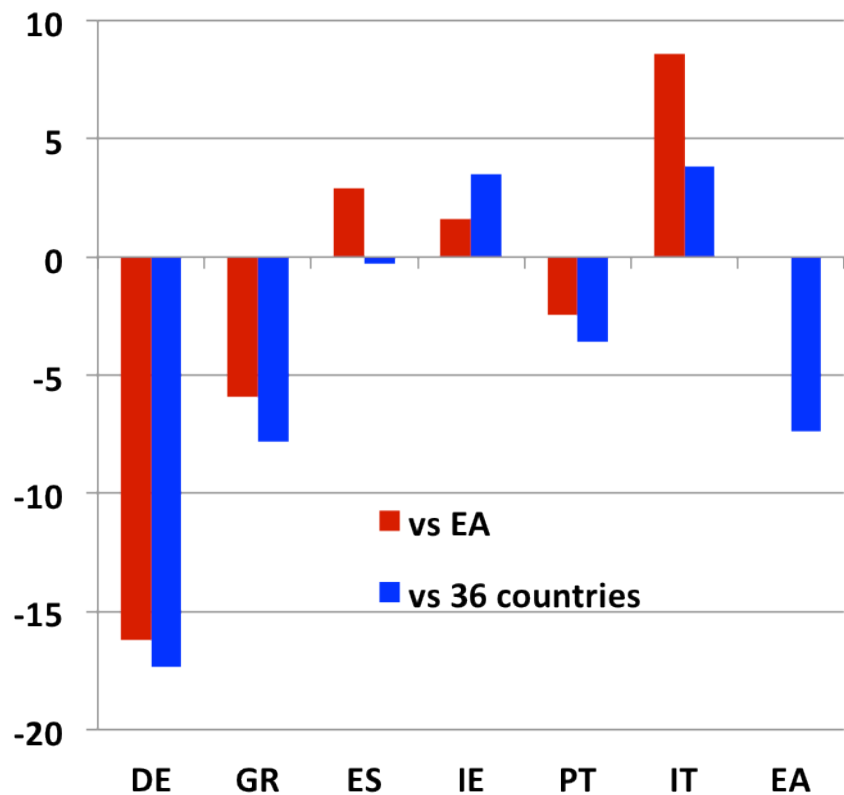
FI, SK, MT, CY,
BE, SI, LU

Source: Fiscal Sustainability Report 2012, European Commission

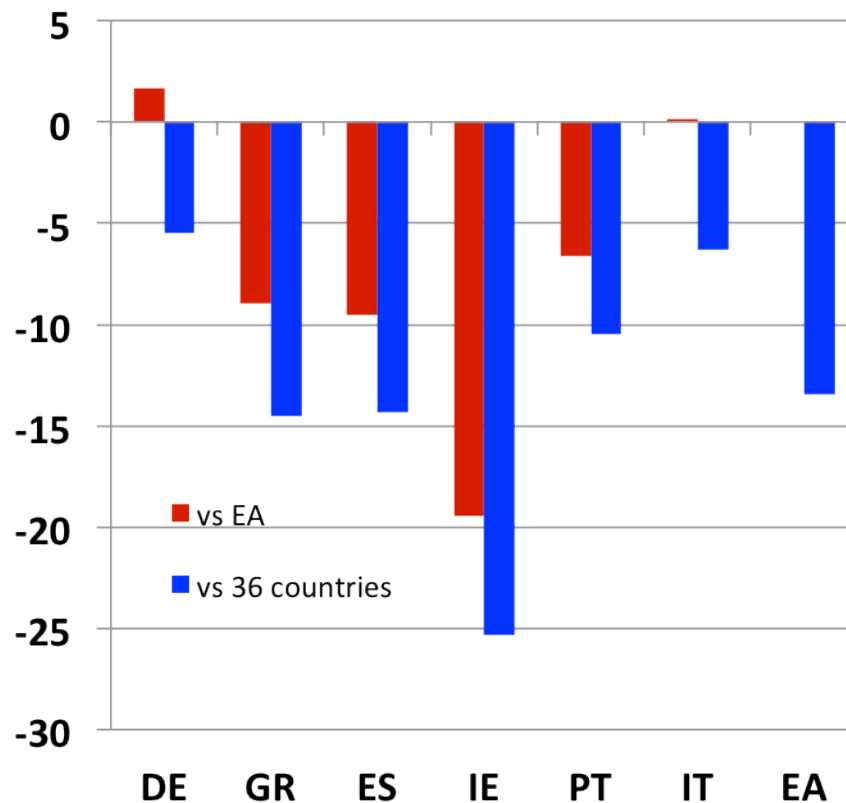
Rebalancing in the euro area

ULC – deflated real effective exchange rates across countries

Percentage changes 1999Q4 to 2012Q3



Percentage changes 2008Q4 to 2012Q3



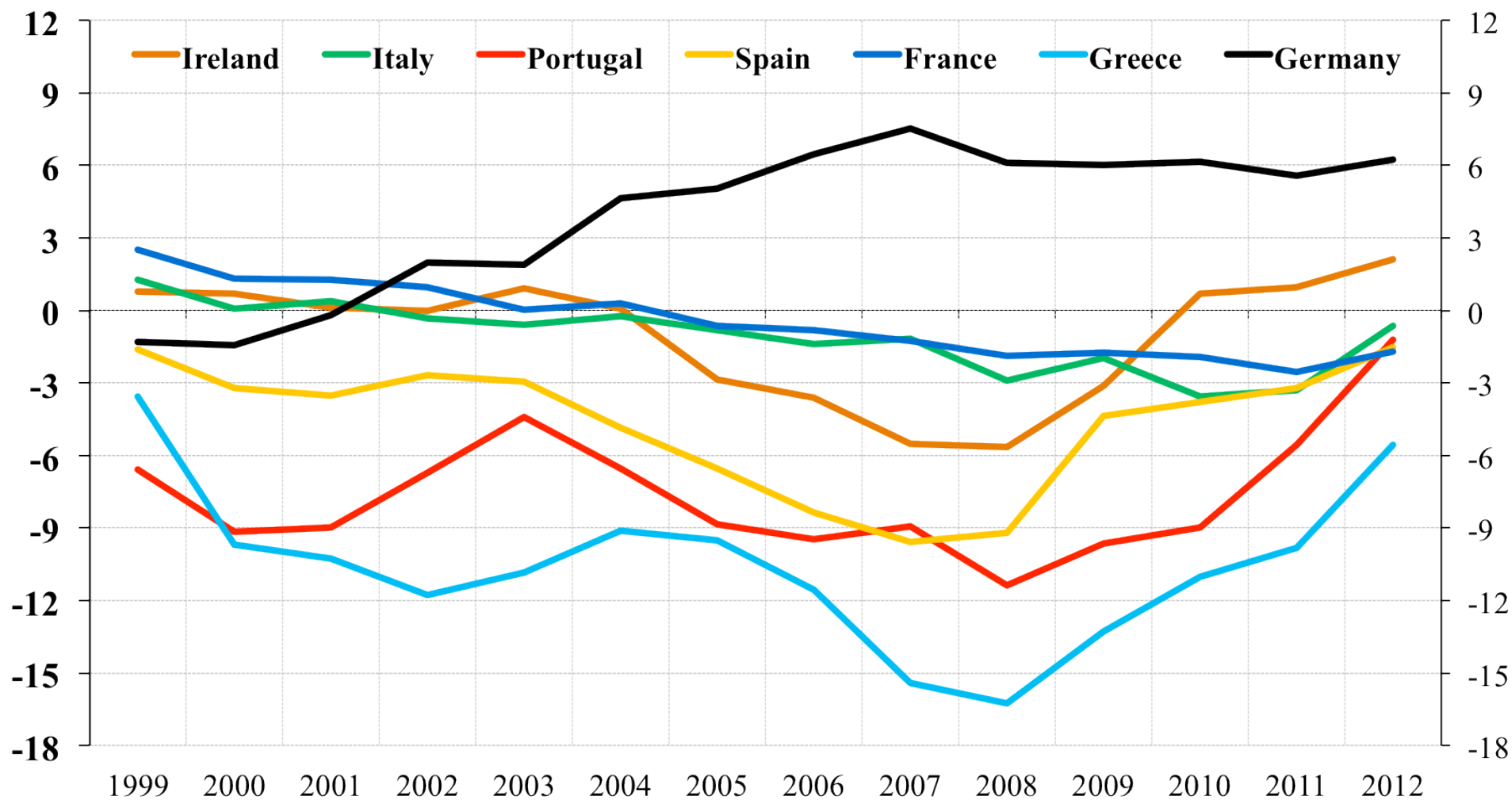
Source: ECB harmonised competitiveness indicators

Increases (decreases) in the real effective exchange rate signal a worsening (improvement) in competitiveness

Rebalancing in the euro area

Evolution of external borrowing (-) / lending (+) since 1999

(in % of GDP)



Source: European Commission (February 2013)

Rebalancing in the euro area

External borrowing / lending requirements in selected euro area countries

| Country | External borrowing (-) /lending (+) in 2012 (% of GDP) | <i>Change from 2009 to 2012 (% of GDP)</i> | Exports of goods and services (vol) - cumulative growth 2009-2012 (in %) | External borrowing (-) /lending (+) in 2013 (% of GDP) (forecast) |
|------------------|--|--|--|---|
| Italy | -0.6 | 1.4 | 20.6 | 1.1 |
| Spain | -1.5 | 2.8 | 23.5 | 2.2 |
| Greece | -5.5 | 7.7 | 3.0 | -1.1 |
| Ireland | 2.1 | 5.2 | 15.0 | 1.8 |
| Portugal | -1.2 | 8.4 | 22.0 | 1.8 |
| Slovenia | 2.0 | 2.4 | 18.2 | 4.8 |
| Euro area | 1.5 | 1.4 | 21.4 | 2.6 |

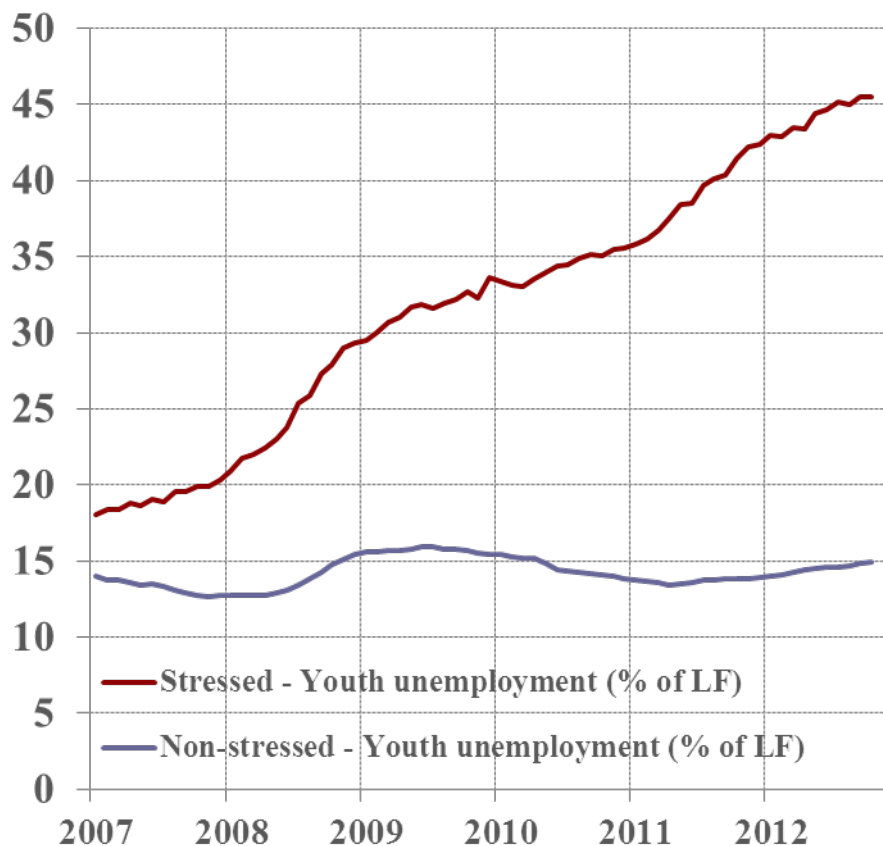
Source: European Economic Forecast, Spring 2013, European Commission

Rebalancing costs in the euro area

Youth unemployment rates across countries

Euro area youth unemployment – stressed vs non-stressed countries

(% of labour force of the relevant age group)



Source: Eurostat

Note: Stressed countries: GR, PT, IE, ES, IT, CY and SI

Youth unemployment rates across countries

(% of labour force of the relevant age group)

| | 2008 | 2009 | 2010 | 2011 | 2012 | Feb. 2013* |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Greece | 22.1 | 25.8 | 32.9 | 44.4 | 55.4 | 58.4 |
| Portugal | 20.2 | 24.8 | 27.7 | 30.1 | 37.7 | 38.2 |
| Ireland | 13.3 | 24.0 | 27.6 | 29.1 | 30.4 | 30.8 |
| Spain | 24.6 | 37.8 | 41.6 | 46.4 | 53.2 | 55.7 |
| Italy | 21.3 | 25.4 | 27.8 | 29.1 | 35.3 | 37.8 |
| Cyprus | 9.0 | 13.8 | 16.6 | 22.4 | 27.8 | 31.8 |
| Slovenia | 10.4 | 13.6 | 14.7 | 15.7 | 20.6 | 23.2 |
| Germany | 10.6 | 11.2 | 9.9 | 8.6 | 8.1 | 7.7 |
| Euro area | 16.0 | 20.3 | 20.9 | 20.8 | 23.1 | 23.9 |

Source: Eurostat

* December 2012 for Greece and Cyprus