

**REPORT OF THE BOARD OF DIRECTORS**  
**of the company "HELLENIC EXCHANGES S. A. HOLDING, CLEARING,**  
**SETTLEMENT & REGISTRY"**  
**to the General Meeting of shareholders**  
**on the Draft Agreement of 23 September 2013**  
**for the Merger by absorption of the company "ATHENS EXCHANGE S.A."**

Dear Shareholders,

The Boards of Directors of the companies "HELLENIC EXCHANGES SOCIETE ANONYME HOLDING, CLEARING SETTLEMENT & REGISTRY" (hereinafter "Absorbing Company" or "HELEX") and "ATHENS EXCHANGE SOCIETE ANONYME" (hereinafter "Absorbed Company" or "ATHEX") and together with Absorbing Company hereinafter "Merged Companies", at their meetings of 17.6.2013 and 20.6.2013 respectively, decided to merge the two companies, with the first absorbing the second, in accordance with the provisions of articles 68 §2, 69-75 and 78 of Codified Law 2190/1920 and 1-5 of Law 2166/1993 as they apply.

The final decision on the merger is taken by the General Meetings of shareholders of the companies being merged with an increased quorum and majority, in accordance with the provisions of article 72 of Codified Law 2190/1920.

The present report of the Board of Directors, submitted to the General Meeting as per article 69 §4 of Codified Law 2190/1920, explains and justifies, from a legal and financial viewpoint, the Draft Merger Agreement of 23 September 2013. In particular, the Board of Directors draws the attention of the General Meeting to the following:

I. Benefits of the merger

In light of the overall effort to upgrade the services provided by the HELEX Group, and to harmonize its rules of operation with international standards and practices, and in order to achieve a smooth and effective adjustment to the changes underway as part of the implementation of a broader framework of measures at the European and international level – with the implementation of the EMIR Regulation, the Regulation that is in the process of being voted by the European Parliament concerning the improvement in securities settlement in the European Union and the Central Securities Depositories (CSDs) Directive, the Boards of Directors of the companies of the HELEX Group "Hellenic Exchanges S. A. Holding, Clearing, Settlement and Registry", "Athens Exchange S.A." and "Thessaloniki Stock Exchange Centre" (TSEC) took the relevant decisions to restructure the corporate structure of the Group.

In particular, the managements of the abovementioned companies of the Group decided on HELEX merging by absorbing ATHEX, 100% of whose share capital is owned directly by HELEX; concurrently with the merger above, the Central Securities Depository business, the Registry and Settlement services that are being provided, as well as the management of the Dematerialized Securities System, which are carried out by HELEX acting as Central Depository in accordance with the law, will be spun-off and contributed to its subsidiary company TSEC, 66.2% of whose share capital HELEX owns directly with the remaining 33.8% indirectly – through its 100% subsidiary ATHEX.

The transformation Balance Sheet date of 30.6.2013 was set for ascertaining the book value of Absorbed Company in view of the merger, and for ascertaining the book value of the assets of the business being spun-off in view of the spin-off being carried out in parallel.

Following the completion of the intragroup restructuring, all services that were provided by ATHEX as a Market Operator in accordance with Law 3606/2007 will be provided by the

absorbing, listed company, which following the completion of the corporate transformation will have as 100% subsidiaries Athens Exchange Clearing House which will continue to provide clearing services on securities and derivatives; and TSEC which, following the completion of the required statutory changes and adjustments and upon obtaining the required approvals by the competent authorities will be the Central Depository which will operate the Dematerialized Securities System and will provide Registry and Settlement services.

Besides the abovementioned smooth adjustment of the Group to the upcoming changes in the European Regulations, through this corporate transformation a more effective cost / benefit distribution between the companies of the Group will be achieved, and liquidity will be transferred to the listed company.

In particular, through this merger the financial performance of Absorbing Company will be improved due to the absorption of the trading services in the cash and derivatives markets, which are a significant source of profitability and liquidity for the HELEX Group. In addition, a significant amount of cash which belonged to Absorbed Company up until the transformation balance sheet date will be transferred to Absorbing Company.

## II. Legal advantages

In order to carry out the merger of the two companies the method selected was merger by absorption in accordance with the provisions of articles 68 §2, 69-75 and 78 of Codified Law 2190/1920 and 1-5 of Law 2166/1993 as they apply, and the provisions of article 27 of Law 3401/2005 as they apply.

Through the merger, incentives that are provided by national and EU legislation will be exploited, especially: a) accounting, such as the valuation of assets with a consolidation of the assets and liabilities of the companies that are in the process of merging, the ascertainment of the book value of the assets of the companies that participate in the merger following an audit by an auditor and the transfer the acts of Absorbed Company that have been made starting on the transformation balance sheet and up to the completion of the merger to the books of Absorbing Company with a group entry in its books; b) legal, because following the completion of the merger, the absorbing, listed company, becomes a successor in all legal relationships, rights, obligations and responsibilities of Absorbed Company, as laid down by the law, including all administrative licenses that have been issued by the Authorities to Absorbed Company, as well as all legal relationships that arise from the existing regulatory framework which continues to apply to and in favor of Absorbing Company without the need to describe the assets of the companies merging in the contract or the Articles of Association, and; c) tax, because the contribution and transfer of the assets of Absorbed Company, every act or agreement that concerns the contribution or the transfer of assets or liabilities or other rights and obligations, and every lien or contractual right, as well as any other agreement or act that is required for the merger are exempt from any tax, duty, contribution or other fees in favor of the State or in favor of any other third party.

Following the conclusion of the merger, Absorbing Company is substituted automatically, fully and without any further formality in all rights, legal relationships and obligations of Absorbed Company, as defined by law, including all administrative licenses issued by the Authorities to Absorbed Company, while all statutory responsibilities of Absorbed Company are transferred to Absorbing Company, in accordance with the provisions of article 75 of Codified Law 2190/1920 and article 27 of Law 3401/2005.

## III. Financial view of the merger

The merger takes place by consolidating the assets and liabilities of Merged Companies as they (will) exist on the date that the present merger is completed, and all of the balance sheet items

(assets and liabilities) of Absorbed Company are transferred as balance sheet items of Absorbing Company. Starting on and because of the legal completion of the merger, Absorbed Company is terminated, without being liquidated, its shares are cancelled, and all of its property (assets and liabilities) is transferred to Absorbing Company.

The share capital of Absorbing Company today amounts to €49,680,107.88 and is divided into 65,368,563 common registered shares with a par value of €0.76 each.

The share capital of Absorbed Company today amounts to €20,012,539.62 and is divided into 5,467,907 common registered shares with a par value of €3.66 each.

Given that Absorbing Company owns 100% of the shares of Absorbed Company, that companies merging are not obliged by the merger agreement to determine an exchange relationship for their shares, nor to determine the delivery formalities as defined by article 69 §2b and c of Codified law 2190/1920, nor a date starting on which the shares delivered to shareholders of Absorbed Company provide the right to participate in the profits of Absorbing Company as defined by article 69 §2d of Codified Law 2190/1920, the claim for the issuance of new shares is eliminated due to a conflict with article 75 §4a of Codified Law 2190/1920.

As a consequence of the above, the share capital, the number and the par value of the shares of Absorbing Company do not in any way change as a result of the present merger.

#### IV. Recommendation

Because of the abovementioned financial and legal reasons, and taking into consideration that the required decision by the relevant authorities for the completion of the transformation, as well as the preparation of the Draft Merger Agreement have been implemented in accordance with the applicable provisions of Codified Law 2190/1920 and Law 2166/1993 as they apply,

We consider that the merger is absolutely justified and necessary, and we recommend that shareholders approve the Draft Merger Agreement of "HELLENIC EXCHANGES SOCIETE ANONYME HOLDING, CLEARING SETTLEMENT & REGISTRY" by absorption of "ATHENS EXCHANGE SOCIETE ANONYME", including any other action, declaration or transaction that is required for that purpose.

Athens, 10 October 2013

The Board of Directors of  
"HELLENIC EXCHANGES SOCIETE ANONYME HOLDING, CLEARING SETTLEMENT & REGISTRY"