



PIRAEUS BANK S.A.

Companies registration number 6065/06/B/86/04

Head Office: 4, Amerikis st., 105 64, Athens, Greece

## FINANCIAL STATEMENTS INFORMATION FOR THE PERIOD from 1st January 2010 to 30th June 2010

(according to the Rule 4/507/28.04.2009 of the Capital Market Commission)

The figures presented below, derive from the interim condensed financial information and aim to a general information about the financial position and results of Piraeus Bank S.A. and Piraeus Bank Group. We therefore recommend the reader, prior to making any investment decision or other transaction concerning the Bank, to visit the Bank's web site, where the set of interim condensed financial information is posted in accordance with International Financial Reporting Standards, as well as the auditor's report when necessary.

## COMPANY'S PROFILE

Company's web site: www.piraeusbank.gr  
 Date of approval by the Board of Directors of the interim condensed financial information for the period ended as at June 30th, 2010: August 26th, 2010  
 The certified auditor: Konstantinos I. Michalatos  
 Auditing company: PricewaterhouseCoopers S.A.  
 Type of review report: Non qualified

## STATEMENT OF FINANCIAL POSITION

Amounts in thousand euros

	GROUP		BANK	
	30 June 2010	31 December 2009	30 June 2010	31 December 2009
<b>ASSETS</b>				
Cash and balances with central banks	2,345,632	2,977,561	1,096,520	1,747,045
Loans and advances to credit institutions	1,271,279	992,325	4,390,196	4,442,538
Derivative financial instruments - assets	206,342	171,467	203,353	170,606
Trading securities	494,892	1,393,237	213,835	1,041,535
Financial instruments at fair value through profit or loss	92,674	162,817	23,592	20,269
Loans and advances to customers				
Loans and advances to customers	39,682,320	38,683,228	32,726,253	31,856,619
Less: Provisions for losses on loans and advances	(1,196,481)	(994,970)	(729,787)	(611,173)
Investment securities				
Available for sale securities	1,945,562	2,338,460	1,792,644	2,186,728
Held to maturity	4,965,535	3,363,535	5,701,995	4,915,102
Debt securities - receivables	2,751,172	1,183,006	2,465,227	898,794
Investments in associated undertakings	191,653	184,023	164,979	161,424
Investments in subsidiaries	0	0	1,969,639	1,923,099
Intangible fixed assets				
Goodwill	194,108	193,090	0	0
Other intangible fixed assets	155,660	349,768	88,041	76,597
Property, plant and equipment	1,001,679	987,271	314,898	313,451
Investment Property	872,913	819,894	166,615	121,221
Assets held for sale	84,355	101,771	63,305	84,144
Other assets				
Deferred tax assets	390,575	282,653	324,923	232,055
Inventories - property	193,717	206,015	69,061	82,560
Other assets	947,545	1,531,837	1,088,338	1,577,006
<b>TOTAL ASSETS</b>	<b>56,591,132</b>	<b>54,279,791</b>	<b>51,046,466</b>	<b>48,922,004</b>
<b>LIABILITIES</b>				
Due to credit institutions	18,392,230	14,432,854	18,519,033	14,250,445
Liabilities at fair value through profit or loss	188,851	0	188,851	0
Derivative financial instruments - liabilities	337,103	162,023	286,835	160,575
Due to customers	29,159,597	30,063,606	24,254,263	25,729,695
Debt securities in issue	3,270,755	4,206,276	3,551,647	4,397,704
Hybrid capital and other borrowed funds				
Hybrid capital (Tier I)	159,318	159,752	159,318	159,752
Subordinated debt capital (Tier II)	351,189	510,507	346,988	507,700
Other Liabilities				
Retirement benefit obligations	210,849	202,461	181,010	173,271
Deferred tax liabilities	188,709	140,058	103,912	68,438
Other provisions	19,268	18,089	10,665	10,665
Current income tax liabilities	42,787	71,030	23,294	38,023
Other liabilities	908,534	1,370,147	857,881	1,289,519
<b>Total Liabilities</b>	<b>53,229,190</b>	<b>50,665,556</b>	<b>48,076,545</b>	<b>45,683,850</b>
<b>EQUITY</b>				
Share Capital	1,974,020	1,974,020	1,974,020	1,974,020
Share premium	927,739	927,739	927,739	927,739
Less: Treasury shares	(353)	(123)	0	0
Other reserves and retained earnings	298,055	564,423	68,162	336,395
Capital and reserves attributable to equity holders of the parent entity	3,199,471	3,466,059	2,969,921	3,238,154
Non Controlling Interest	162,471	148,176	-	-
<b>Total Equity</b>	<b>3,361,942</b>	<b>3,614,235</b>	<b>2,969,921</b>	<b>3,238,154</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>56,591,132</b>	<b>54,279,791</b>	<b>51,046,466</b>	<b>48,922,004</b>

## STATEMENT OF TOTAL COMPREHENSIVE INCOME

Amounts in thousand euros

	GROUP				BANK			
	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009	1 Apr - 30 Jun 2010	1 Apr - 30 Jun 2009	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009	1 Apr - 30 Jun 2010	1 Apr - 30 Jun 2009
Interest and similar income	1,254,691	1,530,013	655,675	650,522	949,494	1,192,796	498,275	501,104
Interest expenses and similar charges	(663,256)	(1,002,435)	(357,440)	(378,197)	(539,850)	(820,667)	(286,675)	(314,567)
<b>Net interest income</b>	<b>591,435</b>	<b>527,578</b>	<b>298,235</b>	<b>272,325</b>	<b>409,644</b>	<b>372,129</b>	<b>211,600</b>	<b>186,537</b>
Fee and commission income	121,870	119,002	64,654	60,296	69,042	66,077	37,015	29,914
Fee and commission expense	(22,086)	(18,427)	(12,711)	(9,696)	(18,161)	(18,598)	(9,670)	(9,243)
<b>Net fee and commission income</b>	<b>99,784</b>	<b>100,575</b>	<b>51,943</b>	<b>50,600</b>	<b>50,881</b>	<b>47,479</b>	<b>27,345</b>	<b>20,671</b>
Dividend income	5,915	11,231	5,481	10,143	36,633	37,892	34,584	34,822
Net trading income	(14,132)	77,901	4,074	62,125	(108,207)	27,498	(53,559)	39,669
Net income from financial instruments designated at fair value through profit or loss	(1,081)	(1,805)	(731)	1,214	(1,081)	(1,805)	(936)	1,214
Gains/ (Losses) from investment securities	(6,441)	(366)	(6,070)	325	(4,698)	39	(4,564)	750
Other operating income	55,636	64,698	33,642	36,278	25,422	7,957	16,592	4,239
<b>Total net income</b>	<b>731,116</b>	<b>779,812</b>	<b>386,574</b>	<b>433,010</b>	<b>408,594</b>	<b>491,189</b>	<b>231,062</b>	<b>287,902</b>
Staff costs	(200,218)	(202,502)	(96,257)	(98,337)	(117,468)	(121,153)	(54,740)	(58,948)
Administrative expenses	(170,885)	(169,793)	(94,638)	(95,461)	(113,863)	(110,455)	(66,880)	(65,533)
Gains/ (Losses) from sale of assets	(1)	605	(630)	(444)	(361)	84	(373)	(65)
Depreciation and amortisation	(47,379)	(45,239)	(22,299)	(23,351)	(16,391)	(18,501)	(6,522)	(9,766)
<b>Total operating expenses before provisions</b>	<b>(418,483)</b>	<b>(416,929)</b>	<b>(213,824)</b>	<b>(217,593)</b>	<b>(248,083)</b>	<b>(250,025)</b>	<b>(128,515)</b>	<b>(134,312)</b>
Profit before provisions and tax	312,633	362,883	172,750	215,417	160,511	241,164	102,547	153,590
Impairment losses on loans and receivables	(267,012)	(204,983)	(133,880)	(124,439)	(157,805)	(105,232)	(52,418)	(55,993)
Other provisions	(1,356)	(2,013)	(896)	(1,772)	-	-	-	-
Share of profit of associates	(739)	5,267	(2,464)	4,153	-	-	-	-
<b>Profit before tax</b>	<b>43,526</b>	<b>161,154</b>	<b>35,510</b>	<b>93,359</b>	<b>2,706</b>	<b>135,932</b>	<b>50,129</b>	<b>97,597</b>
Income tax expense	(6,070)	(31,266)	(4,419)	(15,950)	2,264	(19,422)	(5,211)	(11,239)
Tax Contribution	(27,595)	-	(27,595)	-	(19,951)	-	(19,951)	-
<b>Profit/ (Loss) after tax (A)</b>	<b>9,861</b>	<b>129,888</b>	<b>3,496</b>	<b>77,409</b>	<b>(14,981)</b>	<b>116,510</b>	<b>24,967</b>	<b>86,358</b>
Less: Non Controlling Interest	117	1,578	521	935	-	-	-	-
<b>Profit/ (Loss) after tax attributable to equity holders of the parent entity</b>	<b>9,744</b>	<b>128,310</b>	<b>2,975</b>	<b>76,474</b>	<b>(14,981)</b>	<b>116,510</b>	<b>24,967</b>	<b>86,358</b>
<b>Profit after tax attributable to equity holders of the parent entity without tax contribution</b>	<b>37,011</b>	<b>128,310</b>	<b>30,243</b>	<b>76,474</b>	<b>4,970</b>	<b>116,510</b>	<b>44,919</b>	<b>86,358</b>
Other comprehensive income, net of tax (B)	(245,983)	16,036	(194,034)	30,847	(235,246)	37,911	(177,882)	40,888
<b>Total comprehensive income for the period, net of tax (A+B)</b>	<b>(236,122)</b>	<b>145,924</b>	<b>(190,538)</b>	<b>108,256</b>	<b>(250,227)</b>	<b>154,421</b>	<b>(152,915)</b>	<b>127,246</b>
-Attributable to equity holders of the parent entity	(237,547)	144,216	(191,702)	107,951	-	-	-	-
-Non Controlling Interest	1,425	1,708	1,164	305	-	-	-	-
<b>Profit/ (Loss) after tax per share (in euros) :</b>								
- Basic	(0.0130)	0.3819	(0.0123)	0.2209	(0.0866)	0.3456	0.0531	0.2511
- Diluted	(0.0130)	0.3819	(0.0123)	0.2209	(0.0866)	0.3456	0.0531	0.2511

## STATEMENT OF CHANGES IN EQUITY

Amounts in thousand euros

	GROUP			BANK		
	1 Jan - 30 Jun 2010	1 Jul - 31 Dec 2009	1 Jan - 30 Jun 2009	1 Jan - 30 Jun 2010	1 Jul - 31 Dec 2009	1 Jan - 30 Jun 2009
<b>Opening balance</b>	<b>3,614,235</b>	<b>3,630,987</b>	<b>3,025,200</b>	<b>3,238,154</b>	<b>3,242,649</b>	<b>2,623,827</b>
Total comprehensive income for the period, net of tax	(236,122)	(3,983)	145,924	(250,227)	(7,185)	154,421
Prior year dividends of ordinary shares	(1,320)	(119)	(37,752)	-	-	(35,664)
Prior year dividends of preference shares	(18,006)	-	-	(18,006)	-	-
Issue of share capital by reinvestment of dividend	-	-	32,062	-	-	32,062
Issue of preference shares	-	(4,110)	370,000	-	(4,110)	370,000
(Purchases)/ Sales of treasury shares	(232)	(1,450)	97,926	-	(1,329)	97,926
Acquisitions, disposals, absorptions and movement in participating interests	3,800	(6,691)	(2,868)	-	8,206	-
Other movements	(413)	(399)	495	-	(77)	77
<b>Closing balance</b>	<b>3,361,942</b>	<b>3,614,235</b>	<b>3,630,987</b>	<b>2,969,921</b>	<b>3,238,154</b>	<b>3,242,649</b>

## STATEMENT OF CASH FLOWS

Amounts in thousand euros

	GROUP		BANK	
	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009	1 Jan - 30 Jun 2010	1 Jan - 30 Jun 2009
Total inflows/ (outflows) from operating activities	1,968,909	770,676	1,404,704	72,133
Total inflows/ (outflows) from investing activities	(1,538,481)	(228,139)	(1,538,454)	(206,666)
Total inflows/ (outflows) from financing activities	(932,300)	(1,089,735)	(879,251)	(855,630)
<b>Net increase/ (decrease) in cash and cash equivalents of the period</b>	<b>(501,872)</b>	<b>(547,198)</b>	<b>(1,002,011)</b>	<b>(990,163)</b>
Effect of exchange rate changes on cash and cash equivalents	(15,944)	(14,640)	3,694	(353)
<b>Total inflows/ (outflows) for the period</b>	<b>(517,816)</b>	<b>(561,838)</b>	<b>(998,317)</b>	<b>(990,516)</b>
Cash and cash equivalents at the beginning of the period	3,389,024	5,009,265	3,421,347	6,442,294
<b>Cash and cash equivalents at the end of the period</b>	<b>2,871,208</b>	<b>4,447,427</b>	<b>2,423,030</b>	<b>5,451,778</b>

## Notes:

- The accounting policies, adopted by the Group according to the International Financial Reporting Standards (IFRS), have been applied in consistency with those in the annual financial statements of the year 2009. Relevant disclosure is Note 2 of the Stand alone and the Consolidated Interim Condensed Financial Information.
- Property, plant and equipment are free of any liens or encumbrances.
- Tax authorities have audited Piraeus Bank's tax position for the years up to and including 2008. The unaudited tax years of Group subsidiaries are included in note 17 of the Consolidated Interim Condensed Financial Information.
- All disputes under litigation or arbitration, as well as the pending court decisions, are not expected to have a significant effect on the financial position of the Bank and the Group. Therefore the Bank has not raised a provision for outstanding litigations, whereas the Group's provision amounts to € 2.7 million. The provision raised for the unaudited tax years of the Bank and the Group subsidiaries, which is included in the current tax liabilities, amounts to € 3.4 million and € 8.0 million respectively. Other provisions raised for the Bank and the Group amount to € 10.7 million and € 16.6 million respectively.
- The companies which have been consolidated as at 30/06/2010, apart from the parent company Piraeus Bank S.A., are included in note 17 of the Consolidated Interim Condensed Financial Information. Note 17 includes information about the country of incorporation, the percentage of holding by the Group, as well as the applied consolidation method. The direct shareholding percentages by the Bank are included in note 18 of the Interim Condensed Financial Information.
- The following companies that are consolidated under the full method of consolidation as at 30/06/2010, had not been included in the consolidation as at 30/06/2009: a) Axia Finance III PLC, b) Axia III APC Limited, c) Praxis II Finance PLC, d) Praxis II APC Limited, e) Gaia Lease PLC, f) PROSPECT N.E.P.A., g) R.E. Anodus Ltd, h) Erechtheas Investments & Holdings S.A., i) Solum Ltd Liability Co., j) O.F. Investments Ltd, k) Piraeus (Cyprus) Insurance Brokerage Ltd and l) DI.VI.PA.KA S.A. From these companies, the companies numbered (a)-(k) were consolidated under the full method of consolidation as at 31/03/2010, as well, though the company (l) was not included in the consolidation as at 31/03/2010. The companies (a)-(e) and (l) are newly established. The company numbered (f) was acquired on September 2009, while the companies numbered (g)-(h) were acquired on December 2009. The companies numbered (i)-(j) were purchased on February 2010, while company numbered (k) was acquired on March 2010. The companies: a) AGR Investments S.A., b) Piraeus Leasing S.A., c) Exodus S.A. and d) ACT Services S.A. (former Piraeus ATFS S.A.), that were fully consolidated as at 30/06/2009, are not included in the consolidation as at 30/06/2010. On December 2009, the company numbered (a) was disposed and the company numbered (b) was absorbed by the Bank. The companies numbered (c) and (d) were consolidated under the full method of consolidation as at 31/03/2010 and were transferred to the associates' portfolio as the requirements for their consolidation under the full method of consolidation are no longer met. The companies Estia Mortgage Finance PLC, Estia Mortgage Finance III PLC, Axia Finance PLC, Axia Finance II PLC, Axia Finance III PLC, Axia III APC Limited, Praxis Finance PLC, Praxis II Finance PLC, Praxis II APC Limited and Gaia Lease PLC are consolidated as special-purpose entities. Note 28 of Consolidated Interim Condensed Financial Information includes information about the changes in the subsidiaries' portfolio of the Group. The most important corporate event that took place among the subsidiaries of the Group during the period 01/01/2010 - 30/06/2010 was the decrease in the participation percentage of Piraeus Bank S.A. in the company Olympic Commercial & Tourist Enterprises S.A. from 74.90% to 59.79% as at 31/3/2010, as Bank participated partly in share capital increases of the company on 1/3/2010 and 8/3/2010. The relevant event didn't result in a change above 25% of the turnover or/and the profit after tax, or/and the Group's equity for the current period. The subsidiaries that are excluded from the consolidation are as follows: a) Asbestos Mines S.A., b) Hellenic Industry of Aluminum, c) Hellenic Asbestos S.A., d) Oblivio Co. Ltd, e) ELSYP S.A., f) Blue Wings Ltd, g) Piraeus Bank's Congress Centre and h) Piraeus Bank Group Cultural Foundation. The companies numbered (a)-(e) are fully depreciated, under liquidation or dissolution status. The financial data of the companies (f)-(h) are included in the financial statements of the parent company Piraeus Bank S.A. and consequently in the consolidated financial statements. The consolidation of the above mentioned companies does not affect the financial position and profit of the Group.
- The following companies are consolidated under the equity method of accounting as at 30/06/2010 and had not been included in the consolidation as at 30/06/2009: a) Exodus S.A. and b) ACT Services S.A. (former Piraeus ATFS S.A.). The companies (a) and (b) were consolidated under the full method of consolidation as at 31/03/2010 and were transferred to the associates' portfolio as the requirements for their consolidation under the full method of consolidation are no longer met. The company Proton Bank S.A. that was consolidated under the equity method of accounting as at 30/06/2009, was disposed on December 2009 and is not included in the consolidation as at 30/06/2010. Note 28 of Consolidated Interim Condensed Financial Information includes information about the changes in the associates' portfolio of the Group. As at 31/03/2010, there are no associates that have been excluded from consolidation.
- The Group's balances