



ALPHA BANK

**INTERIM FINANCIAL STATEMENTS
AS AT 30.9.2009**

(In accordance with the International Accounting Standard 34)



Athens
November 9, 2009

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Interim Financial Statements as at 30.9.2009

(In accordance with IAS 34)

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Interim Income Statement

(Thousands of Euro)

| | Note | From 1 January to | | From 1 July to | |
|---|---------|-------------------|------------------|------------------|------------------|
| | | 30.9.2009 | 30.9.2008 | 30.9.2009 | 30.9.2008 |
| Interest and similar income | | 2,608,963 | 3,028,257 | 827,073 | 1,076,514 |
| Interest expense and similar charges | | (1,608,760) | (1,999,819) | (473,448) | (724,547) |
| Net interest income | | 1,000,203 | 1,028,438 | 353,625 | 351,967 |
| Fee and commission income | | 243,695 | 255,561 | 81,161 | 96,665 |
| Commission expense | | (28,883) | (22,115) | (10,768) | (8,937) |
| Net fee and commission income | | 214,812 | 233,446 | 70,393 | 87,728 |
| Dividend income | | 104,920 | 60,541 | 7 | |
| Gains less losses on financial transactions | | 196,440 | 451 | 71,276 | (24,851) |
| Other income | | 10,156 | 16,450 | 3,203 | 3,397 |
| | | 311,516 | 77,442 | 74,486 | (21,454) |
| Total income | | 1,526,531 | 1,339,326 | 498,504 | 418,241 |
| Staff costs | | (302,128) | (315,900) | (101,242) | (111,983) |
| General administrative expenses | | (283,938) | (247,793) | (99,271) | (84,610) |
| Depreciation and amortization expenses | 7, 8, 9 | (41,974) | (42,508) | (13,309) | (14,605) |
| Other expenses | | (2,227) | (2,192) | (785) | (708) |
| Total expenses | | (630,267) | (608,393) | (214,607) | (211,906) |
| Impairment losses and provisions to cover credit risk | 2 | (390,538) | (233,709) | (127,561) | (104,686) |
| Profit before income tax | | 505,726 | 497,224 | 156,336 | 101,649 |
| Income tax | 3 | (84,141) | (104,850) | (41,846) | (23,217) |
| Profit after income tax | | 421,585 | 392,374 | 114,490 | 78,432 |
| Earnings per share: | | | | | |
| Basic and diluted (€ per share) | 4 | 0.95 | 0.97 | 0.22 | 0.19 |

The attached notes (pages 9 - 31) form an integral part of these interim financial statements.



Interim Balance Sheet

(Thousands of Euro)

| | Note | 30.9.2009 | 31.12.2008 |
|--|------|-------------------|-------------------|
| ASSETS | | | |
| Cash and balances with Central Banks | | 1,554,778 | 1,724,081 |
| Due from banks | | 10,587,940 | 8,420,793 |
| Securities held for trading | | 92,613 | 86,880 |
| Derivative financial assets | | 411,585 | 494,386 |
| Loans and advances to customers | 5 | 41,958,509 | 42,189,278 |
| Investment securities | | | |
| - Available for sale | 6 | 4,183,088 | 6,033,897 |
| - Held to maturity | 6 | 5,082,828 | 4,488,709 |
| Investments in subsidiaries, associates and joint ventures | 18 | 1,783,049 | 1,750,902 |
| Investment property | 7 | 48,458 | 42,195 |
| Property, plant and equipment | 8 | 641,378 | 649,452 |
| Goodwill and other intangible assets | 9 | 71,470 | 68,723 |
| Deferred tax assets | | 321,432 | 316,069 |
| Other assets | | 438,992 | 419,526 |
| | | 67,176,120 | 66,684,891 |
| Non-current assets held for sale | | 68,023 | 53,283 |
| Total Assets | | 67,244,143 | 66,738,174 |
| LIABILITIES | | | |
| Due to banks | 10 | 14,015,013 | 10,883,969 |
| Derivative financial liabilities | | 673,727 | 804,172 |
| Due to customers | | 34,632,633 | 33,816,094 |
| Debt securities in issue and other borrowed funds | 11 | 12,507,370 | 17,395,646 |
| Liabilities for current income tax and other taxes | | 61,387 | 97,855 |
| Deferred tax liabilities | | 188,708 | 158,212 |
| Other liabilities | | 1,353,925 | 1,204,462 |
| Provisions | 12 | 6,160 | 8,415 |
| Total Liabilities | | 63,438,923 | 64,368,825 |
| EQUITY | | | |
| Share Capital | 13 | 2,871,590 | 1,931,590 |
| Reserves | | 195,803 | 165,848 |
| Retained earnings | 13 | 737,827 | 340,896 |
| Treasury shares | 13 | | (68,985) |
| Total Equity | | 3,805,220 | 2,369,349 |
| Total Liabilities and Equity | | 67,244,143 | 66,738,174 |

The attached notes (pages 9 - 31) form an integral part of these interim financial statements.



Interim Statement of Comprehensive Income

(Thousands of Euro)

| | Note | From 1 January to | | From 1 July to | |
|---|------|-------------------|-----------------|-----------------|----------------|
| | | 30.9.2009 | 30.9.2008 | 30.9.2009 | 30.9.2008 |
| Profit after income tax, recognized in the income statement | | 421,585 | 392,374 | 114,490 | 78,432 |
| Other comprehensive income recognized directly in Equity: | | | | | |
| Change in available for sale securities reserve | 3 | 13,281 | (72,985) | (25,531) | (6,952) |
| Exchange differences on translating foreign operations | 3 | (112) | (123) | (84) | (194) |
| Income tax | 3 | (38) | 18,659 | 9,179 | 1,512 |
| Total of other comprehensive income recognized directly in Equity after income tax | 3 | 13,131 | (54,449) | (16,436) | (5,634) |
| Total comprehensive income for the period, after income tax | | 434,716 | 337,925 | 98,054 | 72,798 |

The attached notes (pages 9 - 31) form an integral part of these interim financial statements.

**Interim Statement of Changes in Equity**

(Thousands of Euro)

| | Note | Share capital | Share premium | Reserves | Retained earnings | Treasury shares | Total |
|---|------|------------------|----------------|------------------|-------------------|-----------------|------------------|
| Balance 1.1.2008 | | 1,602,809 | 184,033 | 333,892 | 619,483 | | 2,740,217 |
| Changes for the period 1.1 - 30.9.2008 | | | | | | | |
| Profit for the period, after income tax | | | | | 392,374 | | 392,374 |
| Other comprehensive income recognized directly in Equity, after income tax | | | | (54,326) | (123) | | (54,449) |
| Total comprehensive income for the period, after income tax | | | | (54,326) | 392,251 | | 337,925 |
| Share capital increase by capitalization of share premium and retained earnings | | 328,781 | (184,033) | | (144,748) | | |
| Expenses relating to the share capital increase | | | | | (2,204) | | (2,204) |
| Purchase of treasury shares | | | | | | (373,326) | (373,326) |
| Sale of treasury shares | | | | | (66,849) | 341,405 | 274,556 |
| Dividends distributed | | | | | (362,199) | | (362,199) |
| Appropriation to reserves | | | | 46,100 | (46,100) | | |
| Other | | | | | (43) | | (43) |
| Balance 30.9.2008 | | 1,931,590 | | 325,666 | 389,591 | (31,921) | 2,614,926 |
| Changes for the period 1.10 - 31.12.2008 | | | | | | | |
| Profit for the period, after income tax | | | | | (58,136) | | (58,136) |
| Other comprehensive income recognized directly in Equity, after income tax | | | | (159,818) | (7) | | (159,825) |
| Total comprehensive income for the period, after income tax | | | | (159,818) | (58,143) | | (217,961) |
| Purchase of treasury shares | | | | | | (37,064) | (37,064) |
| Sale of treasury shares | | | | | 12,558 | | 12,558 |
| Other | | | | | (3,110) | | (3,110) |
| Balance 31.12.2008 | | 1,931,590 | | 165,848 | 340,896 | (68,985) | 2,369,349 |

(Thousands of Euro)

| | Note | Share capital | Share premium | Reserves | Retained earnings | Treasury shares | Total |
|---|------|------------------|---------------|----------------|-------------------|-----------------|------------------|
| Balance 1.1.2009 | | 1,931,590 | | 165,848 | 340,896 | (68,985) | 2,369,349 |
| Changes for the period 1.1 - 30.9.2009 | | | | | | | |
| Profit for the period, after income tax | | | | | 421,585 | | 421,585 |
| Other comprehensive income recognized directly in Equity, after income tax | | | | 13,243 | (112) | | 13,131 |
| Total comprehensive income for the period, after income tax | | | | 13,243 | 421,473 | | 434,716 |
| Share capital increase with the issuance of preference shares acquired by the Greek State | 13a | 940,000 | | | | | 940,000 |
| Expenses relating to the share capital increase | | | | | (10,340) | | (10,340) |
| Appropriation to reserves | | | | 16,712 | (16,712) | | |
| Purchase of treasury shares | 13c | | | | | (2,665) | (2,665) |
| Sale of treasury shares | 13c | | | | 2,510 | 71,650 | 74,160 |
| Balance 30.9.2009 | | 2,871,590 | - | 195,803 | 737,827 | - | 3,805,220 |

The attached notes (pages 9 - 31) form an integral part of these interim financial statements.



Interim Statement of Cash Flows

(Thousands of Euro)

| | Note | From 1 January to 30.9.2009 | 30.9.2008 |
|---|------|--------------------------------|--------------------|
| Cash flows from operating activities | | | |
| Profit before income tax | | 505,726 | 497,224 |
| Adjustments for: | | | |
| Depreciation of fixed assets | 7, 8 | 28,321 | 26,067 |
| Amortization of intangible assets | 9 | 13,653 | 16,441 |
| Impairment losses from loans and provisions | | 403,273 | 248,082 |
| (Gains)/losses from investing activities | | (239,027) | (32,375) |
| (Gains)/losses from financing activities | | 64,777 | 114,323 |
| | | 776,723 | 869,762 |
| Net (increase)/decrease in assets relating to operating activities: | | | |
| Due from banks | | (1,056,951) | 772,301 |
| Securities held for trading and derivative financial assets | | 77,068 | 101,109 |
| Loans and advances to customers | | (174,137) | (5,589,074) |
| Other assets | | (19,450) | (65,262) |
| Net increase/(decrease) in liabilities relating to operating activities: | | | |
| Due to banks | | 3,131,044 | 1,793,772 |
| Derivative financial liabilities | | (130,445) | 89,707 |
| Due to customers | | (4,851,346) | 7,756,155 |
| Other liabilities | | 132,448 | 452,981 |
| | | (2,115,046) | 6,181,451 |
| Net cash flows from operating activities before taxes | | | |
| Income taxes and other taxes paid | | (78,824) | (97,555) |
| | | (2,193,870) | 6,083,896 |
| Cash flows from investing activities | | | |
| Investments to subsidiaries, associates and joint ventures | | (34,892) | (197,744) |
| Dividends received | | 104,904 | 60,530 |
| Purchases of fixed and intangible assets | | (64,648) | (83,053) |
| Disposals of fixed and intangible assets | | 6,685 | 21,603 |
| Net (increase)/decrease in investment securities | | 2,346,113 | (3,147,066) |
| | | 2,358,162 | (3,345,730) |
| Cash flows from financing activities | | | |
| Expenses relating to the share capital increase | | (10,340) | (2,204) |
| (Purchases) / sales of treasury shares | | 71,495 | (86,212) |
| Dividends paid | | (784) | (360,137) |
| Debt issue | | 992,750 | |
| Repayment of debt securities and other borrowed funds | | (277,918) | (306,795) |
| | | 775,203 | (755,348) |
| Effect of exchange rate fluctuations on cash and cash equivalents | | 1,398 | 1,156 |
| Net increase/(decrease) in cash and cash equivalents | | 940,893 | 1,983,974 |
| Cash and cash equivalents at the beginning of the period | | 4,539,124 | 4,356,928 |
| Cash and cash equivalents at the end of the period | | 5,480,017 | 6,340,902 |

The attached notes (pages 9 - 31) form an integral part of these interim financial statements.



Notes to the interim financial statements

GENERAL INFORMATION

At present, the Bank operates under the brand name of ALPHA BANK A.E. and with the sign of ALPHA BANK. The Bank's registered office is 40 Stadiou Street, Athens and it is listed as a societe anonyme with registration number 6066/06/B/86/05. The Bank's duration is until 2100 which can be extended by the General Meeting of Shareholders.

In accordance with article 4 of the Articles of Incorporation, the Bank's objective is to engage, on its own account or on behalf of third parties, in Greece and abroad, independently or collectively, including joint ventures with third parties, in any and all (main and secondary) operations, activities, transactions and services allowed to credit institutions, in conformity with whatever rules and regulations (domestic, Community, foreign) may be in force each time. In order to serve this objective, the Bank may perform any kind of action, operation or transaction which, directly or indirectly, is pertinent, complementary or auxiliary to the purposes mentioned above.

In the context of Bank's participation to the requirements of Law 3723/2008, referring to the enhancement of economy's liquidity, the extraordinary General Meeting of Shareholders held on 12.1.2009 approved the following:

- The alteration of the number of members of the Bank's Board of Directors and the modification of Article 7 of the Articles of Incorporation.
- The election of a representative of the Greek State, as a new member of the Board of Directors in accordance with the above Law and conditional upon the participation of the Greek State in Bank's share capital.

Following to the above, the decision of the Minister of Economy and Finance has appointed Mr. George I. Mergos as a Greek State representative to Bank's Board of Directors.

Therefore the Board of Directors as at 30.9.2009 consists of:

CHAIRMAN (Executive Member)

Yannis S. Costopoulos

VICE CHAIRMAN (Non-Executive Independent Member)

Minas G. Tanes ***

EXECUTIVE MEMBERS

MANAGING DIRECTOR

Demetrios P. Mantzounis

EXECUTIVE DIRECTORS AND GENERAL MANAGERS

Marinos S. Yannopoulos (CFO) ***

Spyros N. Filaretos (COO)

Artemis Ch. Theodoridis

NON-EXECUTIVE MEMBERS

Sophia G. Eleftheroudaki

Paul G. Karakostas *

Nicholaos I. Manassis **

Ioanna E. Papadopoulou

NON-EXECUTIVE INDEPENDENT MEMBERS

George E. Agouridis *

Pavlos A. Apostolides **

Thanos M. Veremis

Evangelos J. Kaloussis */***

Ioannis K. Lyras **

* Member of the Audit Committee

** Member of the Remuneration Committee

*** Member of the Risk Management Committee

**NON-EXECUTIVE MEMBER (in accordance with the requirements of Law 3723/2008)**

George I. Mergos

SECRETARY

Hector P. Verykios

The term of the Board of Directors ends in 2010 apart from the Greek State's representative whose term ends as stated in Law 3723/2008.

The Ordinary General Meeting of Shareholders, held on 23.6.2009, has appointed as auditors of the semi-annual and year end financial statements for 2009 the following:

Principal Auditors: Nick E. Vouniseas
Charalambos G. Sirounis

Substitute Auditors: Nikolaos Ch. Tsiboukas
John A. Achilas

of KPMG Certified Auditors A.E.

The Bank's shares have been listed in the Athens Stock Exchange since 1925. As at 30 September 2009 Alpha Bank was ranked sixth in terms of market capitalization.

The Bank is included in a series of international indices, such as S&P Europe 350, FTSE Med 100, DJ Euro Stoxx and FTSE4 Good.

Apart from the Greek listing, the shares of the Bank are listed in the London Stock Exchange in the form of international certificates (GDR's) and they are traded over the counter in New York (ADR's).

As at 30 September 2009 the Bank has 410,976,652 ordinary and 200,000,000 preference shares in issue (note 13a).

During the nine month period of 2009 an average of 1,659,817 shares have been traded daily.

The credit rating of the Bank is evaluated by three international credit rating agencies:

- Fitch Ratings: A-
- Moody's: A2
- Standard & Poor's: BBB+

The financial statements have been approved by the Board of Directors on November 9, 2009.



ACCOUNTING POLICIES APPLIED

1. Basis of presentation

The Bank has prepared the condensed interim financial statements as at 30 September 2009 in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which are measured at fair value:

- Securities held for trading
- Derivative financial instruments
- Available for sale securities

The financial statements are presented in Euro rounded to the nearest thousand unless otherwise indicated.

The estimates and judgments applied by the Bank in preparing the financial statements are based on historical information and assumptions which at present are considered appropriate.

The estimates and assumptions are reviewed on an ongoing basis to take into account current conditions and the effect of any revisions is recognized in the period in which the estimate is revised.

The accounting policies applied by the Bank, in preparing the condensed interim financial statements are consistent with those stated in the published financial statements for the year ended 31 December 2008, after taking into account the following:

- **Amendment of International Accounting Standard 1** «Presentation of financial statements» (Regulation 1274/17.12.2008)

On 6.9.2007, the International Accounting Standards Board (IASB) published the revised version of IAS 1 which introduces changes in the presentation of financial statements. The adoption of this amendment by the Bank resulted in the following changes:

- i. Preparation of an additional statement which includes the items of income and expense which are recognized either in the income statement or directly in equity (statement of comprehensive income).
- ii. The statement of changes in equity includes only the changes resulting from transactions with owners.
- iii. Disclosures are provided in the statement of comprehensive income and in the notes concerning the reclassification adjustments relating to components of other comprehensive income and the income tax relating to each component of other comprehensive income.

- **International Financial Reporting Standard 8** «Operating Segments» (Regulation 1358/21.11.2007)

This standard replaces IAS 14 «Segment Reporting» and introduces changes in the definition of operating segments, in the measurement of their financial data and in their presentation in the financial statements.

The adoption of the standard did not have any impact on the presentation of the segment reporting in the financial statements of the Bank.

- **Amendment of International Accounting Standard 27** «Consolidated and Separate Financial Statements» and of **International Financial Reporting Standard 1** «First Time Adoption of International Financial Reporting Standards» regarding «the cost of an investment in a subsidiary, associate or jointly controlled entity» (Regulation 69/23.1.2009).

With this amendment, issued by the IASB on 22.5.2008, it is defined that the distribution of profits relating to periods prior to acquisition should be accounted in the income statement as dividend income. With regards to the first time adopters of IFRS, options are provided on the cost measurement of an investment in a subsidiary, associate or jointly controlled entity.

The adoption of the standard did not have any impact on the financial statements of the Bank.

In addition, the Bank applied from 1.1.2009 the following amendments and interpretations which were issued by IASB, adopted by the European Union but did not have a significant impact on its financial statements:

- **Amendment of International Accounting Standard 23** «Borrowing costs» (Regulation 1260/10.12.2008)
- **Amendment of International Financial Reporting Standard 2** «Share based payments» (Regulation 1261/16.12.2008)



- **Amendment of International Accounting Standard 32** «Financial instruments: Presentation» **and 1** «Presentation of Financial Statements» (Regulation 53/21.1.2009)
- **Amendment of International Accounting Standard 39** «Reclassification of Financial Assets: Effective date and transition» (Regulation 824/9.9.2009)
- **Interpretation 12** «Service concession arrangements» (Regulation 254/25.3.2009)
- **Interpretation 13** «Customer loyalty programs» (Regulation 1262/16.12.2008)
- **Interpretation 15** «Agreements for the Construction of Real Estate» (Regulation 636/22.07.2009)
- **Interpretation 16** «Hedges of a Net Investment in a Foreign Operation» (Regulation 460/4.6.2009)
- **Improvements to International Accounting Standards** (Regulation 70/23.1.2009)

The adoption by the European Union, by 31.12.2009, of new standards, interpretations or amendments which have been issued or may be issued during the year by the International Accounting Standards Board (IASB) and their mandatory or optional adoption for periods beginning on or after 1.1.2009, may retrospectively affect the amounts presented in these interim financial statements.



INCOME STATEMENT

2. Impairment losses and provisions to cover credit risk

| | From 1 January to | | From 1 July to | |
|---|-------------------|----------------|----------------|----------------|
| | 30.9.2009 | 30.9.2008 | 30.9.2009 | 30.9.2008 |
| Impairment losses on loans and advances to customers | 405,245 | 284,119 | 133,688 | 149,328 |
| Provisions to cover credit risk relating to off balance sheet items | (4,200) | (38,229) | (2,300) | (40,138) |
| Recoveries | (10,507) | (12,181) | (3,827) | (4,504) |
| Total | 390,538 | 233,709 | 127,561 | 104,686 |

3. Income tax

In accordance with Greek tax law the profits of entities in Greece are taxed at a rate of 25%. According to Law 3697/2008 the tax rate is reduced by one percent each year starting from 2010 until the rate reaches 20% in 2014 and thereafter.

In accordance with article 26 of Law 3634/2008 income tax is imposed for the fiscal year 2007, at the current tax rate (25%), on profits which previously were not subject to tax until distributed or capitalized (interest on Greek government bonds, gains from the sale of listed shares etc.). Dividend income is not subject to tax since it has been already taxed at the corporate level. The same applies to profits arising from transfer of receivables for securitization purposes according to article 14 of Law 3156/2003.

Dividends distributed by entities established in Greece and approved by the General Meetings of Shareholders held after 1.1.2009 are subject to a withholding tax of 10% with no further tax obligation for the beneficiary (Law 3697/2008).

The income tax expense is analysed as follows:

| | From 1 January to | | From 1 July to | |
|--------------|-------------------|----------------|----------------|---------------|
| | 30.9.2009 | 30.9.2008 | 30.9.2009 | 30.9.2008 |
| Current | 59,007 | 61,068 | 36,091 | 24,302 |
| Deferred | 25,134 | 43,782 | 5,755 | (1,085) |
| Total | 84,141 | 104,850 | 41,846 | 23,217 |

Deferred tax recognized in the income statement is attributable to the following temporary differences:

| | From 1 January to | | From 1 July to | |
|--|-------------------|---------------|----------------|----------------|
| | 30.9.2009 | 30.9.2008 | 30.9.2009 | 30.9.2008 |
| Depreciation and fixed assets write-offs | 2,080 | 3,247 | 780 | 1,197 |
| Valuation of loans | (4,210) | 14,566 | 14,242 | 32,629 |
| Suspension of interest accruals | 22,404 | 29,736 | 10,543 | 11,055 |
| Loans impairment | (31,622) | 2,846 | (13,622) | (104) |
| Liabilities to Common Insurance Fund of Bank Employees | 13,098 | 12,918 | (1,429) | (1,240) |
| Valuation of derivatives | 21,554 | (2,372) | (7,971) | (23,099) |
| Effective interest rate | 4,988 | 8,168 | 3,108 | 3,948 |
| Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge | (1,384) | (2,571) | (113) | (7,260) |
| Valuation of investments in subsidiaries due to hedging | (559) | (2,129) | (723) | (645) |
| Valuation of bonds | 2,637 | (16,344) | 232 | (16,311) |
| Valuation of other securities | 2 | (6,979) | 178 | (1,345) |
| Other temporary differences | (3,854) | 2,696 | 530 | 90 |
| Total | 25,134 | 43,782 | 5,755 | (1,085) |



Reconciliation of effective and nominal tax rate:

| | From 1 January to | | | | From 1 July to | | | |
|---|-------------------|----------------|--------------|----------------|----------------|----------------|--------------|----------------|
| | 30.9.2009 | | 30.9.2008 | | 30.9.2009 | | 30.9.2008 | |
| | % | | % | | % | | % | |
| Profit before income tax | | 505,726 | | 497,224 | | 156,336 | | 101,649 |
| Income tax (nominal tax rate) | 25 | 126,432 | 25 | 124,306 | 25 | 39,084 | 25 | 25,412 |
| <i>Increase/(decrease) due to:</i> | | | | | | | | |
| Additional tax on income of fixed assets | 0.02 | 87 | 0.03 | 145 | 0.02 | 28 | | |
| Non taxable income | (9.00) | (45,500) | (3.26) | (16,208) | (6.40) | (10,000) | (0.40) | (406) |
| Non deductible expenses | 0.46 | 2,302 | 1.35 | 6,683 | 1.07 | 1,657 | 2.70 | 2,744 |
| Other temporary differences | 0.16 | 820 | (2.03) | (10,076) | 7.08 | 11,077 | (4.46) | (4,533) |
| Income tax (effective tax rate) | 16.64 | 84,141 | 21.09 | 104,850 | 26.77 | 41,846 | 22.84 | 23,217 |

Income tax of other comprehensive income recognized directly in Equity

| | From 1 January to | | | | | |
|--|----------------------|-------------|---------------------|----------------------|---------------|---------------------|
| | 30.9.2009 | | | 30.9.2008 | | |
| | Before income tax | Income tax | After income tax | Before income tax | Income tax | After income tax |
| Change in available for sale securities reserve | 13,281 | (38) | 13,243 | (72,985) | 18,659 | (54,326) |
| Exchange differences on translating foreign operations | (112) | | (112) | (123) | | (123) |
| Total | 13,169 | (38) | 13,131 | (73,108) | 18,659 | (54,449) |

| | From 1 July to | | | | | |
|--|----------------------|--------------|---------------------|----------------------|--------------|---------------------|
| | 30.9.2009 | | | 30.9.2008 | | |
| | Before income tax | Income tax | After income tax | Before income tax | Income tax | After income tax |
| Change in available for sale securities reserve | (25,531) | 9,179 | (16,352) | (6,952) | 1,512 | (5,440) |
| Exchange differences on translating foreign operations | (84) | | (84) | (194) | | (194) |
| Total | (25,615) | 9,179 | (16,436) | (7,146) | 1,512 | (5,634) |



4. Earnings per share

a. Basic

Basic earnings per share is calculated by dividing the profit after income tax for the period, attributable to ordinary equity owners of the Bank, by the weighted average number of ordinary shares outstanding, after deducting the weighted average number of treasury shares held by the Bank during the period.

b. Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Bank does not have dilutive potential ordinary shares and additionally, based on the preference shares terms of issuance (note 13a), basic and diluted earnings per share should not differ.

| | From 1 January to | | From 1 July to | |
|--|-------------------|-------------|----------------|-------------|
| | 30.9.2009 | 30.9.2008 | 30.9.2009 | 30.9.2008 |
| Profit attributable to ordinary equity owners of the Bank | 421,585 | 392,374 | 114,490 | 78,432 |
| Less: Return on preference shares of the Hellenic Republic (Law 3723/2008) | (34,728) | | (24,022) | |
| | 386,857 | 392,374 | 90,468 | 78,432 |
| Weighted average number of outstanding ordinary shares | 405,577,102 | 405,207,665 | 406,904,929 | 409,620,895 |
| Basic earnings per share (in €) | 0.95 | 0.97 | 0.22 | 0.19 |
| Diluted earnings per share (in €) | 0.95 | 0.97 | 0.22 | 0.19 |



ASSETS

5. Loans and advances to customers

| | <u>30.9.2009</u> | <u>31.12.2008</u> |
|---------------------------------|--------------------------|--------------------------|
| Individuals: | | |
| Mortgages: | | |
| - Non-Securitized | 8,439,256 | 8,461,267 |
| - Securitized | 2,714,082 | 2,715,262 |
| Consumer: | | |
| - Non-Securitized | 2,338,519 | 2,109,934 |
| - Securitized | 1,459,646 | 1,485,842 |
| Credit cards | 1,215,705 | 1,229,778 |
| Other | 56,149 | 96,770 |
| Total | <u>16,223,357</u> | <u>16,098,853</u> |
| Companies: | | |
| Corporate loans ⁽¹⁾ | | |
| - Non-Securitized | 23,050,515 | 26,615,726 |
| - Securitized | 3,110,268 | |
| Other receivables | <u>793,773</u> | <u>488,845</u> |
| | <u>43,177,913</u> | <u>43,203,424</u> |
| Less: | | |
| Allowance for impairment losses | (1,219,404) | (1,014,146) |
| Total | 41,958,509 | 42,189,278 |

The Bank has securitized corporate loans through a special purpose entity controlled by the Bank.

Allowance for impairment losses

| | |
|--|-------------------------|
| Balance 1.1.2008 | 609,161 |
| Changes for the period 1.1. - 30.9.2008 | |
| Foreign exchange differences | (2) |
| Impairment losses for the period ^(note 2) | 284,119 |
| Change in present value of impairment reserve | 33,206 |
| Loans written-off during the period | <u>(184,033)</u> |
| Balance 30.9.2008 | <u>742,451</u> |
| Changes for the period 1.10. - 31.12.2008 | |
| Foreign exchange differences | 20 |
| Impairment losses for the period | 264,543 |
| Change in present value of impairment reserve | 17,035 |
| Loans written-off during the period | <u>(9,903)</u> |
| Balance 31.12.2008 | <u>1,014,146</u> |
| Changes for the period 1.1. - 30.9.2009 | |
| Foreign exchange differences | (339) |
| Impairment losses for the period ^(note 2) | 405,245 |
| Change in present value of impairment reserve | 48,193 |
| Loans written-off during the period | <u>(247,841)</u> |
| Balance 30.9.2009 | <u>1,219,404</u> |

⁽¹⁾ In accordance with amendments to IAS 39, during the third quarter of 2008, the Bank reclassified securities of €16.8 million from the available for sale portfolio to the loans portfolio. These securities are not traded in an active market and the Bank has the intention to hold them in the foreseeable future. The above securities are included in corporate loans and are impaired by €13.4 million. Their carrying amount as at 30.9.2009 amounts to €3.3 million and their fair value to €2.5 million.



6. Investment securities

a. Available for sale

| | 30.9.2009 | 31.12.2008 |
|---------------------------------|------------------|-------------------|
| Government bonds | 72,465 | 239,757 |
| Other debt securities: | | |
| - Listed | 3,987,348 | 5,530,410 |
| - Non-listed | 37,030 | 195,062 |
| Shares: | | |
| - Listed | 44,263 | 37,920 |
| - Non-listed | 4,327 | 4,408 |
| Other variable yield securities | 37,655 | 26,340 |
| Total | 4,183,088 | 6,033,897 |

b. Held to maturity

| | 30.9.2009 | 31.12.2008 |
|------------------------|------------------|-------------------|
| Government bonds: | | |
| - Non-securitized | 2,689,806 | 1,805,579 |
| - Securitized | 59,281 | |
| Other debt securities: | | |
| - Non-securitized: | | |
| Listed | 1,320,268 | 2,558,601 |
| Non-listed | 16,190 | 124,529 |
| - Securitized: | | |
| Listed | 997,283 | |
| Non-listed | | |
| Total | 5,082,828 | 4,488,709 |

The increase in the held to maturity securities is due to the acquisition of Greek State bonds amounted to € 940 million, equal to the value of the preference shares issued in the name of the Greek State in accordance with the regulations of Law 3723/2008.

The Bank, during 2009, has securitized bonds through a special purpose entity controlled by the Bank.

**7. Investment property**

| | <u>Land and Buildings</u> |
|---|----------------------------------|
| Balance 1.1.2008 | |
| Cost | 49,219 |
| Accumulated depreciation | (6,849) |
| 1.1.2008 - 30.9.2008 | |
| Net book value 1.1.2008 | 42,370 |
| Additions | 299 |
| Reclassification to "Property, plant and equipment" | (274) |
| a) Cost | (425) |
| b) Accumulated depreciation | 151 |
| Depreciation charge for the period | (314) |
| Net book value 30.9.2008 | <u>42,081</u> |
| Balance 30.9.2008 | |
| Cost | 49,093 |
| Accumulated depreciation | (7,012) |
| 1.10.2008 - 31.12.2008 | |
| Net book value 1.10.2008 | 42,081 |
| Additions | 220 |
| Depreciation charge for the period | (106) |
| Net book value 31.12.2008 | <u>42,195</u> |
| Balance 31.12.2008 | |
| Cost | 49,313 |
| Accumulated depreciation | (7,118) |
| 1.1.2009 - 30.9.2009 | |
| Net book value 1.1.2009 | 42,195 |
| Additions | 1,120 |
| Reclassification from "Property, plant and equipment" | 5,555 |
| a) Cost | 6,340 |
| b) Accumulated depreciation | (785) |
| Depreciation charge for the period | (412) |
| Net book value 30.9.2009 | <u>48,458</u> |
| Balance 30.9.2009 | |
| Cost | 56,773 |
| Accumulated depreciation | (8,315) |

The reclassification of € 5,555, during the nine month period of 2009, from property, plant and equipment concerns a building that has been leased.



8. Property, plant and equipment

| | Land and Buildings | Leased equipment | Equipment | Total |
|--|-----------------------|---------------------|-----------|-----------|
| Balance 1.1.2008 | | | | |
| Cost | 732,256 | 1,142 | 289,715 | 1,023,113 |
| Accumulated depreciation | (180,246) | (1,062) | (237,974) | (419,282) |
| 1.1.2008 - 30.9.2008 | | | | |
| Net book value 1.1.2008 | 552,010 | 80 | 51,741 | 603,831 |
| Additions | 33,217 | | 21,086 | 54,303 |
| Foreign exchange differences | (52) | | (28) | (80) |
| a) Cost | (76) | | (64) | (140) |
| b) Accumulated depreciation | 24 | | 36 | 60 |
| Disposals | (29) | | (53) | (82) |
| a) Cost | (65) | | (1,157) | (1,222) |
| b) Accumulated depreciation | 36 | | 1,104 | 1,140 |
| Reclassification from «Investment property» | 272 | | | 272 |
| a) Cost | 424 | | | 424 |
| b) Accumulated depreciation | (152) | | | (152) |
| Reclassification | | (60) | 60 | |
| a) Cost | | (1,142) | 1,142 | |
| b) Accumulated depreciation | | 1,082 | (1,082) | |
| Depreciation charge for the period | (11,265) | (20) | (14,468) | (25,753) |
| Net book value 30.9.2008 | 574,153 | - | 58,338 | 632,491 |
| Balance 30.9.2008 | | | | |
| Cost | 765,756 | | 310,722 | 1,076,478 |
| Accumulated depreciation | (191,603) | | (252,384) | (443,987) |
| 1.10.2008 - 31.12.2008 | | | | |
| Net book value 1.10.2008 | 574,153 | | 58,338 | 632,491 |
| Additions | 16,460 | | 10,253 | 26,713 |
| Foreign exchange differences | 3 | | 5 | 8 |
| a) Cost | 3 | | 3 | 6 |
| b) Accumulated depreciation | | | 2 | 2 |
| Disposals | (191) | | (348) | (539) |
| a) Cost | (705) | | (2,125) | (2,830) |
| b) Accumulated depreciation | 514 | | 1,777 | 2,291 |
| Reclassification from "Investment property " | 9 | | | 9 |
| a) Cost | 9 | | | 9 |
| b) Accumulated depreciation | | | | |
| Reclassification | | | (10) | (10) |
| a) Cost | | | (10) | (10) |
| b) Accumulated depreciation | | | | |
| Depreciation charge for the period | (3,898) | | (5,322) | (9,220) |
| Net book value 31.12.2008 | 586,536 | - | 62,916 | 649,452 |
| Balance 31.12.2008 | | | | |
| Cost | 781,523 | | 318,843 | 1,100,366 |
| Accumulated depreciation | (194,987) | | (255,927) | (450,914) |
| 1.1.2009 - 30.9.2009 | | | | |
| Net book value 1.1.2009 | 586,536 | | 62,916 | 649,452 |
| Additions | 19,732 | | 7,935 | 27,667 |
| Foreign exchange differences | (584) | | (407) | (991) |
| a) Cost | (723) | | (626) | (1,349) |
| b) Accumulated depreciation | 139 | | 219 | 358 |
| Disposals | (949) | | (337) | (1,286) |
| a) Cost | (2,244) | | (3,758) | (6,002) |
| b) Accumulated depreciation | 1,295 | | 3,421 | 4,716 |
| Reclassification to «Investment property» | (5,555) | | | (5,555) |
| a) Cost | (6,340) | | | (6,340) |
| b) Accumulated depreciation | 785 | | | 785 |
| Depreciation charge for the period | (12,705) | | (15,204) | (27,909) |
| Net book value 30.9.2009 | 586,475 | - | 54,903 | 641,378 |
| Balance 30.9.2009 | | | | |
| Cost | 791,948 | | 322,394 | 1,114,342 |
| Accumulated depreciation | (205,473) | | (267,491) | (472,964) |

The value of owned land and buildings included in the above balances amounts to €510,210 as of 30.9.2009 (31.12.2008: € 514,276).

**9. Goodwill and other intangible assets**

| | Software | Banking rights | Other | Total |
|------------------------------------|-----------------|-----------------------|--------------|---------------|
| Balance 1.1.2008 | | | | |
| Cost | 156,449 | 1,785 | | 158,234 |
| Accumulated amortization | (102,368) | (30) | | (102,398) |
| 1.1.2008 - 30.9.2008 | | | | |
| Net book value 1.1.2008 | 54,081 | 1,755 | | 55,836 |
| Additions | 18,575 | | | 18,575 |
| Foreign exchange differences | (39) | | | (39) |
| a) Cost | (60) | | | (60) |
| b) Accumulated amortization | 21 | | | 21 |
| Amortization charge for the period | (16,174) | (267) | | (16,441) |
| Net book value 30.9.2008 | <u>56,443</u> | <u>1,488</u> | | <u>57,931</u> |
| Balance 30.9.2008 | | | | |
| Cost | 174,964 | 1,785 | | 176,749 |
| Accumulated amortization | (118,521) | (297) | | (118,818) |
| 1.10.2008 - 31.12.2008 | | | | |
| Net book value 1.10.2008 | 56,443 | 1,488 | | 57,931 |
| Additions | 16,597 | | | 16,597 |
| Foreign exchange differences | 26 | | | 26 |
| a) Cost | 39 | | | 39 |
| b) Accumulated amortization | (13) | | | (13) |
| Disposals | (73) | | | (73) |
| a) Cost | (178) | | | (178) |
| b) Accumulated amortization | 105 | | | 105 |
| Amortization charge for the period | (5,668) | (90) | | (5,758) |
| Net book value 31.12.2008 | <u>67,325</u> | <u>1,398</u> | | <u>68,723</u> |
| Balance 31.12.2008 | | | | |
| Cost | 191,422 | 1,785 | | 193,207 |
| Accumulated amortization | (124,097) | (387) | | (124,484) |
| 1.1.2009 - 30.9.2009 | | | | |
| Net book value 1.1.2009 | 67,325 | 1,398 | | 68,723 |
| Additions | 16,479 | | | 16,479 |
| Foreign exchange differences | (79) | | | (79) |
| a) Cost | (141) | | | (141) |
| b) Accumulated amortization | 62 | | | 62 |
| Reclassification | (60) | | 60 | |
| a) Cost | (69) | | 69 | |
| b) Accumulated amortization | 9 | | (9) | |
| Amortization charge for the period | (13,377) | (268) | (8) | (13,653) |
| Net book value 30.9.2009 | <u>70,288</u> | <u>1,130</u> | <u>52</u> | <u>71,470</u> |
| Balance 30.9.2009 | | | | |
| Cost | 207,691 | 1,785 | 69 | 209,545 |
| Accumulated amortization | (137,403) | (655) | (17) | (138,075) |



LIABILITIES

10. Due to banks

| | 30.9.2009 | 31.12.2008 |
|--|-------------------|-------------------|
| Deposits: | | |
| - Current accounts | 57,002 | 400,433 |
| - Term deposits: | | |
| ▪ European Central Bank | 9,024,500 | 5,183,611 |
| ▪ Other credit institutions | 3,253,240 | 3,285,691 |
| Sale and repurchase agreements (Repos) | 642,645 | 1,063,730 |
| Borrowing funds | 1,037,626 | 950,504 |
| Total | 14,015,013 | 10,883,969 |

11. Debt securities in issue and other borrowed funds

a. Short term

i. Securities (ECP)

| | |
|---|----------------|
| Balance 1.1.2009 | 248,372 |
| Changes for the period 1.1 – 30.9.2009 | |
| New issues | 955,463 |
| Maturities/Redemptions | (1,075,633) |
| Accrued interest | 218 |
| Foreign exchange differences | (130) |
| Balance 30.9.2009 | 128,290 |

The new issues in Euro pay an average spread of 15 to 40 basis points over Euribor of the respective period.

ii. Issues guaranteed by the Greek State (Law 3723/2008)

| | |
|---|------------------|
| Balance 1.1.2009 | |
| Changes for the period 1.1 – 30.9.2009 | |
| New issues | 992,750 |
| Accrued interest | 15,255 |
| Balance 30.9.2009 | 1,008,005 |

According to article 2 of the Law 3723/2008 for the enhancement of the economy's liquidity, the Bank issued the following securities, guaranteed by the Greek State:

- On 12.2.2009, senior debt amounting to €500 million, with a nine month duration, bearing an interest rate of 2.85%.
- On 29.4.2009, senior debt amounting to €1 billion, with a three year duration, bearing an interest rate of three month Euribor plus a spread of 200 basis points, which is held by the Bank and is not presented in the «Debt securities in issue and other borrowed funds».
- On 4.6.2009, senior debt amounting to €500 million, with a six month duration, bearing an interest rate of three month Euribor plus a spread of 25 basis points.

b. Long term

i. Senior debt securities

| | |
|---|-------------------|
| Balance 1.1.2009 | 15,097,042 |
| Changes for the period 1.1 – 30.9.2009 | |
| New issues | 2,323,768 |
| Maturities/Redemptions | (7,827,895) |
| Fair value change due to hedging | 8,281 |
| Accrued interest | (47,529) |
| Foreign exchange differences | (4,428) |
| Balance 30.9.2009 | 9,549,239 |

The following securities are included in the new issues:

- Nominal value of €750 million maturing on 17.9.2012, bearing a fixed interest rate of 3.875%.



- Nominal value of €500 million maturing on 9.6.2011, bearing a fixed interest rate of 4.625%.
- Nominal value of €500 million maturing on 18.9.2014, bearing a floating interest rate of three month Euribor plus a spread of 70 basis points, with an issuer call option exercisable on interest payment dates starting from 18.9.2011.
- Nominal value of €250 million maturing on 12.2.2013, bearing a fixed semi annual interest rate of 4.4%.
- Two issues of €100 million nominal value each, maturing on 13.12.2010 and 14.6.2011 respectively, bearing a fixed three month interest rate of 2.5% which gradually increases by 50 basis points on a semi-annual basis.
- Nominal value of €100 million, maturing on 15.3.2011, bearing a fixed three month interest rate of 2.5%, with an issuer call option exercisable on interest payment dates starting from 15.3.2010.

ii. Subordinated debt

| | |
|---|------------------|
| Balance 1.1.2009 | 1,128,292 |
| Changes for the period 1.1 – 30.9.2009 | |
| Maturities/Redemptions | (200,000) |
| Fair value change due to hedging | (2,026) |
| Accrued interest | (7,492) |
| Foreign exchange differences | (9,035) |
| Balance 30.9.2009 | 909,739 |

On 23.1.2009, 5 years after issuance, the Bank redeemed 10 year subordinated debt amounting to € 200 million.

iii. Hybrid securities

| | |
|---|-------------------|
| Balance 1.1.2009 | 921,940 |
| Changes for the period 1.1 – 30.9.2009 | |
| Accrued interest | (9,843) |
| Balance 30.9.2009 | 912,097 |
| Total of debt securities in issue and other borrowed funds | 12,507,370 |

The liability of € 8 billion from the securitization of bonds, mortgage, consumer and corporate loans is not presented in «Debt securities in issue and other borrowed funds» since these securities, issued by special purpose entities, are held by the Bank.

The aforementioned amount includes bonds issued within the nine month period of 2009 through the special purpose entities Talanto Plc, covered by bond portfolio and Epihiro Plc, covered by corporate loans.

Part of bonds have been rated by the credit agency Moody's with A1 and Aaa and have been accepted as collateral by the Bank of Greece.

12. Provisions

| | |
|---|---------------|
| Balance 1.1.2008 | 47,796 |
| Changes for the period 1.1 - 30.9.2008 | |
| Reversal of provisions to cover credit risk relating to off-balance sheet items | (38,229) |
| Other provisions charged to profit and loss | 2,056 |
| Provisions used during the period | (443) |
| Balance 30.9.2008 | 11,180 |
| Changes for the period 1.10 - 31.12.2008 | |
| Reversal of provisions to cover credit risk relating to off-balance sheet items | (3,500) |
| Other provisions charged to profit and loss | 735 |
| Balance 31.12.2008 | 8,415 |
| Changes for the period 1.1 - 30.9.2009 | |
| Reversal of provisions to cover credit risk relating to off-balance sheet items | (4,200) |
| Other provisions charged to profit and loss | 1,961 |
| Provisions used during the period | (16) |
| Balance 30.9.2009 | 6,160 |

The amount of other provisions charged to profit and loss account is included in "Other expenses" of the income statement.



EQUITY

13. Share capital, Retained earnings and Treasury shares

a) Share capital

In the context of Law 3723/2008 relating to the enhancement of economy's liquidity, the Extraordinary General Meeting of the Shareholders of the Bank, held on 12.1.2009, approved:

- A share capital increase of € 940 million in accordance with the requirements of the above law, with cancellation of preemptive rights of existing shareholders and the issuance of 200,000,000 new preference, registered, non-voting, paper and redeemable shares with a nominal and price offering of € 4.70.
- The authorization to the Board of Directors to specify the terms of issuance of the preference shares.
- The amendment of Article 5 of the Bank's Articles of Incorporation pertaining to the share capital increase and the adaptation of the Articles of Incorporation to the terms of Law 3723/2008.

In implementation of the above decision of the Bank's Extraordinary General Meeting of Shareholders, and pursuant to decisions 2/24004/0025/31.3.2009 and 2/35006/0023A/14.5.2009 of the Minister of Economy and Finance, a subscription agreement was concluded between the Bank and the Greek State on 14.5.2009. On 21.5.2009, the amount of the capital increase was fully subscribed by the Greek State following the transfer from the latter to the Bank of Greek Government bonds with nominal value of € 940 million, a 5 year duration, bearing a floating rate of interest. Furthermore, the Board of Directors of the Bank issued a multiple title deed for the total number of preference shares (200,000,000 shares), in the name of the Greek State, with the following main characteristics:

- They provide the right to a fixed return equal to 10% on the nominal value of each share, in priority to the common shareholders, regardless of distributions to the common shareholders. This right of distribution is non-cumulative and subject to the availability of distributable funds and the approval of the General Meeting of the common shareholders of the Bank.
- In the event of liquidation, the preference shares have priority on the proceeds of the liquidation over the Bank's common shareholders.
- The Bank has the right to redeem the preference shares, either partially or in full, after 1.7.2009, at their offer price, in exchange for cash or Greek Government Bonds of equal value, subject to the prior approval of the Bank of Greece.
- If, within five years from their issuance, the preference shares have not been redeemed due to inability of the Bank to meet the regulatory capital requirements of the Bank of Greece, they are converted into common shares subject to the submission of a restructuring plan which will be proposed by the Governor of the Bank of Greece and will be approved by the Minister of Economy and Finance.

The Ministry of Economy and Finance, through a letter to the Bank of Greece (Protocol Number 39389/B2038/7.8.2009) indicated that the legislator's main objective for the funds provided was the support of the capital adequacy of the Greek banks and not the provision of medium term funding.

In that context, and with an ultimate purpose that the capital provided will have equity characteristics for accounting purposes, the Greek State through the above letter expressed its intention to proceed to the necessary legislative amendments, in line with the relevant guidelines set by the European Union, in order to impose a coupon step up feature if after five years following the issuance of the preference shares the credit institutions have not redeemed the preference shares or if the preference shares have not been converted into ordinary shares through a decision from the Minister of Economy and Finance.

Taking into account the aforementioned characteristics of the preference shares and the aim of the Ministry of Economy and Finance as stated in the above letter, the Bank has recognized the preference shares as part of its equity and the related accrued dividend as of 30.9.2009 amounts to € 34.7 million before tax.

Pursuant to the above, the share capital of the Bank amounts to Euro 2,871,590,264.40 divided into 610,976,652 shares, of which 410,976,652 common, registered, voting, dematerialized shares and 200,000,000 preference, registered, nonvoting, paper and redeemable shares, both of nominal value € 4.70 per share.



The Bank's Ordinary General Meeting of Shareholders held on 23.6.2009, approved and ratified the resolution by the Extraordinary General Meeting of Shareholders convened on 12.1.2009, regarding the increase of the share capital and the modification of the Bank's Articles of Incorporation and was informed of, and accepted, the report by the appointed committee for the evaluation of the bonds contributed and issued by the Greek State for the participation in the share capital increase approved by the Extraordinary General Meeting of Shareholders of 12.1.2009.

b) Retained earnings

According to paragraph 3 of article 1 of Law 3723/2008 referring to the enhancement of economy's liquidity, dividend distribution to the shareholders of credit institutions, participating in the above program, can not exceed 35% as stated in Law 148/1967.

The 20708/B.1175/23.4.2009 decision of Minister of Economy and Finance clarified that in the case of existence of distributable profits, the distribution of dividends is limited from zero up to a maximum of 35% of profits. Additionally for the fiscal year 2008 and according to article 28 of Law 3576/2009, dividends may only be distributed in the form of shares and not in cash.

Following the above, the General Meeting of Shareholders held on 23.6.2009 has decided not to distribute dividends for fiscal year 2008.

c) Treasury shares

The Bank, pursuant to the decisions of General Meeting of Shareholders held on 3.4.2008, purchased, during the period from 1.1. - 16.2.2009, 457,601 treasury shares at a cost of €2,665 (€5.83 per share).

On 31.8.2009, the Bank completed the sale of 6,140,959 treasury shares the cost of which amounted to €71,650, through a private placement, which represented 1.49% of its issued common voting shares. The result of the above mentioned transaction has been recognized directly to Retained earnings account of equity.

The number of treasury shares and the cost are analyzed as follows:

| | Number of shares | Cost | Percentage |
|---------------------------|---------------------|----------|------------|
| Balance 31.12.2008 | 5,683,358 | 68,985 | 1.38% |
| Purchases 1.1 - 16.2.2009 | 457,601 | 2,665 | 0.11% |
| Sale 31.8.2009 | (6,140,959) | (71,650) | (1.49)% |
| Balance 30.9.2009 | - | - | - |

It is noted that in accordance with article 28 of Law 3756/31.3.2009, credit institutions, participating in the enhancement of the Greek economy's liquidity program (Law 3723/2008), are not allowed to purchase treasury shares during their participation in the program.



ADDITIONAL INFORMATION

14. Contingent liabilities and commitments

a) Legal issues

The Bank, in the ordinary course of business, is a defendant in claims from customers and other legal proceedings. No provision has been recorded because after consultation with legal department, the ultimate disposition of these matters is not expected to have a material effect on the financial position or operations of the Bank.

b) Tax issues

The Bank's books and records have been audited by the tax authorities up to and including the year ended 31 December 2005. Tax audit is in progress for fiscal years 2006 and 2007.

The Bank's branches in Albania and in Bulgaria have been audited by the tax authorities for the years up to and including 2007, while the London branch has been audited for all years up to and including 2005.

Additional tax and penalties may be imposed for the unaudited years.

c) Operating leases

► Bank as a lessee

The Bank has various obligations with respect to leases of buildings which are used as branches or for administrative purposes.

The duration of the lease agreements is initially for 12 years with a renewal option or extension. In accordance with the lease agreements the rent is subject to annual indexation adjustment, usually according to official annual inflation rate.

The policy of the Bank is to renew these contracts.

The minimum future lease payments are:

| | 30.9.2009 | 31.12.2008 |
|------------------------------|------------------|-------------------|
| ► Less than one year | 39,572 | 28,498 |
| ► Between one and five years | 119,551 | 88,492 |
| ► More than five years | 116,562 | 78,732 |
| Total | 275,685 | 195,722 |

The total lease expense for the nine month period of 2009 relating to rental of buildings amounts to €29,587 (nine month period of 2008: €25,424) and are included in "General and administrative expenses".

► Bank as a lessor

The Bank's receivables from leases relate to buildings leased either to group companies or third parties.

The minimum future revenues are:

| | 30.9.2009 | 31.12.2008 |
|------------------------------|------------------|-------------------|
| ► Less than one year | 3,752 | 3,788 |
| ► Between one and five years | 8,170 | 8,767 |
| ► More than five years | 5,306 | 6,054 |
| Total | 17,228 | 18,609 |

The lease revenues for the nine month period of 2009 amount to €2,904 (nine month period of 2008: €2,928) and are included in "Other income".

**d) Off balance sheet liabilities**

The Bank, pursuant to its normal operations, is binded by contractual commitments that in the future may result to changes in its asset structure. These commitments are monitored in off balance sheet accounts. The contractual commitments, that the Bank has undertaken, relate to letters of guarantee, letters of credit, undrawn credit facilities, and guarantees relating to bonds issued by subsidiaries of the Bank.

Letters of credit are used to facilitate trading activities and relate to the financing of contractual agreements for the transfer of goods domestically or abroad, by undertaking the direct payment of the third party bind by the agreement on behalf of the Bank's client. Letters of credit, as well as letters of guarantee, are commitments under specific terms and are issued by the Bank for the purpose of ensuring that its clients will fulfill the terms of their contractual obligations.

Undrawn credit facilities are loan agreements that may not be fulfilled immediately or may be partially fulfilled. The amount presented in the table below represents part of the agreed loan agreements and credit limits which remain unused.

The Bank's off balance sheet items are summarized below:

| | 30.9.2009 | 31.12.2008 |
|---|-------------------|-------------------|
| Letters of guarantee | 6,233,870 | 6,253,944 |
| Letters of credit | 60,197 | 104,567 |
| Undrawn loan agreements and credit limits | 15,529,592 | 16,912,309 |
| Guarantees relating to bonds issued by subsidiaries of the Bank | 13,461,773 | 17,328,137 |
| Total | 35,285,432 | 40,598,957 |

e) Assets pledged

| | 30.9.2009 | 31.12.2008 |
|-------------------------------|-------------------|-------------------|
| Loans to customers | 4,099,152 | 964,490 |
| Securities from Reverse Repos | 1,625,000 | 400,000 |
| Securities held for trading | - | 60,964 |
| Investment securities | 11,199,570 | 5,632,896 |
| Total | 16,923,722 | 7,058,350 |

- From loans to customers:
 - i. An amount of € 1,870 million has been pledged as collateral to the Bank of Greece in accordance with the Monetary Policy Council Act No 54/27.2.2004 as in force, and following its amendment by Monetary Policy Council Act 61/6.12.2006. With this act the Bank of Greece accepts as collateral for monetary policy purposes and intraday credit non marketable assets, which should meet the terms and conditions of the above act.
 - ii. An amount of € 2,229.2 million has been granted as collateral to the Greek State in order for the Bank to receive securities issued by the Greek State in accordance with Law 3723/2008.
- From the investment securities portfolio an amount of € 5.5 billion derives from the securitization of bonds, mortgage, consumer and corporate loans. The above securities and other securities held by the Bank are not presented in "Investment Securities" but are presented net of the securities issued by special purpose entities.
- All the above mentioned securities, derived from reverse repos and investment securities, are pledged as collateral to Bank of Greece for the participation in the Intra-Europe clearing of payments system on an ongoing time (TARGET) and in the European Central Bank's main refinancing operations.

f) Other pledges:

- On 7 May 2008 the Bank completed a new Medium Term Notes Program amounting to USD 7.5 billion, according to Rule 144A of the American Law, which will be offered to institutional investors. The issuer will be Alpha Group Jersey Limited, a wholly owned subsidiary of the Bank. The Notes will be guaranteed by the Bank and will be traded in Luxembourg's stock exchange. The program is not yet active.
- In accordance with article 3 of Law 3723/2008, securities amounting to €1,138 million, issued by the Greek State, have been offered to the Bank through a bilateral agreement. These securities have been pledged to the European Central Bank to enhance the Bank's liquidity.



15. Operating segment

(Amounts in millions of euro)

| | 1.1. - 30.9.2009 | | | | | | |
|---------------------------------|------------------|----------------|-------------------|-----------------------------|------------------------------|----------------------|---------------|
| | Total | Retail | Corporate Banking | Asset Management/ Insurance | Investment Banking/ Treasury | South-Eastern Europe | Other |
| Net interest income | 1,000.2 | 581.6 | 285.5 | 1.8 | 98.7 | 32.6 | |
| Net fee and commission income | 214.8 | 122.8 | 58.3 | 17.9 | 9.3 | 6.5 | |
| Other income | 311.5 | 4.4 | 7.7 | 0.6 | 116.0 | 1.4 | 181.4 |
| Total income | 1,526.5 | 708.8 | 351.5 | 20.3 | 224.0 | 40.5 | 181.4 |
| Total expenses | (630.3) | (442.3) | (88.9) | (13.8) | (16.7) | (38.8) | (29.8) |
| Impairment losses | (390.5) | (200.7) | (164.6) | | | (25.2) | |
| Profit before income tax | 505.7 | 65.8 | 98.0 | 6.5 | 207.3 | (23.5) | 151.6 |
| Income tax | (84.1) | | | | | | |
| Profit after income tax | 421.6 | | | | | | |

(Amounts in millions of euro)

| | 1.1. - 30.9.2008 | | | | | | |
|---------------------------------|------------------|----------------|-------------------|-----------------------------|------------------------------|----------------------|---------------|
| | Total | Retail | Corporate Banking | Asset Management/ Insurance | Investment Banking/ Treasury | South-Eastern Europe | Other |
| Net interest income | 1,028.4 | 761.5 | 208.0 | 1.7 | 28.3 | 28.9 | |
| Net fee and commission income | 233.4 | 121.2 | 63.2 | 29.9 | 13.2 | 5.9 | |
| Other income | 77.5 | 8.6 | 7.9 | 0.8 | (12.2) | 2.6 | 69.8 |
| Total income | 1,339.3 | 891.3 | 279.1 | 32.4 | 29.3 | 37.4 | 69.8 |
| Total expenses | (608.4) | (430.5) | (81.7) | (16.9) | (15.1) | (32.1) | (32.1) |
| Impairment losses | (233.7) | (154.6) | (68.9) | | | (10.2) | |
| Profit before income tax | 497.2 | 306.2 | 128.5 | 15.5 | 14.2 | (4.9) | 37.7 |
| Income tax | (104.8) | | | | | | |
| Profit after income tax | 392.4 | | | | | | |

i. Retail

Includes all individuals (retail banking customers), professionals, small and very small companies.

The Bank offers through its extended branch network, all types of deposit products (deposits/ savings accounts, working capital/ current accounts, investment facilities/ term deposits, Repos, Swaps), loan facilities (mortgages, consumer, corporate loans, letters of guarantee) and debit and credit cards to the above customers.

ii. Corporate Banking

Includes all medium-sized and large companies, corporations with international activities, corporations managed by the Corporate Banking Division and shipping corporations.

The Bank offers working capital facilities, corporate loans, and letters of guarantee.

iii. Asset Management / Insurance

Consists of a wide range of asset management services through Bank's private banking units. In addition it offers a wide range of insurance products to individuals and companies.

iv. Investment Banking / Treasury

Includes stock exchange, advisory and brokerage services relating to capital markets, and also investment banking facilities, offered by the Bank. It also includes the activities of the Dealing Room in the interbank market (FX Swaps, Bonds, Futures, IRS, Interbank placements – Loans etc.).



v. South-Eastern Europe

Consists of the Bank's branches operating in South Eastern Europe.

vi. Other

This segment consists of the Bank's administration section.

16. Capital adequacy

The Bank's capital adequacy is monitored by the Bank of Greece to which the Bank reports on a quarterly basis.

The minimum capital adequacy ratios (Tier I and capital adequacy ratio) which the Bank must adhere to are established by decisions of the Governor of the Bank of Greece.

The calculation of capital adequacy from 1 January 2008 is determined under the new regulatory framework (Basel II), which has been transposed into Greek law by Law 3601/2007. The new regulatory framework significantly amends the measurement of credit risk and introduces capital requirements for operational risk. There are no significant changes in the measurement of market risk. Specifically, credit risk of the investment portfolio and operational risk are measured based on the Standardized Approach.

The capital adequacy ratio is determined by comparing the Bank's regulatory own funds with the risks that the Bank undertakes (risk weighted assets). Own funds include Tier I capital (share capital, reserves), additional Tier I capital (hybrid securities) and Tier II capital (subordinated debt and fixed asset revaluation reserves). The risk-weighted assets arise from the credit risk of the investment portfolio, the market risk of the trading portfolio and the operational risk.

The current capital ratios (Tier I ratio and capital adequacy ratio) are much higher than the regulatory limits set by the Bank of Greece directive (4% and 8%, respectively) and the capital base is capable to support the business growth of the Bank in all areas for the next years.

| | 30.9.2009 (estimate) | 31.12.2008 |
|--|--------------------------------|-------------------|
| Tier I ratio | 9.7% | 7.4% |
| Capital adequacy ratio (Tier I + Tier II) | 11.2% | 9.3% |

17. Related-party transactions

The Bank enters into a number of transactions with related parties in the normal course of business. These transactions are performed at arms length and are approved by relevant Bank committees.

a. The outstanding balances of the transactions with members of the Board of Directors, their close family members and the entities controlled by them are as follows:

| | 30.9.2009 | 31.12.2008 |
|---------------------------------------|--------------------------|-------------------|
| Assets | | |
| Loans and advances to customers | 164,378 | 166,137 |
| Liabilities | | |
| Due to customers | 92,302 | 71,915 |
| Letters of guarantee | 18,148 | 21,392 |
| | From 1 January to | 30.9.2008 |
| | 30.9.2009 | 30.9.2008 |
| Income | | |
| Interest and similar income | 5,118 | 7,664 |
| Fee and commission income | 104 | |
| Total | 5,222 | 7,664 |
| Expenses | | |
| Interest expenses and similar charges | 2,535 | 1,713 |

b. The outstanding balances with subsidiaries and associates and the related results of these transactions are as follows:

I. Subsidiaries

| | 30.9.2009 | 31.12.2008 |
|---|-------------------|-------------------|
| Assets | | |
| Due from banks | 6,250,778 | 5,803,055 |
| Securities held for trading | 1,835 | 12,486 |
| Derivative financial assets | 1,208 | 10,330 |
| Loans and advances to customers | 1,718,280 | 1,933,878 |
| Available for sale securities | 2,530,993 | 5,555,443 |
| Other assets | 745 | 511 |
| Total | 10,503,839 | 13,315,703 |
| Liabilities | | |
| Due to banks | 2,179,229 | 2,183,803 |
| Due to customers | 107,070 | 132,323 |
| Derivative financial liabilities | 2,809 | 778 |
| Debt securities in issue and other borrowed funds | 11,499,365 | 17,395,646 |
| Other liabilities | 2,798 | 2,260 |
| Total | 13,791,271 | 19,714,810 |
| Letters of guarantee and other guarantees | 986,290 | 1,010,387 |

| | From 1 January to | |
|--------------------------------------|--------------------------|------------------|
| | 30.9.2009 | 30.9.2008 |
| Income | | |
| Interest and similar income | 168,943 | 372,181 |
| Dividend income | 103,554 | 58,508 |
| Fee and commission income | 17,986 | 30,192 |
| Other income | 1,977 | 1,905 |
| Total | 292,460 | 462,786 |
| Expenses | | |
| Interest expense and similar charges | 292,467 | 827,964 |
| Commission expense | 1,330 | 714 |
| General administrative expenses | 8,684 | 9,531 |
| Total | 302,481 | 838,209 |

II. Associates

| | 30.9.2009 | 31.12.2008 |
|---------------------------------|------------------|-------------------|
| Assets | | |
| Loans and advances to customers | 129 | |
| Liabilities | | |
| Due to customers | 2,386 | 406 |

| | From 1 January to | |
|---------------------------------------|--------------------------|------------------|
| | 30.9.2009 | 30.9.2008 |
| Income | | |
| Interest and similar income | 8 | 15 |
| Dividend income | 18 | 11 |
| Total | 26 | 26 |
| Expenses | | |
| Interest expenses and similar charges | 36 | |
| Total | 36 | - |

c. The Board of Directors and Executive General Managers' fees recorded in the income statement for the nine month period of 2009 amounted to € 2,884 (nine month period of 2008: € 3,429).

**18. Investments in subsidiaries, associates and joint ventures**

| | 1.1. - 30.9.2009 | 1.10. - 31.12.2008 | 1.1. - 30.9.2008 |
|---|------------------|--------------------|------------------|
| Subsidiaries | | | |
| Opening balance | 1,740,117 | 1,811,551 | 1,625,309 |
| Additions ⁽¹⁾ | 26,581 | 36,282 | 194,832 |
| Disposals | | (115,993) | (74) |
| Valuation of investments due to fair value hedge ⁽²⁾ | (2,794) | 8,277 | (8,516) |
| Closing balance | 1,763,904 | 1,740,117 | 1,811,551 |
| Associates | | | |
| Opening balance | 74 | 74 | 74 |
| Additions | | | |
| Disposals | | | |
| Closing balance | 74 | 74 | 74 |
| Joint ventures | | | |
| Opening balance | 10,711 | 3,879 | 717 |
| Additions ⁽³⁾ | 8,360 | 6,832 | 3,176 |
| Disposals | | | (14) |
| Closing balance | 19,071 | 10,711 | 3,879 |
| Total | 1,783,049 | 1,750,902 | 1,815,504 |

Additions represent: share purchases, participation in share capital increases and acquisitions of shares from mergers.

Disposals represent: sales of shares, return of capital and proceeds arising from the liquidation of companies.

On 28.8.2009 the Boards of Directors of the subsidiaries of the Bank Alpha Asset Management A.E.D.A.K. and Alpha Private Investment Services A.E.P.E.Y. decided the merger through the absorption of the second by the first. On 21.9.2009 the plan merger agreement was signed and was listed in each counterparty's society anonyme on 13.10.2009. The terms of the merger agreement will come into effect on the presumption of the acquisition of the licenses and authorizations, as specified in the corresponding legislation, and the adherence to rest requirements.

⁽¹⁾ The amount of € 26,581 includes the Bank's participation in the share capital increases of its subsidiaries:

- € 4,090 in Ionian Equity Participations Ltd

- € 14,000 in ABC Factors AE

and the purchase of an additional 3.68% in Astra Bank OJSC amounting to € 8,491.

⁽²⁾ The Bank uses FX SWAPS and money market loan to hedge the foreign exchange risk of its investments in Alpha Bank London Ltd and Alpha Finance US Corporation.

⁽³⁾ The amount of € 8,360 concerns the Bank's proportionate participation in the share capital increase of APE Investment Property A.E. .



19. Events after the balance sheet date

a. The Board of Directors of the Bank, in its meeting held on 19.10.2009, decided a share capital increase of €986 million in order to repay €940 million outstanding preference shares issued in favour of the Hellenic Republic.

Based on the terms of the share capital increase, the existing common shareholders are offered 3 new shares for every 10 existing common shares, at an issue price of €8.00 per share. Upon full subscription of the new shares, the share capital of the Bank will amount to €3,451.1 million divided into 534.3 million common, registered, voting, dematerialized, and 200 million preference, registered, non-voting, paper and redeemable shares, both of nominal value €4.70 per share.

The rights issue is fully underwritten by a syndicate of international investment banks.

b. The Bank in October 2009 proceeded to the restructuring of its organizational model, in order to adapt to changes in the economic environment and be better positioned to pursue opportunities.

The new organizational structure will not bring changes in the way current operating segments of the Bank are presented.

Athens, November 9, 2009

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

THE MANAGING DIRECTOR

THE EXECUTIVE DIRECTOR

THE ACCOUNTING
AND TAX MANAGER

YANNIS S. COSTOPOULOS
I.D. No. X 661480

DEMETRIOS P. MANTZOUNIS
I.D. No. I 166670

MARINOS S. YANNOPOULOS
I.D. No. AH 064139

GEORGE N. KONTOS
I.D. No. AB 522299