



PIRAEUS BANK S.A.

**Interim Condensed Financial
Information**

30 September 2009

**According to the International
Financial Reporting Standards**

The attached interim condensed financial information has been approved by the Piraeus Bank S.A. Board of Directors on November 19th, 2009 and it is available on the web site of Piraeus Bank at www.piraeusbank.gr

This financial information has been translated from the original interim financial information that has been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial information, the Greek language financial information will prevail over this document.

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INTERIM INCOME STATEMENT

| | Note | Period from 1 January to | | Period from 1 July to | |
|---|------|--------------------------|-------------------|-----------------------|-------------------|
| | | 30 September 2009 | 30 September 2008 | 30 September 2009 | 30 September 2008 |
| Interest and similar income | | 1,689,788 | 2,301,079 | 496,992 | 823,164 |
| Interest expense and similar charges | | (1,118,606) | (1,710,241) | (297,939) | (629,003) |
| NET INTEREST INCOME | | 571,182 | 590,838 | 199,053 | 194,161 |
| Fee and commission income | | 95,294 | 108,502 | 29,217 | 38,945 |
| Fee and commission expense | | (32,635) | (32,852) | (14,036) | (11,633) |
| NET FEE AND COMMISSION INCOME | | 62,659 | 75,651 | 15,180 | 27,313 |
| Dividend income | | 40,212 | 40,062 | 2,320 | 113 |
| Net trading income | 6 | 65,335 | (13,245) | 37,837 | (14,382) |
| Net income from financial instruments designated at fair value through profit or loss | | (1,726) | 4,513 | 79 | 16,888 |
| Gains/ (Losses) from investment securities | | (1,923) | 19,727 | (1,962) | 2,171 |
| Other operating income | | 28,294 | 42,421 | 20,337 | 23,535 |
| TOTAL NET INCOME | | 764,033 | 759,967 | 272,845 | 249,799 |
| Staff costs | | (180,633) | (186,291) | (59,479) | (60,207) |
| Administrative expenses | | (174,508) | (166,366) | (64,053) | (60,475) |
| Depreciation and amortisation | | (27,898) | (28,325) | (9,398) | (7,429) |
| Gains/ (Losses) from sale of assets | | 220 | 631 | 136 | 315 |
| Impairment losses on loans and receivables | 10 | (176,847) | (81,495) | (71,614) | (32,809) |
| TOTAL OPERATING EXPENSES | | (559,666) | (461,845) | (204,409) | (160,605) |
| PROFIT BEFORE INCOME TAX | | 204,367 | 298,121 | 68,436 | 89,193 |
| Income tax expense | 7 | (29,498) | (44,316) | (10,076) | (13,641) |
| PROFIT FOR THE PERIOD AFTER TAX | | 174,869 | 253,806 | 58,359 | 75,553 |
| Earnings per share (in euros): | | | | | |
| - Basic | 8 | 0.4901 | 0.7650 | 0.1454 | 0.2286 |
| - Diluted | 8 | 0.4901 | 0.7635 | 0.1454 | 0.2284 |

INTERIM STATEMENT OF FINANCIAL POSITION

| | Note | 30 September 2009 | 31 December 2008 |
|--|------|-------------------|-------------------|
| ASSETS | | | |
| Cash and balances with Central Banks | | 737,206 | 2,486,574 |
| Loans and advances to credit institutions | | 4,110,665 | 4,636,273 |
| Derivative financial instruments - assets | | 196,842 | 356,820 |
| Trading securities | 11 | 1,710,211 | 1,166,899 |
| Financial instruments at fair value through profit or loss | | 29,820 | 84,984 |
| Loans and advances to customers (net of provisions) | 10 | 31,235,473 | 33,482,619 |
| Investment securities | | | |
| -Available for sale securities | | 1,200,954 | 792,700 |
| -Held to maturity | | 3,321,732 | 3,263,095 |
| Debt securities - receivables | | 901,677 | 527,699 |
| Investments in subsidiaries | | 1,948,633 | 1,815,390 |
| Investments in associated undertakings | | 184,945 | 181,497 |
| Intangible fixed assets | | 61,725 | 37,794 |
| Property, plant and equipment | | 316,366 | 317,266 |
| Investment property | | 85,397 | 42,676 |
| Assets held for sale | | 84,144 | - |
| Deferred tax assets | | 201,646 | 216,939 |
| Inventories - property | | 85,180 | 72,577 |
| Other assets | | 817,683 | 731,196 |
| TOTAL ASSETS | | 47,230,300 | 50,212,997 |
| LIABILITIES | | | |
| Due to credit institutions | | 11,708,065 | 14,445,532 |
| Derivative financial instruments - liabilities | | 191,131 | 360,907 |
| Due to customers | 15 | 26,040,234 | 24,109,587 |
| Debt securities in issue | 16 | 4,873,701 | 6,778,951 |
| Hybrid capital and other borrowed funds | 17 | 536,735 | 963,745 |
| Retirement benefit obligations | | 178,925 | 173,222 |
| Other provisions | | 10,665 | 10,665 |
| Current income tax liabilities | | 13,658 | 62,848 |
| Deferred tax liabilities | | 69,497 | 50,187 |
| Other liabilities | | 275,606 | 633,526 |
| TOTAL LIABILITIES | | 43,898,216 | 47,589,170 |
| EQUITY | | | |
| Ordinary Shares | 19 | 1,604,020 | 1,571,923 |
| Preference Shares | 19 | 370,000 | - |
| Share premium | 19 | 927,739 | 927,775 |
| Less: Treasury shares | 19 | - | (167,319) |
| Other reserves | 20 | (18,400) | (91,573) |
| Retained earnings | 20 | 448,725 | 383,022 |
| TOTAL EQUITY | | 3,332,083 | 2,623,827 |
| TOTAL LIABILITIES AND EQUITY | | 47,230,300 | 50,212,997 |

INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME

| | Note | Period from 1 January to | | Period from 1 July to | |
|--|------|--------------------------|-------------------|-----------------------|-------------------|
| | | 30 September 2009 | 30 September 2008 | 30 September 2009 | 30 September 2008 |
| PROFIT AFTER TAX FOR THE PERIOD (A) | | 174,869 | 253,806 | 58,359 | 75,553 |
| Other comprehensive income | | | | | |
| Net change in available for sale investments, net of tax | 9 | 73,172 | (104,636) | 31,151 | (37,742) |
| Expenses on issuance of preference shares | 9 | (4,110) | - | - | - |
| Other comprehensive income for the period, net of tax (B) | 9 | 69,062 | (104,636) | 31,151 | (37,742) |
| Total comprehensive income for the period, net of tax (A+B) | | 243,932 | 149,170 | 89,510 | 37,811 |

INTERIM STATEMENT OF CHANGES IN EQUITY

| | Note | Share Capital | Share Premium | Treasury shares | Other reserves | Retained earnings | TOTAL |
|--|------|------------------|------------------|------------------|------------------|-------------------|------------------|
| Opening balance as at 1st January 2008 | | 1,617,977 | 1,099,903 | (250,860) | 71,208 | 406,057 | 2,944,285 |
| Other comprehensive income for the period, net of tax | 9 | | | | (104,636) | | (104,636) |
| Profit after tax for the period 1/1/2008 - 30/9/2008 | 20 | | | | | 253,806 | 253,806 |
| Total recognised income for the period 1/1/2008 - 30/9/2008 | | 0 | 0 | 0 | (104,636) | 253,806 | 149,170 |
| Prior year dividends | 20 | | | | | (118,122) | (118,122) |
| Issue of share capital by reinvestment of dividend | 19 | 3,589 | 12,398 | | | | 15,987 |
| Cancellation of treasury shares | 19 | (49,644) | (184,526) | 234,170 | | | 0 |
| Purchases of treasury shares | 19 | | | (110,291) | | | (110,291) |
| Other movements | | | | | 2,492 | 145 | 2,637 |
| Balance as at 30th September 2008 | | 1,571,923 | 927,775 | (126,981) | (30,937) | 541,886 | 2,883,665 |
| Opening balance as at 1st October 2008 | | 1,571,923 | 927,775 | (126,981) | (30,937) | 541,886 | 2,883,665 |
| Other comprehensive income for the period, net of tax | | | | | (59,224) | | (59,224) |
| Profit after tax for the period 1/10/2008 - 31/12/2008 | 20 | | | | 5,657 | (146,315) | (140,658) |
| Total recognised income for the period 1/10/2008 - 31/12/2008 | | 0 | 0 | 0 | (53,566) | (146,315) | (199,882) |
| Purchases of treasury shares | 19 | | | (78,454) | | | (78,454) |
| Sales of treasury shares | 19 | | | 38,116 | | (13,431) | 24,685 |
| Mergers and other movements | | | | | (7,070) | 882 | (6,188) |
| Balance as at 31st December 2008 | | 1,571,923 | 927,775 | (167,319) | (91,573) | 383,022 | 2,623,827 |
| Opening balance as at 1st January 2009 | | 1,571,923 | 927,775 | (167,319) | (91,573) | 383,022 | 2,623,827 |
| Other comprehensive income for the period, net of tax | 9 | | | | 73,172 | (4,110) | 69,062 |
| Profit after tax for the period 1/1/2009 - 30/9/2009 | 20 | | | | | 174,869 | 174,869 |
| Total recognised income for the period 1/1/2009 - 30/9/2009 | | 0 | 0 | 0 | 73,172 | 170,759 | 243,932 |
| Prior year dividends | 20 | | | | | (35,664) | (35,664) |
| Issue of share capital by reinvestment of dividend | 19 | 32,097 | (36) | | | | 32,062 |
| Issue of preference shares | 19 | 370,000 | | | | | 370,000 |
| Purchases of treasury shares | 19 | | | (4,119) | | | (4,119) |
| Sales of treasury shares | 19 | | | 171,438 | | (69,393) | 102,045 |
| Balance as at 30th September 2009 | | 1,974,020 | 927,739 | 0 | (18,400) | 448,725 | 3,332,083 |

INTERIM STATEMENT OF CASH FLOWS

| | Note | <u>From January 1st to</u> | |
|---|------|----------------------------|--------------------|
| | | 30 September 2009 | 30 September 2008 |
| <i>Cash flows from operating activities</i> | | | |
| Profit before tax | | 204,367 | 298,121 |
| <i>Adjustments to profit before tax:</i> | | | |
| Add: impairment for loans and advances | 10 | 176,847 | 81,495 |
| Add: depreciation and amortisation charge | | 27,898 | 28,325 |
| Add: retirement benefits | | 25,952 | 19,731 |
| (Gains)/ losses from valuation of trading securities and financial instruments at fair value through profit or loss | | (38,059) | (35,318) |
| (Gains)/ losses from investing activities | | <u>(45,340)</u> | <u>(68,603)</u> |
| <i>Cash flows from operating profits before changes in operating assets and liabilities</i> | | 351,665 | 323,751 |
| <i>Changes in operating assets and liabilities:</i> | | | |
| Net (increase)/ decrease in cash and balances with Central Bank | | (337) | (1,208) |
| Net (increase)/ decrease in trading securities and financial instruments at fair value through profit or loss | | (470,271) | 662,553 |
| Net (increase)/ decrease in loans and advances to credit Institutions | | (1,969,435) | (194,570) |
| Net (increase)/ decrease in loans and advances to customers | | 2,070,616 | (6,634,213) |
| Net (increase)/ decrease in debt securities - receivables | | (373,979) | - |
| Net (increase)/ decrease in other assets | | 37,438 | (219,596) |
| Net increase/ (decrease) in due to credit institutions | | (2,737,466) | (254,637) |
| Net increase/ (decrease) in amounts due to customers | | 1,930,647 | 4,324,692 |
| Net increase/ (decrease) in other liabilities | | <u>(547,946)</u> | <u>(111,410)</u> |
| <i>Net cash flow from operating activities before income tax payment</i> | | (1,709,067) | (2,104,638) |
| Income tax paid | | <u>(6,111)</u> | <u>(38,252)</u> |
| Net cash inflow/ (outflow) from operating activities | | (1,715,178) | (2,142,890) |
| <i>Cash flows from investing activities</i> | | | |
| Purchases of property, plant and equipment | | (69,231) | (58,979) |
| Sales of property, plant and equipment | | 848 | 4,962 |
| Purchases of intangible assets | | (9,049) | (9,121) |
| Purchases of held for sale assets | | (61,128) | - |
| Purchases of available-for-sale securities | | (435,351) | (81,817) |
| Disposals of available-for-sale securities | | 85,273 | 634,595 |
| Purchase of held to maturity securities | | (58,638) | - |
| Acquisition of subsidiaries and participation in share capital increases | | (132,596) | (123,567) |
| Disposal of subsidiaries | | - | 5,697 |
| Acquisition of associates and participation in share capital increases | | (3,448) | (3,682) |
| Disposal of associates | | 750 | 120 |
| Dividends from subsidiaries | | 26,439 | 4,445 |
| Dividends from associates | | 2,412 | 4,830 |
| Dividends from available for sale securities | | 5,643 | 11,056 |
| Dividends from trading securities | | <u>-</u> | <u>2,192</u> |
| Net cash inflow/ (outflow) from investing activities | | (648,075) | 390,731 |
| <i>Cash flows from financing activities</i> | | | |
| Net proceeds from issue/ (repayment) of debt securities and other borrowed funds | | (2,332,260) | 1,629,641 |
| Net proceeds from issue of share capital due to the reinvestment of dividends | 19 | 32,062 | 15,987 |
| Net proceeds from issue of preference shares-Greek State | 19 | 370,000 | - |
| Reinvestment/ Payment of dividends | | (35,664) | (118,122) |
| Purchases of treasury shares | 19 | (4,119) | (110,291) |
| Sales of treasury shares | | <u>102,045</u> | <u>-</u> |
| Net cash inflow/ (outflow) from financing activities | | (1,867,936) | 1,417,215 |
| Effect of exchange rate changes on cash and cash equivalents | | <u>40</u> | <u>2,437</u> |
| Net increase/ (decrease) in cash and cash equivalents of the period | | (4,231,150) | (332,507) |
| Cash and cash equivalents at the beginning of the period | | 6,442,294 | 5,354,552 |
| Cash and cash equivalents at the end of the period | | 2,211,144 | 5,022,045 |

1 General Information about the Bank

Piraeus Bank S.A. is a banking institute operating in accordance with the provisions of Laws 2190/1920 on sociétés anonymes, 3601/2007 on credit institutions, and other relevant laws. According to article 2 of its Statute, the scope of the company is to execute, on its behalf or on behalf of third parties, any and every operation acknowledged or delegated by law to banks.

Piraeus Bank is incorporated and domiciled in Greece. The address of the registered office is 4 Amerikis st., Athens. Piraeus Bank operates in Greece and in London (U.K.). The Bank employs 5,069 people.

Apart from the ATHEX Composite Index, Piraeus Bank's share is a constituent of other indices such as FTSE/ATHEX-20, FTSE/ATHEX-CYSE Banking Index, GT-30, MSCI (World, Europe, EMU, EAFE, Greece), DJ Euro Stoxx, DJ Euro Stoxx Banks and FTSE4Good Index Series.

2 General accounting policies of the Bank

The same accounting policies and methods of computation as those in the annual financial statements for the year ended 31 December 2008 have been followed.

Piraeus Bank has adopted the amended International Accounting Standard (IAS) 1, "Presentation of financial statements". The amendments result to the changes on equity financial statement as well as the presentation of other comprehensive income.

Additionally, Piraeus Bank has adopted IFRS 8, "Operating segments" which introduces new disclosures relating to operating segments, products, services, geographical areas in which the Bank operates and its major customers. IFRS 8 supersedes IAS 14 "Segment Reporting".

The following amendments to standards and interpretations are effective from 1 January 2009, but ,currently, they do not have a significant effect on the Bank's activities:

IFRS 2 (Amendment), "Share-based payment"
IAS 23 (Amendment), "Borrowing costs"
IAS 32 (Amendment), "Financial instruments: Presentation"
IAS 39 (Amendment), "Financial instruments: Recognition and measurement"
IFRIC 13, "Customer loyalty programmes"
IFRIC 15, "Agreements for the construction of real estate"
IFRIC 16, "Hedges of a net investment in a foreign operation"

The amounts of the Interim Condensed Financial Information attached are expressed in thousand euros (unless otherwise stated) and roundings are performed in the nearest thousand.

3 Basis of presentation of the Bank's interim condensed financial information

The interim condensed financial information has been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and it should be read along with the Bank's annual financial statements for the year ended 31 December 2008.

Piraeus Bank prepares, except for the attached interim condensed financial information, consolidated interim condensed financial information which include the financial information of the Bank and its subsidiaries.

4 Critical accounting estimates and judgements

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Impairment losses on loans and advances

The Bank examines, at every reporting period, whether trigger for impairment exists for its loans or loan portfolios. If such triggers exist, the recoverable amount of the loan portfolio is calculated and the relevant provision for this impairment is raised. The provision is recorded in the profit or loss statement. The estimates, methodology and assumptions used are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

2. Fair value of derivative financial instruments

The fair values of derivative financial instruments that are not quoted in active markets are determined by using valuation techniques. All models use observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Assumptions that affect the reported fair values of financial instruments are examined regularly.

3. Impairment of available for sale portfolio

The available for sale portfolio is recorded at fair value and any changes in fair value are recorded in the available for sale reserve. Available for sale investments are impaired when there is significant or prolonged decline (judgement is required) in the fair value below cost. When this occurs, the relevant portion of the available for sale reserve is recycled to the income statement of the period. Judgement is also required for the estimation of the fair value of investments that are not traded in a market. For these investments, the fair value computation through financial models takes also into account evidence of deterioration in the financial health of the investee, industry and sector performance and changes in technology.

4. Held to maturity investments

The Bank follows the guidance of IAS 39 on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held to maturity. This classification requires significant judgement. In making this judgement, the Bank evaluates its intention and ability to hold such investments to maturity. If the Bank fails to keep these investments to maturity other than for the specific circumstances - for example, selling an insignificant amount close to maturity - it will be required to reclassify the entire class as available for sale. The investments would therefore be remeasured at fair value.

5. Income taxes

The Bank is subject to income taxes in the countries in which it operates. This requires estimates in determining the provision for income taxes and therefore the final income tax determination is uncertain during the fiscal year. Where the final income tax expense is different from the amounts that were initially recorded, differences will impact the income tax and deferred tax provisions in the period in which the tax computation is finalised.

5 Business segments

Piraeus Bank has defined the following business segments:

Retail Banking - This segment includes the retail banking facilities of the Bank, which are addressed to retail customers, as well as to small - medium companies (deposits, loans, working capital, imports – exports, letters of guarantees, etc.)

Corporate Banking - This segment includes facilities related to retail banking addressed to large and maritime companies, which due to their specific needs are serviced by the headquarters (deposits, loans, syndicated loans, project financing, working capital, imports – exports, letters of guarantees, etc.).

Investment Banking - This segment includes activities related to investment banking facilities of the Bank (investment and advisory services, underwriting services and public listings, stock exchange services etc.).

Asset Management and Treasury – This segment includes asset management facilities for clients and for the Bank (wealth management facilities, mutual funds management, treasury).

Other – Includes other facilities of the bank that are not included in the above segments (Bank's administration etc.).

According to IFRS 8, the identification of the business segments results from the internal reports that are regularly reviewed by the Executive Committee in order to monitor each segment's performance. Critical elements are the progress of figures and results per Segment.

An analysis of income and other financial figures per business segment of the Bank is presented below:

| <u>1/1 - 30/9/2009</u> | Retail Banking | Corporate Banking | Investment Banking | Asset Management & Treasury | Other business segments | Total |
|--|---------------------------|------------------------------|-------------------------------|--|------------------------------------|----------------|
| Net interest income | 459,025 | 136,508 | - | 42,124 | (66,476) | 571,181 |
| Net revenues | 509,904 | 145,021 | 2,196 | 134,025 | (27,113) | 764,033 |
| Segment results | 81,577 | 54,554 | 1,008 | 67,228 | - | 204,367 |
| Profit before tax | | | | | | 204,367 |
| Income tax expense | | | | | | (29,498) |
| Profit after tax | | | | | | 174,869 |
| Other segment items | | | | | | |
| Capital expenditure | 12,864 | 27,365 | 0 | 958 | 37,093 | 78,280 |
| Depreciation | 12,248 | 113 | 5 | 359 | 15,173 | 27,898 |
| Impairment charge - loans and advances | 148,615 | 26,647 | - | - | 1,585 | 176,847 |

Piraeus Bank - 30 September 2009
Amounts in thousand euros (Unless otherwise stated)

| <u>1/1 - 30/9/2008</u> | Retail Banking | Corporate Banking | Investment Asset Banking | Management & Treasury | Other business segments | Total |
|--|---------------------------|------------------------------|-------------------------------------|--------------------------------------|------------------------------------|----------------|
| Net interest income | 505,625 | 89,234 | - | 27,985 | (32,006) | 590,838 |
| Net revenues | 544,058 | 97,147 | 7,216 | 53,235 | 58,311 | 759,967 |
| Segment results | 196,204 | 67,451 | 3,836 | 30,630 | - | 298,121 |
| Profit before tax | | | | | | 298,121 |
| Income tax expense | | | | | | (44,316) |
| Profit after tax | | | | | | 253,805 |
| Other segment items | | | | | | |
| Capital expenditure | 24,486 | 11 | - | 68 | 43,535 | 68,100 |
| Depreciation | 12,981 | 125 | 4 | 357 | 14,858 | 28,325 |
| Impairment charge - loans and advances | 57,257 | 20,732 | - | - | 3,506 | 81,495 |

At 30 September 2009

| | | | | | | |
|---------------------|------------|-----------|-----|------------|-----------|-------------------|
| Segment assets | 22,696,035 | 8,736,495 | (2) | 9,087,014 | 6,710,758 | 47,230,300 |
| Segment liabilities | 23,939,305 | 3,005,294 | - | 11,968,033 | 4,985,584 | 43,898,216 |

At 31 December 2008

| | | | | | | |
|---------------------|------------|------------|---|------------|-----------|-------------------|
| Segment assets | 23,298,770 | 10,668,011 | 7 | 11,974,656 | 4,271,553 | 50,212,997 |
| Segment liabilities | 23,015,876 | 2,585,954 | - | 20,827,739 | 1,159,602 | 47,589,170 |

Capital expenditure includes additions of intangible and tangible assets that took place in the period by each business segment.

6 Net trading Income

Net trading income amounts to € 65.3 million for the 9 month period of 2009 from € 13.2 million loss for the 9 month period of 2008, due to increased gains from transactions of bonds, as a result of the improved conditions that took place in the financial markets during the 9 month period of 2009.

7 Income tax expense

| | 1/1 - 30/9/2009 | 1/1 - 30/9/2008 |
|----------------|------------------------|------------------------|
| Current Tax | (6,964) | (49,565) |
| Deferred Tax | (19,932) | 7,584 |
| Tax Provisions | (2,602) | (2,335) |
| | (29,498) | (44,316) |

Piraeus Bank has been audited by the tax authorities and all the unaudited fiscal years until 2006 have been finalized. For the unaudited tax years, a provision has been raised according to International Financial Reporting Standards (IFRS).

The tax rate for Greek legal entities, in accordance with the provisions in force of article 109, par. 1 of Law 2238/1994, amounts to 25% for the years 2008 and 2009.

8 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to common shareholders for the period by the weighted average number of common shares in issue during the period, excluding the average number of common shares purchased by Piraeus Bank and held as treasury shares. For the calculation of the diluted earnings per share, all the dilutive potential common shares are taken into consideration.

| | 1/1 - 30/9/2009 | 1/1 - 30/9/2008 | 1/7 - 30/9/2009 | 1/7 - 30/9/2008 |
|---|------------------------|------------------------|------------------------|------------------------|
| Basic earnings per share | | | | |
| Profit after tax | 174,869 | 253,806 | 58,359 | 75,553 |
| Less: Accrued dividends of preference shares | (13,567) | - | (9,457) | - |
| Profit attributable to common shareholders | 161,303 | 253,806 | 48,903 | 75,553 |
| Weighted average number of common shares in issue | 329,153,571 | 331,768,849 | 336,272,519 | 330,465,670 |
| Basic earnings per share (in euros) | 0.4901 | 0.7650 | 0.1454 | 0.2286 |
| Diluted earnings per share | | | | |
| Profit after tax | 174,869 | 253,806 | 58,359 | 75,553 |
| Less: Accrued dividends of preference shares | (13,567) | - | (9,457) | - |
| Profit attributable to common shareholders | 161,303 | 253,806 | 48,903 | 75,553 |
| Weighted average number of common shares in issue | 329,153,571 | 331,768,849 | 336,272,519 | 330,465,670 |
| Adjustment for share options | - | 635,956 | - | 312,220 |
| Weighted average number of shares in issue for the diluted earnings per share calculation | 329,153,571 | 332,404,805 | 336,272,519 | 330,777,890 |
| Diluted earnings per share (in euros) | 0.4901 | 0.7635 | 0.1454 | 0.2284 |

Potential common shares of the 3rd share option scheme did not have an effect to the calculation of diluted earnings per share, as the average market price of common shares during the period 1/1 - 30/9/2009 did not exceed the option's exercise price.

According to the requirements of IAS 33, the weighted average number of common shares has been adjusted for the respective periods of 2008 by a 1.020419 factor, in order to adjust earnings per share (basic and diluted) for the share capital increase performed through reinvestment of dividend with the issue of 6,728,991 new common shares of nominal value of € 4.77 each.

9 Analysis of other comprehensive income

| | Before-Tax amount | Tax | Net-of-Tax amount |
|--|----------------------|-----------------|----------------------|
| 1/1 - 30/9/2009 | | | |
| Net change in available for sale investments | 87,842 | (14,670) | 73,172 |
| Expenses on issuance of preference shares | (4,110) | - | (4,110) |
| Other comprehensive income | 83,732 | (14,670) | 69,062 |
| 1/1 - 30/9/2008 | | | |
| Net change in available for sale investments | (133,488) | 28,852 | (104,636) |
| Other comprehensive income | (133,488) | 28,852 | (104,636) |

10 Loans and advances to customers

| | 30 September 2009 | 31 December 2008 |
|--|----------------------|---------------------|
| Loans to individuals | | |
| Mortgages | 5,947,443 | 6,071,087 |
| Consumer/ personal and other loans | 2,417,666 | 2,600,490 |
| Credit cards | 741,037 | 706,284 |
| | 9,106,146 | 9,377,861 |
| Loans to corporate entities | 22,686,071 | 24,586,692 |
| Total loans and advances to customers | 31,792,216 | 33,964,553 |
| Less: Allowance for losses (impairment) on loans and advances to customers | (556,743) | (481,935) |
| Total loans and advances to customers (less allowances for losses) | 31,235,473 | 33,482,619 |
| Current loans and advances to customers | 12,367,061 | 14,840,282 |
| Non current loans and advances to customers | 18,868,412 | 18,642,337 |
| | 31,235,473 | 33,482,619 |

Movement in allowance (impairment) for losses on loans and advances to customers:

a) Loans to individuals

| | Mortgages | Consumer/ personal and other loans | Credit cards | Total |
|---|---------------|---------------------------------------|---------------|----------------|
| Balance at 1/1/2008 | 10,459 | 76,484 | 23,787 | 110,730 |
| Charge for the period | 5,805 | 18,053 | 11,985 | 35,843 |
| Balance at end of period 30/9/2008 | 16,264 | 94,537 | 35,772 | 146,573 |
| Balance at 1/10/2008 | 16,264 | 94,537 | 35,772 | 146,573 |
| Charge for the period | 24,556 | 20,593 | 8,724 | 53,873 |
| Balance at end of year 31/12/2008 | 40,820 | 115,130 | 44,496 | 200,446 |
| Balance at 1/1/2009 | 40,820 | 115,130 | 44,496 | 200,446 |
| Charge for the period | 16,273 | 80,225 | 37,073 | 133,572 |
| Loans written-off | - | (58,007) | (19,304) | (77,311) |
| Balance at end of period 30/9/2009 | 57,093 | 137,349 | 62,264 | 256,706 |

b) Loans to corporate entities

| | |
|---|----------------|
| Balance at 1/1/2008 | 206,428 |
| Charge for the period | 42,652 |
| Balance at end of period 30/9/2008 | 249,080 |
| Balance at 1/10/2008 | 249,080 |
| Charge for the period | 106,509 |
| Loans written-off | (74,101) |
| Balance at end of year 31/12/2008 | 281,489 |
| Balance at 1/1/2009 | 281,489 |
| Charge for the period | 42,958 |
| Loans written-off | (24,410) |
| Balance at end of period 30/9/2009 | 300,037 |

The charge for the 9 month period of 2009 amount € 176.8 million (30/9/2008: € 81.5 million) in the income statement includes amount of € 0.3 million (30/9/2008: € 3 million) which relates to impairment of other receivables

11 Trading securities

| Trading securities | 30 September 2009 | 31 December 2008 |
|---------------------------------|----------------------|---------------------|
| Greek Government bonds | 1,233,314 | 872,439 |
| Greek Government treasury bills | 330,229 | 101,945 |
| Foreign Government bonds | 1,889 | 15,653 |
| Corporate entities bonds | 106,504 | 166,658 |
| Bank Bonds | 38,274 | 10,204 |
| Total trading securities | 1,710,211 | 1,166,899 |

12 Reclassification of financial assets

Investment portfolio on 30/09/09 includes shares and bonds, which have been reclassified on 1/7/2008 and 1/10/2008 respectively, in accordance with the amendments of IAS 39 and IFRS 7. Specifically, the "Available for sale securities" portfolio as at 30/09/2009 includes shares and mutual funds with fair value of € 34.8 million, which were reclassified from the "Trading securities" on 1/7/2008. The revaluation gain of € 7.7 million for the period 1/1-30/09/2009 has been recognized in the "Available for sale reserve". The "Available for sale securities" portfolio as at 30/09/2009 also includes bonds with fair value of € 213.8 million which were reclassified from the "Trading securities" on 1/10/2008. The revaluation gain of € 5.8 million for the period 1/1-30/9/2009 has been recognized in the "Available for sale reserve". Losses of € 2.2 million and € 0.3 million from the sale of reclassified bonds and shares have been recognized in the Income Statement for the period 1/1 - 30/9/2009 respectively. "Held to maturity" portfolio includes bonds with fair value of € 800.7 million as at 30/9/2009 (amortized cost of € 861.5 million), which were reclassified on 1/10/2008, from "Trading securities" and "Available for sale securities". If these bonds had not been reclassified, a revaluation loss of € 38.2 million would be recognized in "Net trading Income" for the period 1/1-30/9/2009 and a revaluation loss of € 13.3 million would be recognized in the "Available for sale reserve" for the period. "Debt securities - receivables" include corporate bonds with fair value of € 32.4 million as at 30/9/2009 (amortized cost of € 37.0 million) and "Loans and advances to credit institutions" include bank bonds with fair value of € 28.8 million as at 30/9/2009 (amortized cost of € 30.0 million) which were reclassified on 1/10/2008 from the "Available for sale securities". If these bonds had not been reclassified, a revaluation gain of € 24.0 million would be recognized in the "Available for sale reserve" for the period 1/1-30/9/2009.

13 Debt securities - receivables

Debt securities - receivables as at 30/9/2009 include Greek Government Bonds of nominal value € 370 million, which were transferred to Piraeus Bank, according to the requirements of Law 3723/2008 "Enhancement of the Greek economy's liquidity in response to the impact of international financial crisis" in order to cover equal amount issuance of Piraeus Bank's preference shares (note 19) to the Greek State.

14 Investments in subsidiaries and associate companies

The investments of Piraeus Bank in subsidiaries and associates are:

A) Subsidiaries companies

| a/a | Name of Company | Activity | % holding | Country |
|-----|--|---|-----------|----------------|
| 1. | Marathon Banking Corporation | Banking Activities | 91.03% | U.S.A. |
| 2. | Tirana Bank I.B.C. S.A. | Banking Activities | 96.72% | Albania |
| 3. | Piraeus Bank Romania S.A. | Banking Activities | 100.00% | Romania |
| 4. | Piraeus Bank Beograd A.D. | Banking Activities | 100.00% | Serbia |
| 5. | Piraeus Bank Bulgaria A.D. | Banking Activities | 99.98% | Bulgaria |
| 6. | Piraeus Bank Egypt S.A.E. | Banking Activities | 95.37% | Egypt |
| 7. | OJSC Piraeus Bank ICB | Banking Activities | 99.96% | Ukraine |
| 8. | Piraeus Bank Cyprus LTD | Banking Activities | 100.00% | Cyprus |
| 9. | Piraeus Asset Management Europe S.A. | Mutual Funds Management | 99.94% | Luxemburg |
| 10. | Piraeus Leasing S.A. | Finance Leases | 100.00% | Greece |
| 11. | Piraeus Leasing Romania S.R.L. | Finance Leases | 99.85% | Romania |
| 12. | Piraeus Insurance and Reinsurance Brokerage S.A. | Insurance and Reinsurance Brokerage | 100.00% | Greece |
| 13. | Tirana Leasing S.A. | Finance Leases | 100.00% | Albania |
| 14. | Piraeus Securities S.A. | Stock Exchange Operations | 100.00% | Greece |
| 15. | Piraeus Group Capital LTD | Debt Securities Issue | 100.00% | United Kingdom |
| 16. | Piraeus Leasing Bulgaria EAD. | Finance Leases | 100.00% | Bulgaria |
| 17. | Piraeus Group Finance P.L.C. | Debt Securities Issue | 100.00% | United Kingdom |
| 18. | Multicollection S.A. | Assessment and collection of commercial debts | 51.00% | Greece |
| 19. | Piraeus Factoring S.A. | Corporate factoring | 100.00% | Greece |
| 20. | Piraeus Multifin S.A. | Motor vehicles trading | 100.00% | Greece |
| 21. | Picar S.A. | City Link Areas Management | 100.00% | Greece |
| 22. | Bulfina S.A. | Property Management | 100.00% | Bulgaria |
| 23. | Piraeus ATFS S.A. | Accounting and tax consulting | 100.00% | Greece |
| 24. | General Construction and Development Co. S.A. | Property development/ holding company | 66.67% | Greece |
| 25. | Piraeus Direct Services S.A. | Call center services | 100.00% | Greece |
| 26. | Exodus S.A. | Information technology & software | 50.10% | Greece |
| 27. | Komotini Real Estate Development S.A. | Property Management | 100.00% | Greece |
| 28. | Piraeus Real Estate S.A. | Construction company | 100.00% | Greece |

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| a/a | Name of Company | Activity | % holding | Country |
|-----|--|--|-----------|------------------------|
| 29. | ND Development S.A. | Property Management | 100.00% | Greece |
| 30. | Property Horizon S.A. | Property Management | 100.00% | Greece |
| 31. | ETBA Industrial Estates S.A. | Development/ Management of Industrial Areas | 65.00% | Greece |
| 32. | Piraeus Property S.A. | Property Management | 100.00% | Greece |
| 33. | Piraeus Development S.A. | Property Management | 100.00% | Greece |
| 34. | Piraeus Asset Management S.A. | Mutual Funds Management | 100.00% | Greece |
| 35. | Piraeus Developer S.A. | Property Management | 100.00% | Greece |
| 36. | Estia Mortgage Finance PLC | SPE for securitization of mortgage loans | - | United Kingdom |
| 37. | Euroinvestment & Finance Public LTD | Asset Management, real estate operations | 90.85% | Cyprus |
| 38. | Lakkos Mikelli Real Estate LTD | Property Management | 40.00% | Cyprus |
| 39. | Philoktimatiki Public LTD | Land and property development | 6.39% | Cyprus |
| 40. | New Evolution S.A. | Property, tourism & development company | 100.00% | Greece |
| 41. | Piraeus Green Investments S.A. | Holding company | 100.00% | Greece |
| 42. | Piraeus Cards S.A. | Financial services and consultancy | 59.16% | Greece |
| 43. | Capital Investments & Finance S.A. | Investment company | 100.00% | Liberia |
| 44. | Maples Invest & Holding S.A. | Investment company | 100.00% | British Virgin Islands |
| 45. | Margetson Invest & Finance S.A. | Investment company | 100.00% | British Virgin Islands |
| 46. | Vitria Investments S.A. | Investment company | 100.00% | Panama |
| 47. | SSIF Piraeus Securities Romania S.A. | Stock Exchange Operations | 79.46% | Romania |
| 48. | Trieris Real Estate Management LTD | Management of Trieris Real Estate Ltd | 100.00% | British Virgin Islands |
| 49. | Piraeus Insurance Reinsurance Broker Romania S.R.L. | Insurance and Reinsurance Brokerage | 95.00% | Romania |
| 50. | Olympic Commercial & Tourist Enterprises S.A. | Operating Leases - Rent-a-Car and long term rental of vehicles | 54.89% | Greece |
| 51. | Piraeus Rent Doo Beograd | Operating Leases | 100.00% | Serbia |
| 52. | Estia Mortgage Finance II PLC | SPE for securitization of mortgage loans | - | United Kingdom |
| 53. | Piraeus Leasing Doo Beograd | Financial Leasing | 100.00% | Serbia |
| 54. | Piraeus Capital Management S.A. | Venture Capital Fund | 100.00% | Greece |
| 55. | Estia Mortgage Finance III PLC | SPE for securitization of mortgage loans | - | United Kingdom |
| 56. | AGR Investments S.A. | Securitized Receivable Investments | 99.83% | Greece |
| 57. | New Up Dating Development Real Estate and Tourism S.A. | Property, tourism & development company | 0.17% | Greece |
| 58. | Axia Finance PLC | SPE for securitization of corporate loans | - | United Kingdom |
| 59. | PLG Finance S.A. | Real estate, development/ tourist services | 65.00% | Greece |
| 60. | Axia Finance II PLC | SPE for securitization of corporate loans | - | United Kingdom |
| 61. | Praxis Finance PLC | SPE for securitization of consumer loans | - | United Kingdom |
| 62. | Piraeus Insurance Agency S.A. | Insurance Agency | 95.00% | Greece |
| 63. | Axia Finance III PLC | SPE for securitization of corporate loans | - | United Kingdom |
| 64. | Praxis II Finance PLC | SPE for securitization of consumer loans & credit cards | - | United Kingdom |
| 65. | Gaia Lease PLC | SPE for securitization of finance leases | - | United Kingdom |
| 66. | Axia III APC LTD | SPE for securitization of corporate loans | - | United Kingdom |
| 67. | Praxis II APC LTD | SPE for securitization of consumer loans & credit cards | - | United Kingdom |

Companies numbered 36, 52, 55, 58, 60, 61 and 63-67 are special purpose vehicles for securitization of loans and issuance of debt securities. Companies numbered 39 and 57, which are consolidated with ownership percentage of 6.39% and 0.17%, respectively are bank's subsidiaries because of indirect ownership.

B) Associate companies

| a/a | Name of Company | Activity | % holding | Country |
|-----|--|---|-----------|------------------------|
| 1. | Crete Scient. &Tech. Park Manag. & Dev. Co. S.A. | Scientific and technology park management | 30.45% | Greece |
| 2. | "Evros" Development Company S.A. | European community programs management | 30.00% | Greece |
| 3. | Project on Line S.A. | Information technology & software | 40.00% | Greece |
| 4. | APE Commercial Property Real Estate Tourist & Develop.S.A. | Real estate, development/ tourist services | 27.80% | Greece |
| 5. | APE Fixed Assets Real Estate Tourist & Development S.A. | Real estate, development/ tourist services | 27.80% | Greece |
| 6. | Trieris Real Estate LTD | Property Management | 22.80% | British Virgin Islands |
| 7. | European Reliance Gen. Insurance Co. S.A. | General and life insurance and reinsurance | 30.23% | Greece |
| 8. | Trastor Real Estate Investment Company (former Piraeus Real Estate Investment Property S.A.) | Manufacturing and trading of steel products | 33.80% | Greece |
| 9. | APE Investment Property S.A. | Real estate, development/ tourist services | 27.20% | Greece |
| 10. | Sciens International Investments & Holding S.A. | Holding Company | 29.80% | Greece |
| 11. | Ekathariseis Aktoploias S.A. | Ticket Settlements | 49.00% | Greece |
| 12. | Proton Bank S.A. | Banking Activities | 31.31% | Greece |
| 13. | Euroterra S.A. | Property Management | 29.22% | Greece |
| 14. | Rebikat S.A. | Property Management | 30.00% | Greece |
| 15. | Abies S.A. | Property Management | 30.00% | Greece |

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15 Due to customers

| | 30 September 2009 | 31 December 2008 |
|------------------------------|----------------------|---------------------|
| Current and sight deposits | 4,614,276 | 3,742,031 |
| Savings account | 3,763,864 | 3,095,277 |
| Term deposits | 17,482,245 | 16,583,320 |
| Other accounts | 159,918 | 155,954 |
| Repurchase agreements | 19,930 | 533,005 |
| | 26,040,234 | 24,109,587 |
| Current due to customers | 26,034,762 | 24,032,719 |
| Non current due to customers | 5,471 | 76,868 |
| | 26,040,234 | 24,109,587 |

16 Debt securities in issue

| | Currency | Average interest rate (%) | | 30 September 2009 | 31 December 2008 |
|---|----------|---------------------------|----------------------------------|------------------------------|-----------------------------|
| | | 1/1 - 30/9/2009 | 2008 | | |
| ETBA bonds | EUR | 5.26% | 4.70% | 532,574 | 2,603,581 |
| Euro Commercial Paper (Short term securities) | EUR | 3.82% | 4.84% | 284,505 | 455,647 |
| | USD | 2.40% | 3.84% | 149,692 | 41,741 |
| | GBP | 3.55% | 5.85% | 18,680 | 15,698 |
| | | | | 452,877 | 513,086 |
| | | | | 30 September 2009 | 31 December 2008 |
| Euro Medium Term Note (Medium/ long term securities) | | | Interest rate (%) | | |
| € 32.5 m. floating rate notes due 2010 | | | Variable | - | 705 |
| € 21.65 m. floating rate notes due 2010 | | | Variable | - | 430 |
| € 700 m. floating rate notes due 2010 | | | Euribor + 0.30 | 447,871 | 492,560 |
| € 3.43 m. floating rate notes due 2009 | | | Variable | - | 390 |
| USD 15 m. floating rate notes due 2009 | | | Libor + 0.10 | - | 7,263 |
| USD 20 m. floating rate notes due 2009 | | | Libor + 0.20 | - | 1,748 |
| € 500 m. floating rate notes due 2009 | | | Euribor + 0.20 | - | 497,269 |
| € 60 m. floating rate notes due 2015 | | | Variable | 60,000 | 60,000 |
| € 10 m. floating rate notes due 2013 | | | Euribor + 0.30 | 9,987 | 9,987 |
| € 650 m. floating rate notes due 2011 | | | Euribor + 0.25 | 425,388 | 487,898 |
| € 5.05 m. floating rate notes due 2011 | | | Variable | 3,750 | 4,750 |
| € 50 m. floating rate notes due 2010 | | | Euribor + 0.225 | 50,000 | 50,000 |
| € 750 m. floating rate notes due 2010 | | | Euribor + 0.20 | 707,190 | 706,700 |
| € 20 m. floating rate notes due 2012 | | | Euribor + 0.20 | 19,964 | 19,964 |
| € 45 m. fixed/ floating rate notes due 2009 | | | Fixed/ Euribor + 0.25 | - | 45,000 |
| € 10 m. fixed/ floating rate notes due 2010 | | | Fixed/ Euribor + 0.35 | 3,212 | 3,412 |
| € 500 m. fixed rate notes due 2011 | | | Fixed 4.5 | 491,565 | - |
| € 500 m. fixed rate notes due 2012 | | | Fixed 4.0 | 472,983 | - |
| Accrued interest and other expenses | | | | 9,003 | 7,822 |
| | | | | 2,700,913 | 2,395,898 |
| | | | Average Interest rate (%) | | |
| Securitisation of mortgage loans | | | | | |
| € 750 m. floating rate notes due 2040 | | | Euribor + 0.18 | 293,851 | 330,781 |
| € 1,250 m. floating rate notes due 2054 | | | Euribor + 0.18 | 893,485 | 935,605 |
| | | | | 1,187,336 | 1,266,386 |
| Total debt securities in issue | | | | 4,873,701 | 6,778,951 |

Issuance under the Euro Commercial Paper and Euro Medium Term Note programs is undertaken through Piraeus Group Finance PLC, a subsidiary of Piraeus Bank Group. Information concerning the new issues of debt securities during the 9 month period of 2009 are presented below:

In June 2009 Piraeus Bank issued its new 2-year fixed rate senior bond in the amount of € 500 million. The bond was issued under Piraeus Bank's Euro Medium Term Note (EMTN) programme. The bond pays a 4.5% fixed coupon and is listed on the Luxembourg Stock Exchange.

In September 2009 Piraeus Bank issued its 3-year fixed rate senior bond in the amount of € 500 million. The bond was issued under the Euro Medium Term Note (EMTN) programme. The new bond pays a 4.0% fixed coupon and is listed on the Luxembourg Stock Exchange.

In April 2009 the first Consumer Loan Backed Securitisation was completed through the UK-based special purpose vehicle Praxis Finance PLC, in the amount of € 725 million. The bonds bear an average coupon of 1 month Euribor plus 27bps. This issue has been retained by Piraeus Bank and can be used for refinancing from the E.C.B.

In May 2009 the second SME Loan Backed Securitisation, Axia II, was completed through the UK-based special purpose vehicle Axia Finance II PLC, in the amount of € 900 million. The bonds have an average coupon of 3 month Euribor plus 99 basis points. This issue has been retained by Piraeus Bank and can be used for refinancing from the E.C.B.

In August 2009 the second Consumer and Credit Cards Backed Securitisation was completed through the UK-based special purpose vehicle Praxis II Finance PLC, in the amount of € 558 million. The bonds bear an average coupon of 1 month Euribor plus 38bps. This issue has been retained by Piraeus Bank and can be used for refinancing from the E.C.B.

In August 2009 the third SME Loan Backed Securitisation, Axia III, was completed through the UK-based special purpose vehicle Axia Finance III PLC in the amount of € 2,352 million. The bonds bear an average coupon of 1 month Euribor plus 79bps. This issue has been retained by Piraeus Bank and can be used for refinancing from the E.C.B.

It should be noted that the third issue of securitisation of mortgage loans of amount € 800 million and the first securitisation of corporate loans of amount € 1,750 million have been retained by Piraeus Bank and can be used for refinancing from the E.C.B.. The terms of these issues are incorporated in the annual financial statements of 2008.

17 Hybrid capital and other borrowed funds

| | Interest rate (%) | 30 September 2009 | 31 December 2008 |
|--|-------------------|----------------------|---------------------|
| Hybrid Capital (Tier I) | | | |
| € 200 m. floating rate notes | Euribor + 1.25 | 160,511 | 199,191 |
| Accrued interest and other expenses | | 780 | 2,253 |
| | | 161,291 | 201,444 |
| Subordinated debt (Tier II) | | | |
| € 400 m. floating rate notes due 2014 | Euribor + 0.60 | - | 379,493 |
| € 400 m. floating rate notes due 2016 | Euribor + 0.55 | 374,262 | 378,335 |
| Accrued interest and other expenses | | 1,183 | 4,473 |
| | | 375,445 | 762,301 |
| Total hybrid capital and other borrowed funds | | 536,735 | 963,745 |

Piraeus Bank, based on the solid capital base and adequate liquidity position and after approval from the Bank of Greece, proceeded to the early redemption of the € 400 million Lower Tier II bonds on the 29th of September 2009, in accordance with the original terms and conditions of the notes, issued by its subsidiary Piraeus Group Finance PLC.

Accrued interest on hybrid capital and other borrowed funds is included in the respective amounts of hybrid capital and other borrowed funds. The Bank is not in default of any payments of principal, interest or redemption amounts of the aforementioned hybrid capital and other borrowed funds.

18 Contingent liabilities and commitments

A) Legal procedures

The legal proceedings outstanding against the Bank as at 30/9/2009, are not expected to have any significant impact on the financial statements of the Bank, according to the opinion of the legal affairs division of the Bank.

B) Credit commitments

As at 30/9/2009 the Bank had the following capital commitments:

| | 30 September 2009 | 31 December 2008 |
|------------------------------|----------------------|---------------------|
| Letters of guarantee | 2,919,366 | 2,917,096 |
| Letters of credit | 114,142 | 143,729 |
| Commitments to extent credit | 14,337,121 | 13,369,023 |
| | 17,370,630 | 16,429,848 |

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C) Assets pledged

| | 30 September 2009 | 31 December 2008 |
|---------------------------------|----------------------|---------------------|
| Trading securities | 3,371,664 | 1,054,675 |
| Investment securities | 1,450,019 | 3,677,779 |
| Loans and advances to customers | 865,000 | 865,000 |
| Debt securities - receivables | 174,774 | 450,000 |
| | 5,861,457 | 6,047,455 |

In the "Trading securities" category, an amount of € 3,333 million refers to bonds derived from the securitization of mortgage, consumer and corporate loans.

D) Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are analysed as follows:

| | 30 September 2009 | 31 December 2008 |
|-------------------|----------------------|---------------------|
| Up to 1 year | 49,484 | 49,098 |
| From 1 to 5 years | 204,134 | 215,807 |
| More than 5 years | 411,635 | 467,409 |
| | 665,254 | 732,314 |

19 Share capital

| | Ordinary shares | Share premium | Treasury shares | Total |
|--|--------------------|------------------|--------------------|------------------|
| Opening balance at 1st January 2008 | 1,617,977 | 1,099,903 | (250,860) | 2,467,020 |
| Cancelation of treasury shares | (49,644) | (184,526) | 234,170 | 0 |
| Issue of share capital by reinvestment of dividend | 3,589 | 12,398 | - | 15,987 |
| Purchases of treasury shares | - | - | (188,745) | (188,745) |
| Sales of treasury shares | - | - | 38,116 | 38,116 |
| Balance at 31st December 2008 | 1,571,923 | 927,775 | (167,319) | 2,332,378 |
| Opening balance at 1st January 2009 | 1,571,923 | 927,775 | (167,319) | 2,332,378 |
| Issue of share capital by reinvestment of dividend | 32,097 | (36) | - | 32,062 |
| Issue of preference shares | 370,000 | - | - | 370,000 |
| Purchases of treasury shares | - | - | (4,119) | (4,119) |
| Sales of treasury shares | - | - | 171,438 | 171,438 |
| Balance at 30th September 2009 | 1,974,020 | 927,739 | 0 | 2,901,759 |

Changes to the number of Bank's shares are analysed to the table below:

| | Number of shares | | |
|--|--------------------|---------------------|-------------------------|
| | Issued shares | Treasury shares | Net number of shares |
| Opening balance at 1st January 2008 | 339,198,587 | (11,081,930) | 328,116,657 |
| Cancelation of treasury shares | (10,407,537) | 10,407,537 | 0 |
| Issue of share capital by reinvestment of dividend | 752,478 | - | 752,478 |
| Purchases of treasury shares | - | (14,228,664) | (14,228,664) |
| Sales of treasury shares | - | 2,379,303 | 2,379,303 |
| Balance at 31st December 2008 | 329,543,528 | (12,523,754) | 317,019,774 |
| | Number of shares | | |
| | Issued shares | Treasury shares | Net number of shares |
| Opening balance at 1st January 2009 | 329,543,528 | (12,523,754) | 317,019,774 |
| Issue of share capital by reinvestment of dividend | 6,728,991 | - | 6,728,991 |
| Issue of preference shares | 77,568,134 | - | 77,568,134 |
| Purchases of treasury shares | - | (757,222) | (757,222) |
| Sales of treasury shares | - | 13,280,976 | 13,280,976 |
| Balance at 30th September 2009 | 413,840,653 | 0 | 413,840,653 |

The Ordinary General Meeting of Shareholders on 30th of April 2009 decided the distribution of dividend to the shareholders in the form of Bank shares, namely the distribution of one new common voting share with nominal value of € 4.77 each for every 47 old shares. This distribution corresponds to a net dividend value of € 0.10 per share, incorporating the dividend corresponding to own shares and deduction of the tax due. Consequently, the General Meeting approved the increase of the Bank's share capital by the amount of € 32,097,287.07, with capitalization of the net amount of the distributable dividend and with the issuance of 6,728,991 new shares. These shares were issued at 5/6/2009.

In the context of article 1 of Law 3723/2008 "Enhancement of the Greek economy's liquidity in response to the impact of international financial crisis", the Bank issued, on 14/05/2009, 77,568,134 non-voting preference shares of amount € 370 million, at a € 4.77 per share. These shares have been fully subscribed to by the Greek State in exchange of Greek Government Bonds transferred to the Bank. In accordance with the current legal and regulatory framework the issued shares have been classified as tier 1 capital for regulatory purposes.

The preference shares pay a non-cumulative coupon of 10%, subject to the following conditions: (a) meeting Bank of Greece minimum capital adequacy requirements at Bank and Group level, following such coupon payment, (b) availability of distributable reserves in accordance to article 44a of C.L. 2190/1920, and (c) the approval of the General Assembly of the Bank's Common Shareholders. In case the Bank does not satisfy the minimum capital adequacy ratios set by the Bank of Greece, five years after the issue of the preference shares, then the shares are converted to common shares, subject to the approval of the Minister of Economy and Finance. If however, the Bank has sufficient capital adequacy, then the preference shares are mandatorily redeemable after five years or optionally before that.

The above recapitalisation scheme was approved by the European Union ("EU") on 19 November 2008. On 15 January 2009, the EU issued relevant application guidelines, clarifying that although the recapitalisation measures aim to enhance the capital adequacy of the banking sector and should not have the characteristics of debt, they should also contain appropriate incentives for State capital to be redeemed when the market and the regulator so allows.

In the context of the above EU guidelines and the practices adopted by other EU member states and in order for the State funds to be considered as equity for both regulatory and accounting purposes, the Greek State expressed, through a letter addressed to Bank of Greece, its intention to proceed to the necessary amendments of the legal framework and introduce "coupon step-up" features to the preference shares of those banks which, at the end of the five year period, do not proceed in their redemption or their conversion to ordinary shares subject to the approval of the Ministry of Economy and Economics.

The Bank classified the above preference shares as equity on the basis that the abovementioned amendments will be enacted before the year end and for this reason the accrued dividend of the preference shares for the period 1/1 - 30/9/2009 amounting to € 13.6 million didn't affect the Bank's result.

Following the above increases, the Bank's share capital amounts to € 1,974,019,914.81, divided to 336,272,519 ordinary registered shares with voting rights and 77,568,134 preference shares without voting rights L. 3723/2008, of nominal share value € 4.77.

The Annual General Meeting of shareholders of the Bank held on 3/4/2008 has decided, according to the article 16 of codified Law 2190/1920, the purchase of treasury shares, until 3/4/2010 the latest, up to a maximum number of 33,000,000 treasury shares, which may be distributed to the staff of the Bank or the staff of any affiliated company with the minimum and maximum purchase price for the shares is between € 4 and € 40. It is noted that the above-mentioned share repurchase program of Piraeus Bank has been suspended, in accordance with the provisions of article 28 par. 2 of Law 3756/2008.

In accordance with the provisions of applicable law Piraeus Bank S.A. sold, on 1/6/2009, 13,280,976 treasury shares, representing 3.95% of the Bank's issued and outstanding ordinary shares, with a trade price set at € 7.70 per share.

3rd Share option plan

The terms of the existing share option plan are described in the annual financial statements of the year 2008.

20 Other reserves and retained earnings

| | 30 September 2009 | 31 December 2008 |
|---|------------------------------|-----------------------------|
| Legal reserve | 57,038 | 57,038 |
| Available for sale reserve | (76,542) | (149,715) |
| Other reserves | 1,104 | 1,104 |
| Retained earnings | 448,725 | 383,022 |
| Total other reserves and retained earnings | 430,324 | 291,449 |

Movements in reserves for the period were as follows:

| | 30 September 2009 | 31 December 2008 |
|--|------------------------------|-----------------------------|
| Legal reserve | | |
| Opening balance for the period | 57,038 | 51,263 |
| Transfer from retained earnings | - | 5,657 |
| Mergers and other movements | - | 118 |
| Closing balance for the period | 57,038 | 57,038 |
| Available for sale reserve | | |
| Opening balance for the period | (149,715) | 14,145 |
| Gains/ (losses) from the valuation of available for sale bonds | 42,506 | (45,305) |
| Gains/ (losses) from the valuation of available for sale shares and mutual funds | 44,113 | (152,285) |
| Deferred income tax | (14,670) | 42,115 |
| Recycling of the accumulated fair value adjustment of disposed available for sale securities | 1,173 | 512 |
| Foreign exchange differences and other adjustments | 52 | (8,897) |
| Closing balance for the period | (76,542) | (149,715) |

Piraeus Bank - 30 September 2009
Amounts in thousand euros (Unless otherwise stated)

| | 30 September 2009 | 31 December 2008 |
|--|----------------------|---------------------|
| Retained earnings | | |
| Opening balance for the period | 383,021 | 406,057 |
| Profit after tax for the period/ year | 174,869 | 113,148 |
| Transfer to legal reserve | - | (5,657) |
| Prior year dividends | (35,664) | (118,122) |
| Profit/ (losses) from sales of treasury shares | (69,393) | (13,431) |
| Expenses on issuance of preference shares | (4,110) | - |
| Mergers and other movements | - | 1,027 |
| Closing balance for the period | 448,725 | 383,021 |

21 Related parties transactions

Related parties include a) Members of the Bank Board of Directors and key management personnel of the Bank b) close family and financially dependants (husbands, wives, children etc) of Board of Directors members and key management personnel c) companies having transactions with Piraeus Bank, when the total cumulative participating interest in them (of members of Board of Directors, key management personnel and their dependants/ close family) exceeds 20%.

| | Board of Directors members and key management personnel | |
|----------|--|---------------------|
| | 30 September 2009 | 31 December 2008 |
| Loans | 137,913 | 231,659 |
| Deposits | 44,342 | 130,085 |

Letters of guarantees and letters of credits to the members of the board of directors and to the key management personnel as at 30/9/2009 are € 2.2 million (31/12/2008: € 1.7 million). Letters of guarantees to subsidiaries as at 30/9/2009 are € 93.6 million (31/12/2008: € 93.2 million). The total income on loans to members of the board of directors and the key management personnel for the period 1/1 - 30/9/2009 is € 3.7 million (1/1-30/9/2008: € 8.1 million). The expense of deposits of the prementioned related parties is € 0.4 million (1/1-30/9/2008: € 1.3 million).

Loans and letters of guarantees issued to related parties represent an insignificant part of total loans and letters of guarantees issued by the Bank, respectively. Loans and letters of guarantees have been issued to related parties in the normal course of business, within the approved credit policies and Bank procedures, adequately collateralised. Loans to related parties are performing and no provision has been raised for their balances.

| | 30 September 2009 | 30 September 2008 |
|---------------------------------|----------------------|----------------------|
| Director's remuneration | | |
| Salaries and other remuneration | 3,568 | 6,177 |
| Termination benefits | 1,474 | 3,464 |
| | 5,042 | 9,641 |

The aggregate provisions in respect of Members of the Board of Directors and key management personnel, following the resignation of certain key management personnel and the relevant adjustments effected during the current period, amount to € 28.4 million as at 30/9/2009 (31/12/2008: € 36.8 million). The full amount of the above provisions has been included in retirement benefit obligations.

Bank's balances from transactions to subsidiaries and associates and the relevant results are as follows:

| | 30 September 2009 | 31 December 2008 |
|---|------------------------|------------------------|
| I. Subsidiaries | | |
| Assets | | |
| Cash and Balances with Central Bank | 3,526 | 8,408 |
| Loans and advances to credit institutions | 3,451,060 | 2,475,348 |
| Loans and advances to customers | 919,329 | 2,802,362 |
| Other assets | 142,430 | 76,990 |
| Total | 4,516,345 | 5,363,109 |
| Liabilities | | |
| Due to credit institutions | 422,639 | 653,122 |
| Due to customers | 694,351 | 324,195 |
| Debt securities in issue | 4,175,105 | 4,191,406 |
| Hybrid capital and other borrowed funds | 536,735 | 964,564 |
| Other liabilities | 10,745 | 23,782 |
| Total | 5,839,574 | 6,157,070 |
| Revenues | 1/1 - 30/9/2009 | 1/1 - 30/9/2008 |
| Interest and similar income | 163,213 | 182,357 |
| Fee and commission income | 11,623 | 10,062 |
| Other operating income | 1,361 | 1,143 |
| Total | 176,197 | 193,562 |
| Expenses | 1/1 - 30/9/2009 | 1/1 - 30/9/2008 |
| Interest expense and similar charges | (123,574) | (286,689) |
| Fee and commission expense | (18,613) | (20,257) |
| Operating expenses | (33,807) | (31,611) |
| Total | (175,994) | (338,557) |

Piraeus Bank - 30 September 2009
Amounts in thousand euros (Unless otherwise stated)

| | 30 September 2009 | 31 December 2008 |
|---|------------------------------|-----------------------------|
| II. Associates | | |
| Deposits | 263,248 | 116,477 |
| Loans and advances to customers and credit institutions | 60,403 | 400,367 |
| | | |
| | 1/1 - 30/9/2009 | 1/1 - 30/9/2008 |
| Interest/ expense | (2,038) | (2,990) |
| Interest/ income | 3,137 | 529 |

22 Events after the interim financial information

On October 1st 2009, Piraeus Bank and Victoria General Insurance Company - a subsidiary of Ergo International in Greece and member of the German insurance Group Munich Re - announced the agreement for the implementation of a 10-year exclusive cooperation in non-life insurances. Both parties have agreed that Piraeus Bank will distribute for the next decade, through its branch network in Greece, the non-life insurance products of Victoria General Insurance Company S.A..

Athens, November 19th, 2009

CHAIRMAN
OF THE BOARD OF DIRECTORS
and CHIEF EXECUTIVE OFFICER

MANAGING DIRECTOR

GENERAL MANAGER

DIRECTOR, GROUP FINANCE &
PARTICIPATIONS DIVISION

MICHALIS G. SALLAS

ALEXANDROS ST. MANOS

DIMITRIS D. PAPANIMITRIOU

AGAMEMNON E. POLITIS