



ALPHA BANK

**CONSOLIDATED INTERIM FINANCIAL
STATEMENTS AS AT 30.9.2008**

(In accordance with the International Accounting Standard 34)



Athens
November 25, 2008

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INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Interim Consolidated Income Statement

	Note	(Thousands of Euro)			
		From 1 January to		From 1 July to	
		30.9.2008	30.9.2007	30.9.2008	30.9.2007
Interest and similar income		3,235,842	2,457,789	1,159,790	873,982
Interest expense and similar charges		<u>(1,873,466)</u>	<u>(1,289,612)</u>	<u>(695,249)</u>	<u>(458,271)</u>
Net interest income		1,362,376	1,168,177	464,541	415,711
Fee and commission income		402,477	372,221	138,826	132,442
Commission expense		<u>(49,208)</u>	<u>(30,886)</u>	<u>(19,381)</u>	<u>(12,819)</u>
Net fee and commission income		353,269	341,335	119,445	119,623
Dividend income		2,522	2,220	165	10
Gains less losses on financial transactions		38,144	58,844	(2,153)	18,246
Other income		<u>58,525</u>	<u>59,543</u>	<u>17,707</u>	<u>21,220</u>
		99,191	120,607	15,719	39,476
Total income		1,814,836	1,630,119	599,705	574,810
Staff costs		(436,511)	(390,715)	(151,261)	(132,032)
General administrative expenses		(340,741)	(291,526)	(119,564)	(101,828)
Depreciation and amortization expenses	8, 9, 10	(64,739)	(55,037)	(22,559)	(19,929)
Other expenses		(2,781)	(2,737)	(1,125)	(1,003)
Total expenses		(844,772)	(740,015)	(294,509)	(254,792)
Impairment losses and provisions for credit risk	2	(266,019)	(157,686)	(124,063)	(55,085)
Share of profit / (loss) of associates		<u>7,700</u>	<u>1,232</u>	<u>7,679</u>	<u>(22)</u>
Profit before income tax		711,745	733,650	188,812	264,911
Income tax	3	<u>(142,199)</u>	<u>(143,369)</u>	<u>(34,118)</u>	<u>(48,734)</u>
Profit after income tax from continuing operations		569,546	590,281	154,694	216,177
Profit after income tax from discontinued operations	4	<u> </u>	<u>80,388</u>	<u> </u>	<u> </u>
Profit after income tax		569,546	670,669	154,694	216,177
Profit attributable to:					
Equity holders of the Bank		567,833	669,692	153,701	215,726
Minority interest		1,713	977	993	451
Earnings per share:	5				
<i>From continuing and discontinued operations</i>					
Basic (€ per share)		1.40	1.65	0.38	0.53
Diluted (€ per share)		1.40	1.64	0.38	0.53
<i>From continuing operations</i>					
Basic (€ per share)		1.40	1.45	0.38	0.53
Diluted (€ per share)		1.40	1.45	0.38	0.53

The attached notes (pages 9 - 34) form an integral part of these interim consolidated financial statements.



Interim Consolidated Balance Sheet

	Note	(Thousands of Euro)	
		30.9.2008	31.12.2007
ASSETS			
Cash and balances with Central Banks		4,226,193	3,263,612
Due from Banks		2,576,899	3,509,696
Financial assets at fair value through profit or loss		18,216	266,047
Derivative financial assets		522,871	383,432
Loans and advances to customers	6	49,556,541	42,072,071
Investment securities	7		
- Available for sale		946,063	3,156,901
- Held to maturity		4,214,390	
Investments in associates		59,964	5,320
Investment property	8	67,056	73,560
Property, plant and equipment	9	1,236,437	1,173,275
Goodwill and other intangible assets	10	146,157	134,497
Deferred tax assets		176,294	170,257
Other assets		469,213	385,676
		64,216,294	54,594,344
Non-current assets held for sale	11	49,211	89,945
Total Assets		64,265,505	54,684,289
LIABILITIES			
Due to Banks		6,276,475	4,437,736
Derivative financial liabilities		473,461	384,139
Due to customers (including debt securities in issue)		42,158,201	34,665,158
Debt securities in issue held by institutional investors and other borrowed funds	12	8,956,922	9,189,297
Liabilities for current income tax and other taxes		136,453	158,797
Deferred tax liabilities		135,436	94,807
Employee defined benefit obligations		45,103	42,019
Other liabilities		1,734,454	1,323,554
Provisions	13	57,644	95,935
		59,974,149	50,391,442
Liabilities related to non-current assets held for sale	11		1,583
Total Liabilities		59,974,149	50,393,025
EQUITY			
Equity attributable to equity holders of the Bank			
Share capital	14	1,931,590	1,602,809
Share premium	14		184,033
Reserves		442,649	445,662
Retained earnings	14	1,021,917	1,138,195
Treasury shares	14	(31,921)	(188)
		3,364,235	3,370,511
Minority interest		39,215	32,859
Hybrid securities		887,906	887,894
Total Equity		4,291,356	4,291,264
Total Liabilities and Equity		64,265,505	54,684,289

The attached notes (pages 9 - 34) form an integral part of these interim consolidated financial statements.

Interim Consolidated Statement of Changes in Equity

	(Thousands of Euro)								
	Share capital	Share premium	Reserves	Retained earnings	Treasury shares	Total	Minority interest	Hybrid securities	Total equity
Balance 1.1.2007	1,591,286	127,961	349,121	686,018	(14,653)	2,739,733	44,280	829,654	3,613,667
Changes for the period 1.1 – 30.9.2007									
Net change in fair value of available for sale securities			(27,187)			(27,187)			(27,187)
Net change in fair value of available for sale securities transferred to income statement from sales			128,059			128,059			128,059
Exchange differences on translating foreign operations			3,495			3,495			3,495
Net income recognized directly in equity			104,367			104,367			104,367
Profit for the period, after income tax				669,692		669,692	977		670,669
Total			104,367	669,692		774,059	977		775,036
Purchases, sales and change of ownership interests in subsidiaries				(660)		(660)	(16,783)		(17,443)
Purchases/sales of treasury shares and hybrid securities				(5,533)	(105,203)	(110,736)		56,121	(54,615)
Recognition of employee share options			7,461			7,461			7,461
Issue of new shares due to share options exercise	10,789	27,449				38,238			38,238
Dividends distributed to equity holders of the Bank and minority interest				(304,421)		(304,421)	(1,077)		(305,498)
Dividends paid to hybrid securities holders				(47,442)		(47,442)			(47,442)
Appropriation to reserves			18,011	(18,011)					
Other				(2,161)		(2,161)			(2,161)
Balance 30.9.2007	1,602,075	155,410	478,960	977,482	(119,856)	3,094,071	27,397	885,775	4,007,243



Interim Consolidated Statement of Changes in Equity

	(Thousands of Euro)								
	Share capital	Share premium	Reserves	Retained earnings	Treasury shares	Total	Minority interest	Hybrid securities	Total equity
Balance 30.9.2007	1,602,075	155,410	478,960	977,482	(119,856)	3,094,071	27,397	885,775	4,007,243
Changes for the period 1.10-31.12.2007									
Net change in fair value of available for sale securities			(11,426)			(11,426)			(11,426)
Net change in fair value of available for sale securities transferred to income statement from sales			(5,005)			(5,005)			(5,005)
Exchange differences on translating foreign operations			(3,427)			(3,427)			(3,427)
Net income recognized directly in equity			(19,858)			(19,858)			(19,858)
Profit for the period, after income tax				180,343		180,343	74		180,417
Total			(19,858)	180,343		160,485	74		160,559
Purchases, sales and change of ownership interests in subsidiaries				(2,953)		(2,953)	5,388		2,435
Purchases/sales of treasury shares and hybrid securities				(12,664)	119,668	107,004		2,119	109,123
Recognition of employee share options			12,026			12,026			12,026
Exercise of employee share options		25,477	(25,477)						
Issue of new shares due to share options exercise	734	3,146				3,880			3,880
Dividends paid to hybrid securities holders				(5,554)		(5,554)			(5,554)
Transfer to statutory reserve			(36,827)	36,827					
Appropriation to reserves			36,838	(36,838)					
Other				1,552		1,552			1,552
Balance 31.12.2007	1,602,809	184,033	445,662	1,138,195	(188)	3,370,511	32,859	887,894	4,291,264



Interim Consolidated Statement of Changes in Equity

	(Thousands of Euro)								
	Share capital	Share premium	Reserves	Retained earnings	Treasury shares	Total	Minority interest	Hybrid securities	Total equity
Balance 1.1.2008	1,602,809	184,033	445,662	1,138,195	(188)	3,370,511	32,859	887,894	4,291,264
Changes for the period 1.1-30.9.2008									
Net change in fair value of available for sale securities (after taxes)			(55,413)			(55,413)			(55,413)
Net change in fair value of available for sale securities transferred to income statement			5,607			5,607			5,607
Exchange differences on translating foreign operations			(866)			(866)			(866)
Net income recognized directly in equity			(50,672)			(50,672)			(50,672)
Profit for the period, after income tax				567,833		567,833	1,713		569,546
Total			(50,672)	567,833		517,161	1,713		518,874
Share capital increase by capitalization of share premium and retained earnings (note 14a)	328,781	(184,033)		(144,748)					
Purchases, sales and change of ownership interests in subsidiaries				(4,714)		(4,714)	5,175		461
Purchases/sales of treasury shares and hybrid securities				(66,848)	(31,733)	(98,581)		12	(98,569)
Dividends distributed to equity holders of the Bank and minority interest (note 14b)				(362,199)		(362,199)	(532)		(362,731)
Dividends paid to hybrid securities holders				(52,824)		(52,824)			(52,824)
Appropriation to reserves			47,659	(47,659)					
Other				(5,119)		(5,119)			(5,119)
Balance 30.9.2008	1,931,590		442,649	1,021,917	(31,921)	3,364,235	39,215	887,906	4,291,356

The attached notes (pages 9 - 34) form an integral part of these interim consolidated financial statements.



Interim Consolidated Cash Flow Statement

	Note	(Thousands of Euro)	
		From 1 January to 30.9.2008	30.9.2007
Cash flows from operating activities			
Profit before income tax		711,745	733,650
Adjustments for:			
Depreciation of property, plant and equipment	8, 9	43,491	37,730
Amortization of intangible assets	10	21,248	17,307
Impairment losses from loans and provisions		279,681	164,374
Other adjustments		(5,574)	7,461
(Gains)/losses from investing activities		16,102	23,437
(Gains)/losses from financing activities		32,637	41,984
Share of (profit)/loss of associates		(7,700)	(1,232)
		1,091,630	1,024,711
Net (increase)/decrease in assets relating to operating activities:			
Due from banks		1,027,810	(458,449)
Financial assets at fair value through profit or loss and derivative financial assets		108,392	36,746
Loans and advances to customers		(7,820,518)	(7,300,144)
Other assets		(81,689)	(41,174)
Net increase/(decrease) in liabilities relating to operating activities:			
Due to banks		1,829,352	(3,242,952)
Derivative financial liabilities		89,322	134,000
Due to customers		7,412,756	4,016,444
Other liabilities		479,155	235,831
		4,136,210	(5,594,987)
Income taxes and other taxes paid		(124,105)	(109,929)
Net cash flows from continuing operating activities		4,012,105	(5,704,916)
Cash flows from investing activities			
Acquisitions of subsidiaries and associates		(199,360)	(17,423)
Proceeds from sale of investments in subsidiaries and associates		1,694	
Dividends received		2,669	2,220
Purchase of property, plant and equipment		(130,966)	(134,886)
Disposal of property, plant and equipment		22,987	19,612
Net (increase)/decrease in investment securities		(1,994,679)	4,485,655
Net cash flows from continuing investing activities		(2,297,655)	4,355,178
Cash flows from financing activities			
Equity increase from share options exercise			38,238
Expenses of share capital increase		(2,204)	
Dividends paid		(360,693)	(303,316)
(Purchase)/sale of treasury shares		(86,024)	(80,935)
Proceeds from the issue of loans		100,000	677,038
Repayment of loans		(284,625)	(500,176)
(Purchases)/sales of hybrid securities		(7)	40,987
Dividends paid to hybrid securities holders		(52,824)	(47,442)
Net cash flows from continuing financing activities		(686,377)	(175,606)
Effect of exchange rate fluctuations on cash and cash equivalents		256	3,495
Net increase / (decrease) in cash and cash equivalents from continuing activities		1,028,329	(1,521,849)
Net cash flows from discontinued operating activities			
Net cash flows from discontinued investing activities			160,700
Net cash flows from discontinued financing activities			
Net increase / (decrease) in cash and cash equivalents from discontinued activities			160,700
Cash and cash equivalents at the beginning of the period		3,792,031	4,575,831
Cash and cash equivalents at the end of the period		4,820,360	3,214,682

The attached notes (pages 9 - 34) form an integral part of these interim consolidated financial statements.



Notes to the Interim Consolidated Financial Statements

GENERAL INFORMATION

The Alpha Bank Group, which includes companies in Greece and abroad, offers services such as:

- Corporate and retail banking
- Financial services
- Investment banking and brokerage services
- Insurance
- Real estate management
- Hotel activities

The parent company of the Group is ALPHA BANK A.E. which operates under the brand name 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 object is to engage, on its account or on behalf of third parties, in Greece and abroad, independently or collaboratively, including a joint venture 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 object, 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.

The term of the Board of Directors, elected by the shareholders at the general meeting of 19 April 2005, ends in 2010.

The General Meeting of Shareholders on 3 April 2008 approved the resolution to increase the number of the Directors from 14 to 15, as set out in the Bank's Articles of Incorporation and elected Mrs. Ioanna E. Papadopoulou as a non-executive member. It also elected Mr. Minas G. Tanes and Mr. George E. Agouridis as non-executive independent members.

The Board of Directors as at 30 September 2008 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

Artemis Ch. Theodoridis

NON-EXECUTIVE MEMBERS

Sophia G. Eleftheroudaki

Paul G. Karakostas *

Nicholaos I. Manessis **

Ioanna E. Papadopoulou

NON-EXECUTIVE INDEPENDENT MEMBERS

George E. Agouridis *

Pavlos A. Apostolides **

Thanos M. Veremis

Evangelos J. Calousis */***

Ioannis K. Lyras **

SECRETARY

Hector P. Verykios

* Member of the Audit Committee

** Member of the Remuneration Committee

*** Member of the Risk Management Committee



The certified auditors of the semi-annual and year end financial statements are:

Principal Auditors: Marios T. Kyriacou

Nick E. Vouniseas

Substitute Auditors: Charalambos G. Sirounis

Nikolaos Ch. Tsiboukas

of KPMG Certified Auditors A.E.

The Bank's shares are listed in the Athens Stock Exchange since 1925. As at 30 September 2008 Alpha Bank was ranked third in terms of market capitalization. Since February 2004 the Bank has been included in the FTSE Eurofirst 300 Index, an index which consists of the 300 largest European companies. Additionally, the Bank is included in a series of other indices, such as S&P Europe 350, FTSE Med 100, MSCI Europe, 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 (GDRs) and they are traded over the counter in New York (ADRs).

As at 30 September 2008 the Bank has 410,976,652 shares in issue.

The Bank's growth and consistent dividend policy has attracted local and foreign investors. This has increased the shares' liquidity which for the nine month period of 2008 amounted to an average of 1,395,256 shares per day.

Finally, the credit rating of the Bank remains at a high level (Standard & Poor's: A-, Moody's: A1, Fitch Ratings: A-) and reflects the dynamics of its operations and the positive outlook with respect to its share price.

The financial statements have been approved by the Board of Directors on 25 November 2008.



ACCOUNTING POLICIES APPLIED

1. Basis of presentation

The Group has prepared the condensed interim financial statements as at 30 September 2008 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:

- Financial assets at fair value through profit or loss
- Derivative financial instruments
- Available for sale securities

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

The accounting policies applied by the Group in preparing the condensed interim financial statements as at 30 September 2008, are consistent with those stated in the published financial statements for the year ended 31 December 2007 after taking into account the interpretation 11 "IFRS 2 – Group and Treasury Share Transactions", issued by the International Accounting Standards Board (IASB), adopted by the European Union and is effective for annual periods beginning on or after 1.1.2008. The adoption of this interpretation did not have a material impact on the Group's financial statements.

In addition the International Accounting Standards Board (IASB) issued an amendment of IAS 39 and IFRS 7 "Reclassification of Financial Assets", which was adopted by the European Union with Regulation 1004/15.10.2008. The amendment permits under certain circumstances the reclassification of non-derivative financial assets to a category different from that classified upon initial recognition. This amendment is effective from 1 July 2008. The Group has applied this amendment and the impact on the financial statements is presented in note 6.

The adoption by the European Union, by 31 December 2008, 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 January 2008, may retrospectively affect the periods presented in these interim financial statements.

**INCOME STATEMENT****2. Impairment losses and provisions for credit risk**

	From 1 January to		From 1 July to	
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
Impairment losses on loans and advances to customers	320,822	151,507	169,161	30,129
Reversals of impairment losses from due from banks	(24)	(14)	(4)	
Provisions to cover credit risk relating to off-balance sheet items	(38,133)	15,054	(39,695)	30,000
Recoveries	(16,646)	(8,861)	(5,399)	(5,044)
Total	266,019	157,686	124,063	55,085

The severe aggravation of credit turmoil during the third quarter of 2008 and its gradual transfer to the real economy represents a significant indication of loans impairment.

Despite the fact that there are not as yet any signs that the credit turmoil has affected the repayment of loans, the Group reassessed the amount of the estimated impairment losses, which as a percentage of loans amounts to 1.01% for the third quarter of 2008 compared to 0.61% and 0.64% for the first and second quarter respectively.

3. Income tax

In accordance with Greek tax law the profits of entities in Greece are taxed at a rate of 25% for fiscal year 2007 and thereafter. According to Law 3697/08 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 (today 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.). Only dividend income is not subject to tax since it has already been taxed at the corporate level for the fiscal years 2007 and 2008.

It should be noted that in accordance with Law 3697/2008, dividends approved by the general shareholders meetings after 1.1.2009 are subject to a withholding tax of 10% with no further tax obligation for the beneficiary.

The tax rates of years 2007 and 2008 of the subsidiaries and the Bank's branches operating abroad, are as follows:

	Fiscal year 2007	Fiscal year 2008
	%	%
Cyprus	10	10
Bulgaria	10	10
Serbia	10	10
Romania	16	16
Jersey	20	20
Ukraine	25	25
Luxembourg	29.63	29.63
FYROM	12	10
Albania	20	10
United Kingdom	30	28

The income tax expense is analysed as follows:

	From 1 January to		From 1 July to	
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
Current tax	101,774	96,629	36,846	28,282
Deferred tax	40,425	46,740	(2,728)	20,452
Total	142,199	143,369	34,118	48,734



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

	From 1 January to		From 1 July to	
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
Depreciation and fixed assets write-offs	3,007	10,631	1,363	5,870
Valuation of loans	13,449	(5,808)	31,202	1,846
Suspension of interest accruals	29,736	20,326	11,055	7,945
Loans impairment	3,279	8,744	431	2,892
Employee defined benefit obligations	(279)	141	(63)	(112)
Liabilities to E.T.A.T. (Common Insurance Fund of Bank Employees)	12,999		(1,283)	
Valuation of derivatives	(11,989)	(4,138)	(24,265)	(1,600)
Effective interest rate	8,780	3,400	4,146	2,664
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(2,572)	10,096	(7,261)	(455)
Valuation of bonds	(16,135)		(16,309)	
Valuation of other securities	(6,979)		(1,369)	
Carry forward of unused tax losses		464	(894)	541
Other temporary differences	7,129	2,884	519	861
Total	40,425	46,740	(2,728)	20,452

The temporary differences attributable to the valuation of bonds and other securities are due to the tax imposed according to Law 3634/2008.

Reconciliation of effective and nominal tax rate:

	From 1 January to				From 1 July to			
	30.9.2008		30.9.2007		30.9.2008		30.9.2007	
	%		%	%		%		
Profit before income tax		711,745		733,650		188,812		264,911
Income tax (nominal tax rate)	23.06 *	164,135	20.36 *	149,341	22.51	42,501	14.76	39,094
Increase/(decrease) due to:								
Additional tax on income of fixed assets	0.04	256	(0.10)	(744)	0.02	30	(0.32)	(836)
Non taxable income	(2.28)	(16,240)	(2.44)	(17,865)	0.50	941	1.55	4,097
Non deductible expenses	0.95	6,807	1.03	7,526	1.49	2,804	2.08	5,518
Part of profit relating to non taxable income			(0.49)	(3,587)			(1.19)	(3,149)
Part of profit relating to distributable income			0.36	2,620			0.87	2,294
Differences carried forward					0.11	217		
Other temporary differences	(1.79)	(12,759)	0.83	6,078	(6.55)	(12,375)	0.65	1,716
Income tax (effective tax rate)	19.98	142,199	19.55	143,369	18.08	34,118	18.40	48,734

* The applicable income tax rate of 23.06% for 2008 and 20.36% for 2007 is the weighted average nominal tax rate based on the nominal income tax rate and the profit before tax of each of the Group's subsidiaries



4. Profit after income tax from discontinued operations

On 23.3.2007, the sale of 99.57% of the shares of the subsidiary Alpha Insurance A.E. to AXA, an insurance company which is the worldwide leader in financial protection was completed.

Alpha Bank and AXA also signed a long term exclusive bancassurance agreement for the distribution of AXA insurance products through the extensive branch network of the Bank.

The results of Alpha Insurance A.E. which has been classified as a discontinued operation for the period 1.1.2007 up to 23.3.2007 and the profit from the sale are included in caption "profit after income tax from discontinued operations" and are analyzed as follows:

	From 1 January to 30.9.2007
Income	
Net interest income	860
Net fee and commission income	409
Other income (premiums etc)	3,573
Total income	4,842
Expenses	
Staff costs	(2,338)
General administrative expenses	(1,583)
Depreciation and amortization expenses	(239)
Total expenses	(4,160)
Profit/(losses) before income tax	682
Income tax	(421)
Profit/(losses) after income tax	261
Profit from the disposal of Alpha Insurance A.E.	80,127
Profit after income tax from discontinued operations	80,388

5. Earnings per share

a. Basic

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

	From 1 January to		From 1 July to	
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
<i>Profit attributable to equity holders of the Bank from continuing and discontinued operations</i>	567,833	669,692	153,701	215,726
Weighted average number of outstanding ordinary shares	405,207,665	406,276,538	409,620,895	406,124,485
Basic earnings per share from continuing and discontinued operations (in €)	1.40	1.65	0.38	0.53
	From 1 January to		From 1 July to	
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
<i>Profit attributable to equity holders of the Bank from continuing operations</i>	567,833	589,304	153,701	215,726
Weighted average number of outstanding ordinary shares	405,207,665	406,276,538	409,620,895	406,124,485
Basic earnings per share from continuing operations (in €)	1.40	1.45	0.38	0.53



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 had a single category of dilutive potential ordinary shares resulting from a share options program granted to executives and managers of the group, exercised during 2007.

For the share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Bank's shares for the period) based on the monetary value of the subscription rights attached to outstanding share options. Upon the issuance of new ordinary shares resulting from share options exercise, the shares are included in the calculation of basic and diluted earnings per share.

The weighted average number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	From 1 January to		From 1 July to	
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
<i>Profit attributable to equity holders of the Bank from continuing and discontinued operations</i>	567,833	669,692	153,701	215,726
Weighted average number of outstanding ordinary shares	405,207,665	406,276,538	409,620,895	406,124,485
Adjustment for share options		967,881		1,050,275
Weighted average number of outstanding ordinary shares for diluted earnings per share	405,207,665	407,244,419	409,620,895	407,174,760
Diluted earnings per share from continuing and discontinued operations (in €)	1.40	1.64	0.38	0.53

	From 1 January to		From 1 July to	
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
<i>Profit attributable to equity holders of the Bank from continuing operations</i>	567,833	589,304	153,701	215,726
Weighted average number of outstanding ordinary shares	405,207,665	406,276,538	409,620,895	406,124,485
Adjustment for share options		967,881		1,050,275
Weighted average number of outstanding ordinary shares for diluted earnings per share	405,207,665	407,244,419	409,620,895	407,174,760
Diluted earnings per share from continuing operations (in €)	1.40	1.45	0.38	0.53



ASSETS

6. Loans and advances to customers

	30.9.2008	31.12.2007
Individuals:		
Mortgages	10,471,758	11,186,669
Securitized mortgage loans ^(note 12)	2,709,421	-
Consumer	4,502,218	3,606,631
Credit cards	1,221,268	1,092,863
Other	<u>123,569</u>	<u>146,762</u>
Total	19,028,234	16,032,925
Companies:		
Corporate loans ⁽¹⁾	29,247,370	24,771,065
Leasing	1,436,606	1,338,340
Factoring	<u>496,941</u>	<u>532,640</u>
Total	31,180,917	26,642,045
Receivables from insurance and re-insurance activities	9,953	9,494
Other receivables	<u>331,154</u>	<u>228,201</u>
	<u>50,550,258</u>	<u>42,912,665</u>
Less:		
Allowance for impairment losses ⁽²⁾	(993,717)	(840,594)
Total	49,556,541	42,072,071

Allowance for impairment losses

Balance 1.1.2007	977,249
Changes for the period 1.1. - 30.9.2007	
Change in present value of impairment reserve	37,296
Foreign exchange differences	(1,398)
Impairment losses for the period ^(note 2)	151,507
Impairment of assets classified as held for sale	41
Loans written-off during the period	<u>(242,764)</u>
Balance 30.9.2007	921,931
Changes for the period 1.10. - 31.12.2007	
Impairment of assets classified as held for sale	(98)
Change in present value of impairment reserve	3,992
Foreign exchange differences	(618)
Impairment losses for the period	54,725
Loans written-off during the period	<u>(139,338)</u>
Balance 31.12.2007	840,594
Changes for the period 1.1. - 30.9.2008	
Change in present value of impairment reserve	37,553
Foreign exchange differences	1,121
Impairment losses for the period ^(note 2)	320,822
Loans written-off during the period	<u>(206,373)</u>
Balance 30.9.2008	993,717

⁽¹⁾ In accordance with the amendments to IAS 39, the Group reclassified securities of € 21.8 million from the available-from-sale portfolio to the loans portfolio. These securities are not traded in an active market and the Group has the intention to hold them in the foreseeable future. The above securities are included in corporate loans and are subject to an impairment test.

⁽²⁾ In addition to the allowance for impairment losses, an additional provision of € 7,796 (31.12.2007: € 45,929) has been recorded to cover credit risk relating to off-balance sheet items, as referred in note 13b.

The total provision recorded to cover credit risk amounts to €1,001,513 (31.12.2007: € 886,523).



The receivables from finance leases are analyzed as follows:

	30.9.2008	31.12.2007
Up to 1 year	448,030	398,360
From 1 year up to 5 years	725,986	675,630
More than 5 years	<u>825,654</u>	<u>829,707</u>
	1,999,670	1,903,697
Unearned finance income	(563,064)	(565,357)
Total	1,436,606	1,338,340

The net amount of finance leases is analyzed as follows:

	30.9.2008	31.12.2007
Up to 1 year	361,416	316,096
From 1 year up to 5 years	499,704	456,249
More than 5 years	575,486	565,995
Total	1,436,606	1,338,340

7. Investment securities

a. Held to maturity investments include:

- i. Bonds held by the Bank amounting to € 1.1 billion, which up to 30.6.2008 were classified as "Available for sale".

The bonds have been reclassified at fair value as at 30.6.2008, which became their new amortized cost on the basis of which the effective interest rate method was used to allocate the interest income thereafter. At that date the fair value of these bonds was € 63.3 million less than their carrying amount. This difference, already recognized in equity, shall be amortized to interest income over the remaining life of the bonds.

Had the above mentioned bonds not been reclassified from the Available for sale portfolio, their fair value would have been lower than the carrying amount by an additional amount of € 101.7 million.

- ii. Bonds amounting to € 1.9 billion that the Bank purchased during the third quarter and has the intention and ability to hold until maturity.
- iii. Bonds amounting to € 1.2 billion that consist part of the money market mutual funds' investments that the Bank recognised in its financial statements. ^(note 20n)

b. Available for sale portfolio includes bonds amounting to € 229 million that consist part of the money market mutual funds' investments.

As of 30.9.2008 the fair value of the above bonds, which were part of the money market mutual funds' investments and are classified into investment securities, was less than their carrying amount by € 278 million.

**8. Investment property**

	Land and Buildings
Balance 1.1.2007	
Cost	34,948
Accumulated depreciation	<u>(3,430)</u>
Net book value 1.1.2007	<u>31,518</u>
1.1.2007 - 30.9.2007	
Net book value 1.1.2007	31,518
Foreign exchange differences	6
Additions	26,516
Disposals	(452)
Reclassification from "Property, plant and equipment"	15,445
Depreciation charge for the period	<u>(464)</u>
Net book value 30.9.2007	<u>72,569</u>
Balance 30.9.2007	
Cost	77,326
Accumulated depreciation	(4,757)
1.10.2007 - 31.12.2007	
Net book value 1.10.2007	72,569
Foreign exchange differences	(41)
Additions	86
Disposals	(28)
Reclassification from "Property, plant and equipment"	1,183
Depreciation charge for the period	<u>(209)</u>
Net book value 31.12.2007	<u>73,560</u>
Balance 31.12.2007	
Cost	78,526
Accumulated depreciation	(4,966)
1.1.2008 - 30.9.2008	
Net book value 1.1.2008	73,560
Foreign exchange differences	107
Additions	322
Reclassification to "Property, plant and equipment" ⁽¹⁾	(6,481)
Depreciation charge for the period	<u>(452)</u>
Net book value 30.9.2008	<u>67,056</u>
Balance 30.9.2008	
Cost	72,304
Accumulated depreciation	(5,248)

⁽¹⁾ Reclassification to "Property, plant and equipment" relates to buildings owned by the subsidiary Alpha Real Estate D.O.O. Beograd, leased by Alpha Bank Srbija A.D.

9. Property, plant and equipment

	Land and Buildings	Leased equipment	Equipment	Total
Balance 1.1.2007				
Cost	1,058,044	4,055	361,639	1,423,738
Accumulated depreciation	<u>(209,573)</u>	<u>(1,963)</u>	<u>(276,206)</u>	<u>(487,742)</u>
Net book value 1.1.2007	<u>848,471</u>	<u>2,092</u>	<u>85,433</u>	<u>935,996</u>
1.1.2007 - 30.9.2007				
Net book value 1.1.2007	848,471	2,092	85,433	935,996
Foreign exchange differences	(659)	31	(615)	(1,243)
Additions	46,743	1,102	27,116	74,961
Disposals	(5,254)		(4,023)	(9,277)
Reclassification to "Investment Property"	(15,445)			(15,445)
Reclassification from "Non-current assets held for sale" ⁽¹⁾	71,414		1,180	72,594
Other reclassifications			(334)	(334)
Depreciation charge for the period	<u>(16,362)</u>	<u>(514)</u>	<u>(20,391)</u>	<u>(37,267)</u>
Net book value 30.9.2007	<u>928,908</u>	<u>2,711</u>	<u>88,366</u>	<u>1,019,985</u>
Balance 30.9.2007				
Cost	1,170,032	4,968	384,422	1,559,422
Accumulated depreciation	(241,124)	(2,257)	(296,056)	(539,437)
1.10.2007 - 31.12.2007				
Net book value 1.10.2007	928,908	2,711	88,366	1,019,985
Foreign exchange differences	(1,010)	(104)	79	(1,035)
Additions	17,971	645	13,406	32,022
Disposals	(181)			(181)
Additions from companies consolidated for first time in 2007	145,909		23,346	169,255
Reclassification to "Investment property"	(1,183)		(1,180)	(2,363)
Reclassification to "Software"			(268)	(268)
Reclassification from "Non-current assets held for sale"	(29,009)		334	(28,675)
Depreciation charge for the period ⁽²⁾	<u>(8,043)</u>	<u>(180)</u>	<u>(7,242)</u>	<u>(15,465)</u>
Net book value 31.12.2007	<u>1,053,362</u>	<u>3,072</u>	<u>116,841</u>	<u>1,173,275</u>
Balance 31.12.2007				
Cost	1,283,906	5,414	414,199	1,703,519
Accumulated depreciation	(230,544)	(2,342)	(297,358)	(530,244)
1.1.2008 - 30.9.2008				
Net book value 1.1.2008	1,053,362	3,072	116,841	1,173,275
Foreign exchange differences	960	(179)	(60)	721
Additions	61,446		36,455	97,901
Disposals	(44)	(1,000)	(447)	(1,491)
Additions from companies consolidated for first time in the nine month period of 2008	1,465		1,115	2,580
Reclassification from "Investment property" ⁽³⁾	6,481			6,481
Other reclassifications	4,394	329	(4,714)	9
Depreciation charge for the period	<u>(18,662)</u>	<u>(220)</u>	<u>(24,157)</u>	<u>(43,039)</u>
Net book value 30.9.2008	<u>1,109,402</u>	<u>2,002</u>	<u>125,033</u>	<u>1,236,437</u>
Balance 30.9.2008				
Cost	1,358,501	3,036	444,954	1,806,491
Accumulated depreciation	(249,099)	(1,034)	(319,921)	(570,054)

⁽¹⁾ "Property, plant and equipment" amounting to € 42.4 million was reclassified from "Non-current assets held for sale" due to Bank's decision for own use. In addition in the same caption, property, plant and equipment of the subsidiary Tourist Resort A.E. of net book value amounting to € 29 million is included. The subsidiary has incorporated the Hilton Rhodes Resort sector after the completion of its separation and transfer from Ionian Hotel Enterprises A.E.

⁽²⁾ The depreciation charge for the period 1.10 – 31.12.2007 does not include an amount of € 1.1 million that concerns to Hilton Rhodes Resort which was classified as "Non-current assets held for sale"

⁽³⁾ The reclassification from "Investment property" relates to buildings owned by Alpha Real Estate D.O.O. Beograd, leased by Alpha Bank Srbija A.D.

**10. Goodwill and other intangible assets**

	Goodwill	Other intangible	Software	Total
Balance 1.1.2007				
Cost	58,344	18,293	144,745	221,382
Accumulated amortization		(5,884)	(98,360)	(104,244)
Net book value 1.1.2007	<u>58,344</u>	<u>12,409</u>	<u>46,385</u>	<u>117,138</u>
1.1.2007 - 30.9.2007				
Net book value 1.1.2007	58,344	12,409	46,385	117,138
Foreign exchange differences	59	(120)	104	43
Additions		394	26,764	27,158
Disposals			(964)	(964)
Reclassifications			337	337
Amortization charge for the period		(2,468)	(14,838)	(17,306)
Net book value 30.9.2007	<u>58,403</u>	<u>10,215</u>	<u>57,788</u>	<u>126,406</u>
Balance 30.9.2007				
Cost	58,403	19,359	173,414	251,176
Accumulated amortization		(9,144)	(115,626)	(124,770)
1.10.2007 - 31.12.2007				
Net book value 1.10.2007	58,403	10,215	57,788	126,406
Foreign exchange differences	(395)	265	(337)	(467)
Additions		4,946	8,720	13,666
Disposals			(25)	(25)
Additions from companies consolidated for first time in 2007		1,333		1,333
Amortization charge for the period		(1,016)	(5,400)	(6,416)
Net book value 31.12.2007	<u>58,008</u>	<u>15,743</u>	<u>60,746</u>	<u>134,497</u>
Balance 31.12.2007				
Cost	58,008	25,785	181,273	265,066
Accumulated amortization		(10,042)	(120,527)	(130,569)
1.1.2008 - 30.9.2008				
Net book value 1.1.2008	58,008	15,743	60,746	134,497
Foreign exchange differences	2,202	173	141	2,516
Additions		6,953	22,139	29,092
Additions from companies consolidated for first time in the nine month period of 2008 ⁽¹⁾	1,551	1	49	1,601
Reclassification from "Other intangibles" and "Software"		(3,358)	3,358	
Impairment losses for the period ⁽²⁾	(251)			(251)
Disposals			(50)	(50)
Amortization charge for the period		(2,868)	(18,380)	(21,248)
Net book value 30.9.2008	<u>61,510</u>	<u>16,644</u>	<u>68,003</u>	<u>146,157</u>
Balance 30.9.2008				
Cost	61,510	29,856	206,882	298,248
Accumulated amortization		(13,212)	(138,879)	(152,091)

⁽¹⁾ The goodwill presented in the nine month period of 2008 relates to the acquisition of 90% ownership interest of Astra Bank OJSC (note 20d).

⁽²⁾ The impairment losses of the period concern goodwill of the subsidiary Evremathea A.E.



11. Non-current assets held for sale and related liabilities

a. Fixed assets

"Non-current assets held for sale" include land, buildings and office equipment amounting to € 49,211 (31.12.2007: € 55,221).

b. Other

As at 28.3.2008 Ionian Hotel Enterprises A.E. transferred the shares of the subsidiary Tourist Resort A.E., which owns the Hilton Rhodes Resort (note 20b).

The assets and liabilities of Hilton Rhodes Resort as at 31 December 2007 have been classified as "Non-current assets held for sale" and "Liabilities related to non-current assets held for sale" respectively and were as follows:

	31.12.2007
Non-current assets held for sale	
Cash and balances with Central Banks	38
Loans and advances to customers	1,336
Goodwill and other intangible assets	9
Property, plant and equipment	29,745
Deferred tax assets	3,319
Other assets	277
Total	34,724
Liabilities related to non-current assets held for sale	
Liabilities for current income tax and other taxes	39
Deferred tax liabilities	308
Other liabilities	970
Employee defined benefit obligations	266
Total	1,583

**LIABILITIES****12. Debt securities in issue and other borrowed funds****Short term securities (ECP) ⁽¹⁾**

Balance 1.1.2008	
Changes for the period 1.1 – 30.9.2008	
New Issues	2,513,576
(Purchases) / Sales by Group Companies	(145,000)
Maturities/Redemptions	(1,546,974)
Accrued interest	18,756
Foreign exchange differences	8,972
Balance 30.9.2008	849,330
Senior Debt securities	
Balance 1.1.2008	14,296,007
Changes for the period 1.1 – 30.9.2008	
New Issues ⁽²⁾	5,019,594
(Purchases)/sales by Group companies	(991,825)
Maturities/Redemptions	(6,534,244)
Fair value change due to hedging	(4,251)
Accrued interest	(9,986)
Foreign exchange differences	7,380
Balance 30.9.2008	11,782,675
Subordinated debt	
Balance 1.1.2008	1,228,888
Changes for the period 1.1 – 30.9.2008	
New Issues ⁽³⁾	100,000
(Purchases)/sales by Group companies	(14,024)
Maturities/Redemptions ⁽⁴⁾	(200,000)
Fair value change due to hedging	14,370
Accrued interest	(2,275)
Foreign exchange differences	17,654
Balance 30.9.2008	1,144,613
Total	13,776,618

An amount of € 4,819,696 (31.12.2007: € 6,335,598) of the above debt securities in issue, held by Bank customers has been reclassified to "Due to customers". Therefore, the balance of "Debt securities in issue held by institutional investors and other borrowed funds" as at 30 September 2008 amounts to € 8,956,922 (31.12.2007: € 9,189,297).

⁽¹⁾ The Bank raises short term liquidity, through a Euro Commercial paper program amounting to total € 5 billion. Under this program commercial paper may be issued at a discount or may bear floating, fixed or index linked interest from 1 up to 364 days duration. The commercial paper can be issued in Euro, US Dollar, GB pound, Swiss Franc, Japanese Yen, Australian Dollar, Canadian Dollar and any other currency that will be agreed by the counterparties.

The issues in Euro pay an average spread of 9 to 35 basis points over Euribor of the respective period.

The issues in US Dollars were set on from 14 to 42 basis points over Libor of the respective period.

The issues in Yen were set on from 20 to 25 basis points over Libor of the respective period.

⁽²⁾ New senior debt issues amounting to € 4,137 million pay a Euribor floating rate, with a spread from 12 up to 125 basis points, depending on the duration of issue. Additionally, in new senior debt issues amounting to € 375 million, an embedded put option for the investor exists which bears Euribor plus variable spread. If the investor does not exercise the option, the spread may increase to a maximum between 40 and 120 basis points.

⁽³⁾ On 30.5.2008 the subsidiary Alpha Bank Cyprus Ltd, issued subordinate debt securities (lower Tier II) amounting to € 100 million with a 10 year duration paying three month Euribor plus 180 basis points for the first 5 years. If Alpha Bank Cyprus Ltd does not redeem the security, the spread for the following years increases to 280 basis points.

⁽⁴⁾ On 19.2.2008, five years after issuance, the Bank redeemed a 10 year subordinated debt amounting to € 100 million.

On 10.7.2008, five years after issuance, the Bank redeemed a 10 year subordinated debt amounting to € 100 million.

On 18.7.2008 the issuance of two covered bonds was completed through Alpha Covered Bonds Plc, a subsidiary of the Bank, in accordance with article 91 of Law 3601/2007 and P.D./BOG 2598/2-11-2007. Each covered bond issue amounts to € 1 billion, and has a three and a five year duration respectively. The bonds are guaranteed by the Bank and they are collateralized with mortgage loans. The bonds received a AAA rating from three international credit rating agencies (Standard & Poor's, Moody's, and Fitch). Up to date these issues have been retained by the Bank and pledged as collateral for monetary policy purposes with the Bank of Greece. In the future they may also be sold to investors.

Since the above bonds have been retained by the Bank, are not presented in "Debt securities in issue and other borrowed funds".

13. Provisions

	30.9.2008	31.12.2007
Insurance reserves	40,606	41,561
Provisions to cover credit risk	7,796	45,929
Other provisions	9,242	8,445
Total	57,644	95,935

a. Insurance provisions

	30.9.2008	31.12.2007
Non-life insurance		
Unearned premiums	5,397	4,643
Outstanding claim reserves	<u>4,625</u>	<u>5,780</u>
Total	10,022	10,423
Life insurance		
Mathematical reserves	6,826	6,992
Outstanding claim reserves	<u>1,233</u>	<u>1,325</u>
Total	8,059	8,317
Reserves for investments held on behalf and at risk of life insurance policy holders	22,525	22,821
Total	40,606	41,561

b. Provisions to cover credit risk

Balance 1.1.2007	14,946
Changes for the period 1.1. – 30.9.2007	
Provisions to cover credit risk relating to off-balance sheet items ^(note 2)	15,054
Balance 30.9.2007	30,000
Changes for the period 1.10. – 31.12.2007	
Provisions to cover credit risk relating to off-balance sheet items	15,929
Balance 31.12.2007	45,929
Changes for the period 1.1. – 30.9.2008	
Reversal of provision to cover credit risk relating to off-balance sheet items ^(note 2)	(38,133)
Balance 30.9.2008	7,796

**c. Other provisions**

Balance 1.1.2007	11,432
Changes for the period 1.1. – 30.9.2007	
Provisions charged to profit and loss	2,507
Provisions used during the period	(15)
Foreign exchange differences	(1,497)
Balance 30.9.2007	12,427
Changes for the period 1.10. – 31.12.2007	
Decrease of provision of contingent liabilities	(5,402)
Provisions used during the period	(3)
Foreign exchange differences	1,423
Balance 31.12.2007	8,445
Changes for the period 1.1. – 30.9.2008	
Provisions charged to profit and loss	4,121
Provisions used during the period	(2,739)
Foreign exchange differences	(585)
Balance 30.9.2008	9,242

EQUITY**14. Share capital, Retained earnings and Treasury shares****a) Share capital**

The Ordinary Meeting of the Shareholders held on 3 April 2008, approved the increase of the Bank's share capital by € 328,781 through the capitalization of the share premium reserve of € 184,033 and part of retained earnings of € 144,748, with an increase of the nominal value of each share from € 3.90 to € 4.70.

The Ministry of Development approved through the K2-5168/22.4.2008 decision, the amendment of article 5 of the Bank's Articles of Incorporation following the increase in its share capital.

Pursuant to the above, as at 30 September 2008, the Bank's share capital amounts to € 1,931,590, divided into 410,976,652 shares of a nominal value of € 4.70 each.

b) Retained earnings

On 15 April 2008 a dividend of € 0.90 per share was distributed amounting to a total of € 362,199, relating to fiscal year 2007.

Bank's subsidiaries for the fiscal year of 2007 distributed a dividend to minority interest amounting to € 532.

c) Treasury shares

On 25.2.2008 Alpha Insurance Agents A.E., a wholly owned subsidiary of the Bank, completed the sale of 10,080 Bank's shares at total cost € 188 with a price of € 20.8 per share. The profit from the sale of the treasury shares amounted to € 21 was recognised directly to "Retained earnings".

The Bank pursuant to the decisions of prior years General Meetings of Shareholders, purchased during the first quarter of 2008, 8,123,677 treasury shares at a cost of € 167,551 (€ 20.63 per share).

Based on the decision of the General Meeting of Shareholders held on 3.4.2008 which approved the establishment of a share buy back program, for the period April 2008 - April 2010, the Bank acquired during the period 1.4 - 30.9.2008 10,042,585 treasury shares at a cost of € 205,775 (€ 20.49 per share).

On 30 June 2008, the Bank completed the sale of 16,439,066 treasury shares the cost of which amounted to € 341,405, through a private placement which represented 4% of its issued share capital. The result of the above transaction has been recognized directly to the "Retained earnings" account of equity.

As at 30 September 2008 the Bank holds 1,727,196 treasury shares with a cost of € 31,921 (€ 18.48 per share).

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

	Number of shares	Cost	Percentage
Balance 31.12.2007	10,080	188	
Purchases 1.1-30.9.2008	18,166,262	373,326	4.42%
Sales 1.1-30.9.2008	(16,449,146)	(341,593)	(4.00%)
Balance 30.9.2008	1,727,196	31,921	0.42%

**ADDITIONAL INFORMATION****15. 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.

There are no pending legal cases or issues in progress which may have a material impact on the financial statements or operations of the other companies of the Group. However, the Group recorded a provision amounting to € 4 million for pending legal cases or issues in progress.

b) Tax issues

The Bank and the companies, Alpha Astika Akinita A.E., Messina Holdings S.A., Ionian Hotel Enterprises A.E., ABC Factors A.E. and Kafe Alpha A.E. have been audited by the tax authorities for the years up to and including 2005. The Bank's branches in London and in Albania have been audited by the tax authorities for the years up to and including 2005 and 2007 respectively, while in Bulgaria the tax audit is in progress for fiscal years 2003-2007. Alpha Bank Romania S.A. and Alpha Insurance Agents A.E. have been audited up to and including 2006. Tax audits are in progress at Alpha Finance A.E.P.E.Y., and Alpha Leasing A.E. for fiscal years from 2003-2006 and 2005-2006 respectively. The companies Alpha Ventures A.E., Alpha Private Investment Services A.E.P.E.Y., Oceanos A.T.O.E.E., Ionian Holdings A.E. and Evremathea A.E., used the clauses of Law 3697/08 and concluded their unaudited tax fiscal years 2002-2006, 2002-2005, 2003-2006, 2005-2006 and 2005-2006 respectively. The remaining companies of the Group has been audited by the tax authorities, for the years up to and including the year ended 31 December 2002.

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

c) Operating leases

The Group's minimum future lease payments are:

	30.9.2008	31.12.2007
▶ Less than one year	45,639	30,894
▶ Between one and five years	145,601	92,662
▶ More than five years	121,537	79,219
Total	312,777	202,775

The Group's minimum future revenues are:

	30.9.2008	31.12.2007
▶ Less than one year	5,934	6,017
▶ Between one and five years	21,056	22,806
▶ More than five years	7,425	9,177
Total	34,415	38,000

d) Off-balance sheet liabilities

	30.9.2008	31.12.2007
Letters of credit	179,691	48,014
Letters of guarantee	5,403,670	4,835,271
Undrawn credit facilities	22,877,637	17,573,361
Total	28,460,998	22,456,646



e) Assets pledged

	30.9.2008	31.12.2007
Loans to customers	964,490	800,490
Investment securities	3,151,000	160,000
Total	4,115,490	960,490

The Bank has collateralized customer loans 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.

From the investments securities, an amount of € 5 million is pledged as collateral to the clearing house of derivative transactions "ETESEP AE" as a margin account insurance and an amount of € 3,146 million is pledged as collateral 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.

Securities amounting € 2 billion, included in the above amount and issued due to the securitization of mortgage loans, are held by the Bank. The above securities are not presented in "Investment Securities" but are presented net from the securities issued by the special purpose entity Alpha Covered Bonds Plc.



16. Group consolidated companies

The consolidated financial statements apart from the parent company Alpha Bank include the following entities:

A. SUBSIDIARIES

Name	Country of Incorporation	Group's ownership interest %	
		30.9.2008	31.12.2007
Banks			
1. Alpha Bank London Ltd	United Kingdom	100.00	100.00
2. Alpha Bank Cyprus Ltd	Cyprus	100.00	100.00
3. Alpha Bank Romania S.A.	Romania	99.91	99.91
4. Alpha Bank AD Skopje	FYROM	100.00	100.00
5. Alpha Bank Jersey Ltd	Jersey	100.00	100.00
6. Alpha Bank Srbija A.D.	Serbia	100.00	99.99
7. Astra Bank OJSC ^(note 20d)	Ukraine	93.33	
Leasing companies			
1. Alpha Leasing A.E.	Greece	100.00	100.00
2. Alpha Leasing Romania S.A.	Romania	99.99	99.99
3. ABC Factors A.E.	Greece	100.00	100.00
4. Alpha Asset Finance C.I. Ltd	Jersey	100.00	100.00
Investment Banking			
1. Alpha Finance A.E.P.E.Y. ^(note 20a)	Greece	100.00	100.00
2. Alpha Finance US Corporation	U.S.A.	100.00	100.00
3. Alpha Finance Romania S.A.	Romania	99.98	99.98
4. Alpha Ventures A.E.	Greece	100.00	100.00
5. AEF European Capital Investments B.V. ^(note 20c)	The Netherlands		100.00
6. Alpha Ventures Capital Management ^(note 20h)	Greece	100.00	
Asset Management			
1. Alpha Asset Management A.E.D.A.K.	Greece	100.00	100.00
2. Alpha Private Investment Services A.E.P.E.Y.	Greece	100.00	100.00
3. ABL Independent Financial Advisers Ltd	United Kingdom	100.00	100.00
Insurance			
1. Alpha Insurance Agents A.E.	Greece	100.00	100.00
2. Alpha Insurance Ltd Cyprus	Cyprus	100.00	100.00
3. Alpha Insurance Brokers S.R.L.	Romania	99.91	99.91
4. ALPHALIFE A.A.E.Z.	Greece	100.00	100.00
Real estate and hotel			
1. Alpha Astika Akinita A.E.	Greece	86.72	84.10
2. Ionian Hotel Enterprises A.E.	Greece	96.21	94.81
3. Oceanos A.T.O.E.E.	Greece	100.00	100.00
4. Alpha Real Estate D.O.O. Beograd	Serbia	86.72	84.10
5. Alpha Astika Akinita D.O.O.E.L. Skopje	FYROM	86.72	84.10
6. Tourist Resorts A.E. ^(note 20b)	Greece		94.81
7. Alpha Immovables Bulgaria E.O.O.D.	Bulgaria	86.72	84.10
Special purpose and holding entities			
1. Alpha Credit Group Plc	United Kingdom	100.00	100.00
2. Alpha Group Jersey Ltd	Jersey	100.00	100.00
3. Alpha Group Investment Ltd	Cyprus	100.00	100.00
4. Ionian Holdings A.E.	Greece	100.00	100.00
5. Messana Holdings S.A.	Luxembourg	100.00	100.00
6. Ionian Equity Participations Ltd	Cyprus	100.00	100.00
7. Alpha Covered Bonds Plc ^(note 20l)	United Kingdom	100.00	
8. ABL Holdings Jersey Ltd ^(note 20o)	Jersey	100.00	
Other companies			
1. Alpha Bank London Nominees Ltd	United Kingdom	100.00	100.00
2. Alpha Trustees Ltd	Cyprus	100.00	100.00
3. Flagbright Ltd	United Kingdom	100.00	100.00
4. Alpha Advisory Romania S.R.L.	Romania	99.98	99.98
5. Evremathea A.E.	Greece	100.00	100.00
6. Kafe Alpha A.E.	Greece	100.00	100.00
7. Ionian Supporting Services A.E.	Greece	100.00	100.00

B. JOINT VENTURES

Name	Country of Incorporation	Group's ownership interest %	
		30.9.2008	31.12.2007
1. Cardlink A.E.	Greece	50.00	50.00
2. APE Fixed Assets A.E.	Greece	60.10	60.10
3. APE Commercial Property A.E.	Greece	72.20	60.10
4. Anadolu Alpha Gayrimenkul Ticaret Anonim Sirketi (note 20m)	Turkey		50.00
5. APE Investment Property S.A.	Greece	67.42	67.42
6. Alpha TANE0 A.K.E.S. (note 20h)	Greece	51.00	

The subsidiaries are fully consolidated and the joint ventures are consolidated under the proportionate method.

The Group hedges the foreign exchange risk arising from the net investment in Alpha Bank London Ltd., Alpha Bank Romania S.A. and Alpha Finance US Corporation through the use of FX swaps and interbank deposits in the functional currency of the above subsidiaries.

C. ASSOCIATES

Name	Country of Incorporation	Group's ownership interest %	
		30.9.2008	31.12.2007
1. Evisak A.E.	Greece	27.00	27.00
2. AEDEP Thessalias and Stereas Ellados	Greece	50.00	50.00
3. A.L.C. Novelle Investments Ltd	Cyprus	33.33	33.33
4. EL.PET. Balkaniki S.A. (note 20j)	Greece	26.71	

The associates included in consolidated financial statements are measured under the equity method.

The increase of the account "Investments in associates", compared to 31.12.2007, is attributed to the recognition of EL.PET. Balkaniki S.A. which is measured under the equity method.

17. Segment reporting

(Amounts in million of €)

	1.1 - 30.9.2008						
	Group	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other
Interest	1,362.4	832.4	250.9	12.0	18.5	246.6	2.0
Commission	353.3	134.1	65.4	53.7	34.3	67.1	(1.3)
Other income	106.8	10.4	8.8	1.1	3.1	46.1	37.3
Total income	1,822.5	976.9	325.1	66.8	55.9	359.8	38.0
Total expenses	(844.8)	(432.5)	(92.6)	(38.8)	(28.6)	(207.6)	(44.7)
Impairment losses	(266.0)	(154.5)	(78.4)		(0.2)	(32.9)	
Profit before income tax	711.7	389.9	154.1	28.0	27.1	119.3	(6.7)
Income tax	(142.2)						
Profit after income tax	569.5						



(Amounts in million of €)

	1.1 - 30.9.2007						
	Group	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other
Interest	1,168.2	725.1	225.8	12.9	31.0	162.5	10.9
Commission	341.3	122.0	71.0	65.4	34.3	50.2	(1.6)
Other income	121.9	15.1	4.0	8.3	18.4	29.3	46.8
Total income	1,631.4	862.2	300.8	86.6	83.7	242.0	56.1
Total expenses	(740.0)	(405.3)	(82.8)	(44.0)	(26.9)	(141.0)	(40.0)
Impairment losses	(157.7)	(77.9)	(61.0)			(18.2)	(0.6)
Profit before income tax	733.7	379.0	157.0	42.6	56.8	82.8	15.5
Income tax	(143.4)						
Profit from discontinued operations	80.4						
Profit after income tax	670.7						

i. Retail Banking

Includes all individuals (retail banking customers) of the Bank, professionals, and small companies operating in Greece and abroad except from South-Eastern Europe countries.

The Bank through its extended branch network offers 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 operating in Greece and abroad except from South Eastern Europe countries.

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

This sector also includes the leasing products which are offered through Alpha Leasing A.E. and factoring services to third parties through ABC Factors A.E.

iii. Asset Management / Insurance

Consists of a wide range of asset management services through Group's private banking and Alpha Asset Management A.E.D.A.K.

In addition commissions are included due to the wide range of insurance products to individuals and companies through AXA Insurance which is the corporate successor of the former subsidiary Alpha Insurance A.E.

iv. Investment Banking / Treasury

Includes stock exchange, advisory and brokerage services relating to capital markets, and also investment banking facilities, offered either by the Bank or specialized Group companies (Alpha Finance A.E.P.E.Y., Alpha Ventures A.E.). Includes also 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 and subsidiaries of the Group operating in South Eastern Europe.

vi. Other

This segment consists of the non-financial subsidiaries of the Group and Bank's income and expenses that are not related to its operating activities.



18. Capital adequacy

The Group'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 Group's regulatory own funds with the risks that the Group undertakes (risk-weighted assets). Own funds include Tier I capital (share capital, reserves, minority interest), 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 Group in all areas for the next years.

	30.9.2008	31.12.2007
	Basel II	Basel I
Tier I ratio	8.7%	9.6%
Capital adequacy ratio (Tier I + Tier II)	10.8%	12.5%



19. Related-party transactions

The Bank and the Group companies entered 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 the Group's relevant committees.

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

	30.9.2008	31.12.2007
Assets		
Loans and advances to customers	150,272	39,951
Liabilities		
Due to customers	78,395	43,523
Debt securities in issue	24,388	9,009
Total	102,783	52,532
Letters of guarantee	17,754	83
	From 1 January to	
	30.9.2008	30.9.2007
Interest and similar income	7,720	167
Interest expense and similar charges	2,556	1,158

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

	30.9.2008	31.12.2007
Assets		
Loans and advances to customers	205	277
Liabilities		
Due to customers	5	26
	From 1 January to	
	30.9.2008	30.9.2007
Income		
Interest and similar income	15	25
Expenses		
Other expenses	2,461	2,443

c. The Group Companies' Board of Directors and Executive General Managers' fees recorded in the income statement for the nine month period of 2008 amounted to € 8,544 (30.09.2007: € 10,683).

20. Acquisitions, sales of subsidiaries and other corporate events

a. According to Law 3606/2007, which incorporates in Greek Legislation the European's Parliament guidance MiFID (2004/2007) and after the relevant decision of the Extraordinary Shareholders' Meeting held on 14.12.2007 and the approval of the Ministry of Development on 11.2.2008, the name of Alpha Finance A.X.E.P.E.Y. was changed to Alpha Finance A.E.P.E.Y.

b. On 28.3.2008, the subsidiary Ionian Hotel Enterprises A.E. completed the transfer of 100% of Tourist Resort A.E., owner of Hilton Rhodes Resort to the "Greek Hotel Company Lampsas S.A." and to "Plaka S.A." by 50% respectively. The sale resulted in a gain of € 1.5 million for the Group.

c. On 31.3.2008 the subsidiary AEF European Capital Investments B.V. was liquidated. No profit or loss resulted from the liquidation.

d. On 4.4.2008 the Bank acquired 90% of the newly established Ukrainian Bank Astra Bank OJSC at a cost of € 10.9 million. The Bank agreed with the founders of Astra Bank that they will hold a stake up to 10% of the share capital and will remain as executive members of management.

e. On 22.4.2008 the Bank's subsidiary Alpha Ventures A.E. sold its shares in BIOMAGN AMETVE. The sale resulted in a gain amounting to € 328 thousand.



f. On 7.5.2008 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.

g. On 8.5.2008 the Bank participated in Alpha Bank Srbija A.D. share capital increase at a total amount of € 49.8 million.

h. On 9.5.2008 the subsidiary Alpha Ventures A.E. established the company Alpha Ventures Capital Management. Alpha Ventures Capital Management has the management of the mutual fund of ALPHA-TANEO A.K.E.S., which was founded on 2.6.2008 and the Bank holds a 51% ownership interest.

i. On 21.5.2008 the Bank acquired 847 shares of APE Commercial Property A.E. Following the acquisition, the Bank's interest in APE Commercial Property A.E. was 72.20%.

j. On 21.5.2008, the Group recognised its participation to associate EL.P.ET. Balkaniki S.A. which was included in the consolidated financial statements under the equity method.

k. On 30.6.2008 the Bank participated in Astra Bank OJSC share capital increase at the total amount of € 126.4 million plus expenses. After this share capital increase the Bank's ownership interest is 93.33%.

l. On 2.7.2008 Alpha Covered Bonds Plc was established in the United Kingdom by the Bank (which has 100% ownership interest) with primary activity the issuance of covered bonds.

m. On 15.8.2008 the Bank sold its participation in "Anadolu Alpha Gayrimenkul Ticaret A.S." i.e. 50% of the share capital, to the other shareholder of Anadolu Group. No profit or loss resulted from the sale.

n. Following the unprecedented crisis in the global capital markets in the mid of September and the significant increase in the deposits guarantee from € 20,000 to € 100,000, Money Market mutual funds suffered a severe competitive disadvantage.

For this reason the Bank decided to assume the risks associated with the Money Market mutual funds. As a result of the above decision the Bank recognized in the financial statements the assets and liabilities of Alpha Domestic Money Market Fund, Alpha Foreign Money Market Fund and Alpha Regular Income Foreign Bonds Fund.

On 30.9.2008 the above mentioned liabilities amounted to € 1.5 billion, and are included in "Due to customers" account.

o. On 29.9.2008 the wholly owned subsidiary of the Bank, Alpha Bank London Limited established in Jersey the company ABL Holdings Jersey Limited. Alpha Bank London Limited transferred its participation in the subsidiary Alpha Asset Finance C.I. Limited to ABL Holdings Jersey Limited.



21. Events after the balance sheet date

Based on the approved by the General Meeting of Shareholders held on 3.4.2008 share buy back program, the Bank acquired during 1.10.2008 up to 19.11.2008 3,079,198 treasury shares at a cost of € 31,001 (i.e. € 10.07 per share). The above mentioned shares represent 0.74% of its issued share capital.

As at 19.11.2008 the Bank holds 4,806,394 treasury shares at a total cost of € 62,921 or 1.17% of its issued share capital.

Athens, 25 November 2008

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

THE MANAGING DIRECTOR

THE EXECUTIVE DIRECTOR

GROUP FINANCIAL REPORTING
OFFICER

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

DEMETRIOS P. MANTZOUNIS
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