

ALPHA BANK



CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30.09.2006

(In accordance with the International Accounting Standard 34)



ATHENS
NOVEMBER 14, 2006

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General information

The Alpha Bank Group includes companies in Greece and abroad which offer services as:

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

The parent company of the Group is ALPHA BANK S.A. which operates under the brand name of ALPHA BANK S.A. and with the sign of ALPHA BANK. Its registered office is at 40 Stadiou Street, Athens and it is listed as a societe anonyme, with number 6066/06/B/86/05. The Bank's duration is until 2100 which can be extended by a decision of the shareholders in a general meeting.

In accordance with article 4 of the articles of association, the Bank's purpose is to provide general banking services in Greece and abroad.

The term of the Board of Directors, who were elected by the shareholders' general meeting on April 19, 2005 ends in 2010. The Board of Directors, after the changes approved by the Board meeting held on 27 July 2006 (resignation of the vice-chairman Mr. Canelopoulos Andreas, who was replaced by Mr. Tanes Minas and election of Mr. Athanasopoulos Takis as a new non-executive member) consists of:

CHAIRMAN (Executive Member)

Yannis S. Costopoulos

VICE CHAIRMAN (Non Executive 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

George E. Agouridis *

Takis J. Athanasopoulos *

Sophia G. Eleftheroudaki

Paul G. Karakostas*

Nicholaos I. Manassis **

NON-EXECUTIVE INDEPENDENT MEMBERS

Pavlos A. Apostolides **

Thanos M. Veremis

Ioannis K. Lyras **

SECRETARY

Hector P. Verykios

* Member of the Audit Committee

** Member of the Remuneration Committee

The certified auditors of the Bank are:

Principal Auditors:

Marios T. Kyriacou

Nick E. Vouniseas

Substitute Auditors:

Garyfalia B. Spyriouni

Nick Ch. Tsiboukas

of KPMG Kyriacou Certified Auditors S.A.

The Bank's shares are listed in the Athens Stock Exchange since 1925. As at 30 September 2006 Alpha Bank was ranked 4th among all listed companies, in terms of market capitalization. Since February 2004 the Bank has been included in the FTSE Eurofirst 300 Index, which consists of the 300 largest European companies.

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

As at 30 September 2006 the Bank has issued 407,685,052 shares.

The Bank's continuous growth and consistent dividend policy has attracted local and foreign investors. This has increased the shares' trading volume which for the nine month period of 2006 amounted to an average of 1,031,000 shares per day.

In function held on 28 September 2006, for the celebration of 130 years from the foundation and operation of Athens Stock Exchange, Alpha Bank was awarded with the first prize, among all listed companies, as for over ¼ of the century presents continual profitability, contributes to the growth of the Greek stock exchange institution and distributes each year dividend to its shareholders for 58 years.

The credit rating of the Bank remains at a high level compared to European standards (Standard & Poor's: BBB+, Moody's: A3, Fitch Ratings: A-) and reflects the dynamics of its operations and the positive share price prospects.

The financial statements below (pages 3 – 36) have been approved by the Board of Directors on 14 November 2006.

FINANCIAL STATEMENTS AS AT 30.9.2006

Interim consolidated income statement

		(Thousands of Euro)			
		From 1 January to		From 1 July to	
	Note	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Interest and similar income		1,924,686	1,332,257	693,173	469,836
Interest expense and similar charges		(865,379)	(434,190)	(331,097)	(154,596)
Net interest income	2	1,059,307	898,067	362,076	315,240
Fee and commission income		315,532	276,331	109,810	102,104
Commission expense		(19,911)	(18,045)	(8,369)	(7,192)
Net fee and commission income	3	295,621	258,286	101,441	94,912
Dividend income	4	2,676	2,611	5	95
Gains less losses on financial transactions	5	40,225	18,173	9,752	13,602
Other income	6	68,938	79,147	22,790	22,895
		111,839	99,931	32,547	36,592
Total income		1,466,767	1,256,284	496,064	446,744
Staff costs	7	(361,937)	(337,371)	(120,242)	(112,084)
General administrative expenses	8	(258,147)	(224,339)	(85,660)	(77,677)
Depreciation and amortization expenses	15,16,17	(47,291)	(47,446)	(15,680)	(16,054)
Other expenses		(1,225)	(3,021)	(318)	(1,783)
Total expenses		(668,600)	(612,177)	(221,900)	(207,598)
Impairment losses and provisions to cover credit risk	9	(188,885)	(188,803)	(58,375)	(64,587)
Share of profit (loss) of associates	14	(35)	(1,012)	102	137
Profit before taxes		609,247	454,292	215,891	174,696
Income tax	10	(134,180)	(91,572)	(47,818)	(35,983)
Profit after taxes		475,067	362,720	168,073	138,713
Attributable to equity holders of the Bank		473,377	360,305	167,512	138,201
Attributable to minority interest		1,690	2,415	561	512
Earnings per share:	11				
Basic (€)		1.20	0.90	0.43	0.34
Diluted (€)		1.20	0.89	0.43	0.34

The attached notes (pages 9 to 36) form an integral part of these interim financial statements.

Interim consolidated balance sheet

(Thousands of Euro)

	Note	30.9.2006	31.12.2005
ASSETS			
Cash and balances with Central Banks	12	2,052,691	2,202,382
Due from banks		4,135,227	4,775,229
Securities held for trading		242,288	122,638
Derivative financial assets		177,544	138,997
Loans and advances to customers	13	31,212,707	27,356,543
Investment securities			
-Available for sale		8,182,269	7,745,062
Investments in associates	14	9,936	11,389
Investment property	15	28,418	29,550
Property, plant and equipment	16	961,073	937,973
Goodwill and other intangible assets	17	110,668	107,436
Deferred tax assets	18	270,346	202,519
Other assets		347,945	285,258
		<u>47,731,112</u>	<u>43,914,976</u>
Non-current assets held for sale	19	91,939	92,070
Total Assets		<u>47,823,051</u>	<u>44,007,046</u>
LIABILITIES			
Due to banks		6,818,647	8,128,599
Derivative financial liabilities		168,625	140,236
Due to customers	20	23,506,624	21,644,804
Debt securities in issue and other borrowed funds	21	12,113,029	9,192,626
Liabilities for current income tax and other taxes		114,098	128,202
Deferred tax liabilities	18	112,935	23,857
Employee defined benefit obligations		565,172	561,748
Other liabilities		956,432	743,372
Provisions		352,792	317,871
Liabilities related to non-current-assets held for sale		-	3,047
Total Liabilities		<u>44,708,354</u>	<u>40,884,362</u>
EQUITY			
Equity attributable to equity holders of the Bank			
Share Capital	22	1,589,972	1,456,018
Share premium		125,685	125,685
Reserves		335,187	324,297
Retained earnings	22	518,615	506,985
Treasury shares	22	(338,596)	(188,316)
		<u>2,230,863</u>	<u>2,224,669</u>
Minority interest		45,681	53,069
Hybrid securities	23	838,153	844,946
Total Equity		<u>3,114,697</u>	<u>3,122,684</u>
Total Liabilities and Equity		<u>47,823,051</u>	<u>44,007,046</u>

The attached notes (pages 9 to 36) form an integral part of these interim financial statements.

Interim consolidated statement of changes in equity

(thousands of Euro)

	Share capital	Share premium	Fair value reserve and other reserves	Retained earnings	Treasury shares	Total	Minority interest	Hybrid securities	Total equity
Balance 1.1.2005	1,274,272	-	365,095	366,091	(18,873)	1,986,585	63,508	297,353	2,347,446
Changes in equity for the period									
1.1-30.9.2005									
Movement in the available for sale securities reserve									
	-	-	9,333	-	-	9,333	-	-	9,333
Effect of translation of foreign subsidiaries									
	-	-	9,217	-	-	9,217	-	-	9,217
Other									
	-	-	-	18,907	-	18,907	-	-	18,907
Net income recognized directly in equity									
	-	-	18,550	18,907	-	37,457	-	-	37,457
Net income for the period									
	-	-	-	360,305	-	360,305	2,415	-	362,720
Total									
	-	-	18,550	379,212	-	397,762	2,415	-	400,177
Merger of Delta Singular A.E.P.									
	23,449	125,685	-	-	-	149,134	-	-	149,134
Capitalization of reserve to round the nominal share price to € 5.35									
	562	-	-	(562)	-	-	-	-	-
Increase of share capital from capitalization of reserve and change of nominal value of share to € 5									
	157,735	-	-	(157,735)	-	-	-	-	-
Issue of hybrid securities									
	-	-	-	-	-	-	-	588,000	588,000
Acquisition of new subsidiary and change of participating interests in subsidiaries (Purchase)/sale of treasury shares and hybrid securities									
	-	-	-	(13,385)	-	(13,385)	(12,071)	-	(25,456)
	-	-	-	-	(113,541)	(113,541)	-	(41,791)	(155,332)
Amortization of initial share options valuation granted to employees									
	-	-	1,721	-	-	1,721	-	-	1,721
Dividends distributed to equity holders and minority interest									
	-	-	-	(174,064)	-	(174,064)	(1,484)	-	(175,548)
Dividends paid to hybrid securities holders									
	-	-	-	(10,836)	-	(10,836)	-	-	(10,836)
Reserves									
	-	-	2,078	(2,078)	-	-	-	-	-
Balance 30.9.2005	1,456,018	125,685	387,444	386,643	(132,414)	2,223,376	52,368	843,562	3,119,306

	Share capital	Share premium	Fair value reserve and other reserves	Retained earnings	Treasury shares	Total	Minority interest	Hybrid securities	Total equity
Balance 1.10.2005	1,456,018	125,685	387,444	386,643	(132,414)	2,223,376	52,368	843,562	3,119,306
Changes in equity for the period 1.10-31.12.2005									
Movement in the available for sale securities reserve	-	-	(47,895)	-	-	(47,895)	-	-	(47,895)
Transfer to income statement due to sales of available for sale securities	-	-	(3,982)	-	-	(3,982)	-	-	(3,982)
Effect of translation of foreign subsidiaries	-	-	(11,166)	-	-	(11,166)	-	-	(11,166)
Other	-	-	-	(19,760)	-	(19,760)	-	-	(19,760)
Net income recognized directly in equity	-	-	(63,043)	(19,760)	-	(82,803)	-	-	(82,803)
Net income for the period	-	-	-	141,869	-	141,869	1,281	-	143,150
Total	-	-	(63,043)	122,109	-	59,066	1,281	-	60,347
Acquisition of new subsidiary and change of participating interests in subsidiaries	-	-	-	584	-	584	(580)	-	4
(Purchase)/sale of treasury shares and hybrid securities	-	-	-	-	(55,902)	(55,902)	-	1,384	(54,518)
Amortization of initial share options valuation granted to employees	-	-	524	-	-	524	-	-	524
Dividends paid to equity holders and minority interest	-	-	-	-	-	-	-	-	-
Dividends paid to hybrid securities holders	-	-	-	(2,979)	-	(2,979)	-	-	(2,979)
Reserves	-	-	(628)	628	-	-	-	-	-
Balance 31.12.2005	1,456,018	125,685	324,297	506,985	(188,316)	2,224,669	53,069	844,946	3,122,684

	Share capital	Share premium	Fair value reserve and other reserves	Retained earnings	Treasury shares	Total	Minority interest	Hybrid securities	Total equity
Balance 1.1.2006	1,456,018	125,685	324,297	506,985	(188,316)	2,224,669	53,069	844,946	3,122,684
Changes in equity for the period 1.1-30.9.2006									
Movement in the available for sale securities reserve	-	-	(29,484)	-	-	(29,484)	-	-	(29,484)
Transfer to income statement due to sales of available for sale securities	-	-	(23,025)	-	-	(23,025)	-	-	(23,025)
Effect of translation of foreign subsidiaries	-	-	15,084	-	-	15,084	-	-	15,084
Other	-	-	-	(1,098)	-	(1,098)	-	-	(1,098)
Net income recognized directly in equity	-	-	(37,425)	(1,098)	-	(38,523)	-	-	(38,523)
Net income for the period	-	-	-	473,377	-	473,377	1,690	-	475,067
Total	-	-	(37,425)	472,279	-	434,854	1,690	-	436,544
Increase of share capital from capitalization of reserve and change of nominal value of share to € 3.90	133,954	-	-	(133,954)	-	-	-	-	-
Change of participating interests in subsidiaries	-	-	-	(397)	-	(397)	(7,689)	-	(8,086)
(Purchase)/sale of treasury shares and hybrid securities	-	-	-	1,812	(150,280)	(148,468)	-	(6,793)	(155,261)
Amortization of initial share options valuation granted to employees	-	-	3,819	-	-	3,819	-	-	3,819
Dividends distributed to equity holders and minority interest	-	-	-	(237,556)	-	(237,556)	(1,389)	-	(238,945)
Dividends paid to hybrid securities holders	-	-	-	(46,058)	-	(46,058)	-	-	(46,058)
Reserves	-	-	44,496	(44,496)	-	-	-	-	-
Balance 30.9.2006	1,589,972	125,685	335,187	518,615	(338,596)	2,230,863	45,681	838,153	3,114,697

The attached notes (pages 9 to 36) form an integral part of these interim financial statements.

Interim consolidated Cash flow statement

	Note	(Thousands of Euro)	
		From 1 January to 30.9.2006	30.9.2005
Cash flows from operating activities			
Profit before taxes		609,247	454,292
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	15,16	32,464	34,033
Amortization of intangible assets	17	14,827	13,413
Impairment losses and provisions		202,355	204,294
Other adjustments		55,151	1,721
(Gains) / losses from investing activities		(36,666)	(14,570)
(Gains) / losses from financing activities		68,381	23,268
Share of (profit) loss of associates	14	35	1,012
		<u>945,794</u>	<u>717,463</u>
<i>Net (increase) / decrease in assets relating to operating activities:</i>			
Due from banks		(1,257,088)	193,993
Securities held for trading and derivative financial assets		(158,197)	(1,559,376)
Loans and advances to customers		(4,082,581)	(3,736,997)
Other assets		(62,718)	62,374
<i>Net increase /(decrease) in liabilities relating to operating activities</i>			
Due to banks		(1,309,952)	4,488,689
Derivative financial liabilities		28,389	(58,592)
Due to customers		4,799,748	2,688,307
Other liabilities		196,064	213,264
<i>Net cash flows from operating activities before taxes</i>			
Income and other taxes paid		(127,067)	(161,292)
Net cash flows from operating activities		(1,027,608)	2,847,833
Cash flows from investing activities			
Acquisitions of subsidiaries and associates		(8,302)	(219,421)
Proceeds from sale of investments (subsidiaries and associates)		2,523	-
Dividends received	4	2,676	2,611
Purchase of property, plant and equipment	15,16,17	(77,266)	(38,197)
Disposal of property, plant and equipment		8,300	1,479
Net (increase) / decrease in investment securities		(481,810)	(1,811,794)
Net cash flows from investing activities		(553,879)	(2,065,322)
Cash flows from financing activities			
Dividends paid		(236,087)	(171,244)
Acquisition of treasury shares		(144,700)	(113,587)
Proceeds from the issue of loans		-	183,697
Repayment of loans		(47,402)	(23,268)
Proceeds from the issue of Hybrid securities		-	546,209
Purchase of Hybrid securities		(6,793)	-
Dividends paid to Hybrid securities holders		(46,058)	(10,836)
Net cash flows from financing activities		(481,040)	410,971
Effect of exchange rate fluctuations on cash and cash equivalents		15,084	9,217
Net increase / (decrease) in cash and cash equivalents		(2,047,443)	1,202,699
Cash and cash equivalents at beginning of the period	12	5,665,814	5,568,384
Cash and cash equivalents at end of the period	12	3,618,371	6,771,083

The attached notes (pages 9 to 36) form an integral part of these interim financial statements.

Notes to the interim consolidated financial statements

Accounting principles applied

1. Basis of presentation

The Group has prepared the condensed interim consolidated financial statements as at 30.9.2006 in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting".

The accounting policies applied by the Group in these condensed interim financial statements as at 30 September 2006, are the same as those applied by the Group in its published consolidated financial statements for the year ended 31 December 2005 taking into consideration the new standards, amendments and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the European Union, which are effective for accounting periods beginning on or after 1.1.2006:

1.1 IAS 19 (amendment), «Employee Benefits» (Rule 1910/8.11.2005)

The amendment of IAS 19 introduces the option of an alternative recognition approach for actuarial gains and losses of some benefit plans.

It allows the total recognition of actuarial gains and losses directly in equity. It also clarifies the way the companies of a Group must include defined benefit obligations to their financial statements and it imposes the disclosure of additional information.

The Group has not changed the accounting policies relating to the recognition of defined benefit obligations.

1.2 Amendment IAS 39, Fair Value option (Rule 1864/15.11.2005)

According to the above amendment, under certain circumstances the Group has the ability to designate financial instruments upon initial recognition, to be measured at fair value, with changes in fair value recognized in profit and loss (fair value option).

The Group did not use the above option at the present financial statements.

1.3 IAS 39 (amendment), Recognition and Valuation of financial instruments (Rule 2106/21.12.2005)

According to this amendment, it permits the entities to designate, under certain circumstances, forecast intragroup transactions denominated in foreign currency, as the hedged instrument in the Group's financial statements.

As at 30.9.2006, no forecast intragroup transactions had occurred which could be recognized as hedged instruments.

1.4 IAS 39 and IFRS 4 (amendment), Financial Guarantee Contracts (Rule 108/27.1.2006)

The main objective of these amendments is to ensure that the issuers of financial guarantee contracts include the obligations on their balance sheet. Particularly, the issuer of such contract must initially recognize it at its fair value (except it is considered as an insurance contract) and subsequently to measure it at the higher of:

- (i) the amount arising from the principles of IAS 37 relating to provisions
and
- (ii) the amount initially recognized, reduced by the amount that has been already recognized as revenue, according to IAS 18, for revenue recognition.

This amendment did not have a significant effect on the Group's financial statements.

1.5 Amendment IAS 21, concerning the effects of exchange prices variation (Rule 708/8.5.2006)

This amendment allows the direct recognition of the foreign exchange differences in equity. These exchange differences result from monetary assets, which consist part of the net investment in foreign currency, even if these monetary assets are presented in different currency from the functional currency of the counterparties of the Group.

As at 30.9.2006 no monetary assets consisting part of a net investment in foreign currency existed.

Interpretation 4 « Determining whether an Arrangement contains a Lease»,

Interpretation 5 «Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds» (Rule 1910/8.11.2005).

Interpretation 6 «Liabilities arising from participating in a Specific Market – Waste Electrical and Electronic Equipment» (Rule 108/27.1.2006)

Interpretation 8 and 9 «Scope of IFRS 2» and «Reassessment of embedded derivatives» (Rule 1329/8.9.2006)

The adoption of interpretations 4, 5, 6, 8 and 9 resulted in no substantial effect on the Group's financial statements.

Apart from the amendments of the Standards and the new interpretations stated above, the European Union, on 27.1.2006, adopted, through 108/2006 rule, the International Financial Reporting Standard 7 « Financial instruments: Disclosures», as well as the changes that it has imposed to other standards.

IFRS 7 and the amendments that it imposes on other standards are effective for accounting periods beginning on or after 1.1.2007 and they are expected to affect significantly the disclosure requirements concerning financial instruments.

In addition from 8.5.2006, through 708/2006 regulation, interpretation 7, « Applying the restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies» was adopted, which is not expected to have a substantial effect on the Group's financial statements.

Finally, IASB has issued interpretation 10 which is effective for annual periods beginning after 1.11.2006 and it has not been adopted, yet, by the European Union. Its application will not have a significant impact on the Group's financial statements.

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

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

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

The adoption by the European Union, by 31 December 2006, of new standards, interpretations or amendments issued by the International Accounting Standards Board (IASB) and their mandatory or voluntary adoption after 1 January 2006, may retrospectively affect the period that these interim financial statements cover.

Income statement

2. Net interest income

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Due from banks	77,513	106,926	23,840	33,730
Securities	194,673	72,152	67,845	28,073
Loans and advances to customers	1,448,310	1,123,288	521,179	396,493
Due to banks	(133,744)	(57,124)	(50,384)	(22,377)
Due to Customers	(249,447)	(185,725)	(93,134)	(64,697)
Debt securities in issue and other borrowed funds	(234,836)	(139,491)	(91,402)	(50,198)
Other	(43,162)	(21,959)	(15,868)	(5,784)
Total	1,059,307	898,067	362,076	315,240

3. Net fee and commission income

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Loans	44,311	35,247	15,393	11,837
Letters of guarantee	27,728	26,307	9,595	9,330
Imports-Exports	14,554	14,541	4,283	5,034
Credit Cards	34,541	30,943	14,137	11,393
Fund transfers	63,781	61,598	21,913	22,084
Mutual Funds	47,926	39,188	14,504	14,659
Management and advisory fees	3,577	10,825	833	4,930
Other	59,203	39,637	20,783	15,645
Total	295,621	258,286	101,441	94,912

4. Dividend income

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Available-for-sale shares	2,676	2,611	5	95
Total	2,676	2,611	5	95

5. Gains less losses on financial transactions

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Foreign exchange differences	24,811	17,425	6,404	9,836
Securities held for trading	(7,309)	(6,509)	715	(1,456)
Available-for-sale securities	31,729	467	9,043	362
Other financial instruments	(9,006)	6,790	(6,410)	4,860
Total	40,225	18,173	9,752	13,602

6. Other income

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Insurance activities	21,240	20,676	4,746	5,290
Hotel activities	35,081	31,593	13,569	12,191
Operating lease income	3,364	3,222	1,132	1,601
Sale of property, plant and equipment	2,144	2,649	900	1,864
Goodwill from merger with Delta Singular A.E.P.	-	7.695	-	-
Other	7,109	13,312	2,443	1,949
Total	68,938	79,147	22,790	22,895

Income from insurance activities is analyzed as follows:

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Non-life Insurance				
Premiums and other related income	67,062	68,420	18,419	21,968
Less:				
Reinsurance premiums ceded	(22,801)	(27,551)	(2,721)	(8,183)
Commissions	(4,595)	(4,042)	(1,995)	(1,552)
Claims from policyholders	(30,996)	(27,156)	(13,942)	(7,445)
Reinsurers' participation	11,284	9,420	4,959	1,582
Net income from non-life insurance	19,954	19,091	4,720	6,370
Life Insurance				
Premiums and other related income	48,169	45,909	15,002	14,396
Less:				
Reinsurance premiums ceded	(2,238)	(2,372)	(387)	(731)
Commissions	(7,752)	(7,289)	(2,515)	(2,542)
Claims from policyholders	(37,766)	(35,916)	(12,396)	(13,068)
Reinsurers' participation	873	1,253	322	865
Net income from life insurance	1,286	1,585	26	(1,080)
Total	21,240	20,676	4,746	5,290

7. Staff costs

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Wages and Salaries	241,241	222,321	84,045	75,668
Social Security contributions	63,391	61,501	19,124	20,942
Expenses of defined benefit plans	39,263	38,393	12,865	13,197
Other	18,042	15,156	4,208	2,277
Total	361,937	337,371	120,242	112,084

As at 30.9.2006 staff costs include € 3,819 (30.9.2005: € 1,721) that relate to the amortization of initial share options valuation granted to employees.

The total employees of the Group as at 30.9.2006 were 12,047 (30.9.2005: 11,605) of which 8,291 (30.9.2005: 8,441) are employed in Greece and 3,756 (30.9.2005: 3,164) are employed abroad.

8. General administrative expenses

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Rent of buildings	21,747	18,953	7,727	6,611
Rent and maintenance of EDP equipment	16,517	13,756	5,274	4,113
EDP expenses	27,286	23,023	9,394	8,119
Marketing and advertisement expenses	23,674	21,258	5,815	9,062
Telecommunications and postage	19,744	16,994	6,926	5,524
Third party fees	23,827	20,660	8,500	8,041
Consultants fees	6,972	5,905	2,726	2,029
Contribution to Deposit Guarantee Fund	9,677	8,506	3,304	2,822
Insurance fees	6,699	6,750	1,924	769
Consumables	4,877	4,442	1,226	1,860
Electricity	5,963	5,254	2,332	2,046
Agency fees	5,199	3,366	510	1,307
Other general administrative expenses	59,523	51,930	21,355	17,777
Taxes	26,442	23,542	8,647	7,597
Total	258,147	224,339	85,660	77,677

9. Impairment losses and provisions to cover credit risk

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Impairment on loans and advances	176,201	195,187	59,073	66,755
Provisions to cover credit risk relating to off balance sheet items	14,946	-	-	-
Recoveries	(2,262)	(6,384)	(698)	(2,168)
Total	188,885	188,803	58,375	64,587

10. Income tax

The tax rate, for entities with registered office in Greece is 29% for the year 2006 (2005: 32%). For the Bank the tax rates are reduced by 5% and 10%, respectively (2006: 24% and 2005: 22%) due to the merger with Delta Singular A.E.P., a listed company in Athens Stock Exchange (L. 2992/2002 article 9).

Income tax is analyzed as follows:

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Current tax	112,963	79,670	36,841	30,956
Deferred tax	21,217	11,902	10,977	5,027
Total income tax	134,180	91,572	47,818	35,983

The difference of income tax in the comparative periods is due to the increased profit for the period 1/1-30/9/2006 and the increased tax rate of the Bank as mentioned above.

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

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Depreciation	7,903	9,111	2,664	3,206
Loans and advances	6,724	2,188	15,531	2,864
Employee defined benefit obligations	240	509	17	3,683
Valuation of derivative financial instruments	6,454	(8,571)	(106)	(7,494)
Amortization of transaction costs and fees of financial instruments	1,433	1,927	667	661
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(1,568)	5,726	(8,652)	4,887
Carry forward tax losses	258	(114)	270	504
Other temporary differences	(227)	1,126	586	(3,284)
Total	21,217	11,902	10,977	5,027

11. Earnings per share

Basic earnings per share:

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, during the period.

	From 1 January to		From 1 July to	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Profit attributable to shareholders of the Bank (in € thousands)	473,377	360,305	167,512	138,201
Weighted average number of outstanding ordinary shares	393,316,191	402,179,356	389,544,759	402,405,735
Basic earnings per share (in € per share)	1.20	0.90	0.43	0.34

Diluted earnings per share:

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 has a single category of dilutive potential ordinary shares resulting from a share options program.

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 annual market share price of the Bank's shares) based on the monetary value of the subscription rights attached to outstanding share options.

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	
	30.9.2006	30.9.2005	30.9.2006	30.9.2005
Profit attributable to shareholders of the Bank (in € thousands)	473,377	360,305	167,512	138,201
Weighted average number of outstanding ordinary shares	393,316,191	402,179,356	389,544,759	402,405,735
Adjustment for share options	983,702	550,066	1,010,221	577,997
Weighted average number of outstanding ordinary shares for diluted earnings per share	394,299,893	402,729,422	390,554,980	402,983,732
Diluted earnings per share (in € per share)	1.20	0.89	0.43	0.34

Basic and diluted earnings per share, for the period from 1 January 2005 to 30 September 2005 have been restated in order to be comparative, due to distribution of additional shares from the capitalization of reserve on 3 May 2006, in accordance with the decision of the Shareholders' Meeting on 18 April 2006.

Assets

12. Cash and balances with Central Banks

	30.9.2006	31.12.2005
Cash	244,414	305,144
Cheques receivable	45,750	53,727
Balances with Central Banks	1,762,527	1,843,511
Total	2,052,691	2,202,382
Of which mandatory deposits with Central Banks:	1,215,542	1,202,541

Cash and cash equivalents (as presented for the purposes of the cash flows statement)

	30.9.2006	31.12.2005
Cash and balances with Central Banks	837,149	999,841
Sale and repurchase agreements (Reverse Repos)	389,250	2,148,476
Short-term placements with other banks	2,391,972	2,517,497
Total	3,618,371	5,665,814

Cash and cash equivalents, as presented in the cash flow statement for the period from 1 January 2005 to 30 September 2005 have been restated in order to be comparative with the respective figures from 1 January 2006 to 30 September 2006, as mandatory deposits with Central Banks are not included in the calculation of cash and cash equivalents.

13. Loans and advances to customers

	30.9.2006	31.12.2005
<i>Individuals:</i>		
Mortgages	8,245,508	6,937,685
Consumer	2,382,128	2,029,704
Credit cards	949,895	883,605
Other loans	229,627	193,181
Total	11,807,158	10,044,175
<i>Companies:</i>		
Corporate loans	18,813,679	16,728,566
Leasing	1,015,601	843,011
Factoring	303,511	386,600
Total	20,132,791	17,958,177
Other receivables	340,755	302,224
<i>Insurance activities:</i>		
Receivables from insurance and reinsurance activities	96,417	92,327
Grand total	32,377,121	28,396,903
Less: Allowance for impairment losses	(1,164,414)*	(1,040,360)
Balance	31,212,707	27,356,543

* In addition to the provision made for impairment on loans and advances, an additional provision of € 14,946 has been made to cover credit risk relating to off balance sheet items. The total provision recorded to cover credit risk amounts to € 1,179,360.

The loans and advances to customers includes receivables from finance leases which are analyzed as follows:

	30.9.2006	31.12.2005
Up to 1 year	312,664	299,764
From 1 year up to 5 years	516,904	411,707
More than 5 years	497,922	331,601
	<u>1,327,490</u>	<u>1,043,072</u>
Unearned finance income	(311,889)	(200,061)
Total	<u>1,015,601</u>	<u>843,011</u>

The net amount from receivables of finance leases is analyzed as follows:

	30.9.2006	31.12.2005
Up to 1 year	258,445	260,462
From 1 year up to 5 years	379,519	320,666
More than 5 years	377,637	261,883
	<u>1,015,601</u>	<u>843,011</u>

Allowance for impairment losses

Balance 1.1.2005	757,951
Provisions from Jubanka acquisition	59,654
Exchange differences	(948)
Impairment on loans and advances (note 9)	195,187
Loans written-off during the period	(15,999)
Provisions from merger with Delta Singular A.E.P.	7,566
Balance 30.9.2005	<u>1,003,411</u>
Exchange differences	3,098
Impairment on loans and advances	66,511
Loans written-off during the period	(32,660)
Balance 31.12.2005	<u>1,040,360</u>
Unwinding of the discount of allowance	51,333
Exchange differences	(1,117)
Impairment on loans and advances (note 9)	176,201
Loans written-off during the period	(102,363)
Balance 30.9.2006	<u>1,164,414</u>

14. Investments in associates

	1.1-30.9.2006	1.1-31.12.2005
Opening balance	11,389	107,363
Purchases	104	837
Repayment of capital	(723)	-
Dividends received	(154)	(163)
Sale of Lesvos Tourist Company A.E.	(631)	-
Merger with Delta Singular A.E.P.	-	(96,524)
Reduction of ownership interest in Propindex A.E.	(14)	-
Impairment	-	(105)
Share of profit/ (loss)	(35)	(19)
Closing balance	<u>9,936</u>	<u>11,389</u>

The Group's investments in associates are as follows:

Name	Country of incorporation	Ownership interest %	
		30.9.2006	31.12.2005
a. Lesvos Tourist Company A.E.*	Greece	-	24.99
b. Evisak A.E.	Greece	27.00	27.00
c. Icap A.E.	Greece	26.96	26.96
d. Gaiognomon A.E.	Greece	20.00	20.00
e. Propindex A.E.**	Greece	-	13.82
f. AEDEP Thessalias & Stereas Ellados ***	Greece	50.00	50.00
g. A.L.C. Novelle Investments Ltd	Cyprus	33.33	33.33
h. Geosynthesis A.E.****	Greece	-	20.00

* The sale of Lesvos Tourist Company A.E. was completed during the first quarter of 2006 (note 29, paragr. c)

** The Company, in which Alpha Astika Akinita, a subsidiary of the Bank, participates, is no longer accounted under the equity method due to the reduction of Alpha Astika Akinita ownership interest from 22.58% to 18.42% and it has been transferred to investment securities.

*** The entity is a non-profit organization.

**** Geosynthesis A.E. was sold during the first semester of 2006 (note 29 paragr. f).

The Group's share of the profit/loss of each associate is as follows:

Company name	Equity	Profit/(loss) after tax	Total	Total profits/(losses) 30.9.2006
a. Evisak A.E.	2,914	23	2,937	10
b. Icap A.E.	18,256	1,299	19,555	346
c. Gaiognomon A.E.	1,214	(2)	1,212	-
d. Propindex A.E. *	61	(6)	55	(1)
e. AEDEP Thessalias & Stereas Ellados	147	-	147	-
f. A.L.C. Novelle Investments Ltd	13,675	(358)	13,317	(390)
Total	36,267	956	37,223	(35)

* It includes the profit/(loss) until the date of the ownership interest reduction of Alpha Astika Akinita to the company.

15. Investment property

	Land and buildings
Balance 1.1.2005	
Cost	30,309
Accumulated depreciation	(2,950)
Net Book Value 1.1.2005	<u>27,359</u>
1.1.2005-30.9.2005	
Net Book Value 1.1.2005	27,359
Foreign exchange differences	(340)
Additions	67
Additions from merger with Delta Singular A.E.P (net book value)	33,606
Additions from companies consolidated for first time in the nine month period (net book value)	443
Reclassification to "Assets held for sale"	(33,463)
Reclassification from "property, plant and equipment"	2,328
Depreciation charge for the period	(458)
Net Book Value 30.9.2005	<u>29,542</u>
Balance 30.9.2005	
Cost	33,484
Accumulated depreciation	(3,942)

	Land and buildings
1.10.2005-31.12.2005	
Net Book Value 1.10.2005	29,542
Foreign exchange differences	(99)
Additions	13
Disposals	(6)
<i>a) Cost</i>	(6)
<i>b) Accumulated depreciation</i>	-
Reclassification from "property, plant and equipment"	191
Depreciation charge for the period	(91)
Net Book Value 31.12.2005	<u>29,550</u>
Balance 31.12.2005	
Cost	33,061
Accumulated depreciation	<u>(3,511)</u>
1.1.2006-30.9.2006	
Net Book Value 1.1.2006	29,550
Foreign exchange differences	15
Additions	3
Reclassification to "property, plant and equipment"	(1,600)
<i>a) Cost</i>	(1,600)
<i>b) Accumulated depreciation</i>	-
Reclassification from "property, plant and equipment"	730
<i>a) Cost</i>	909
<i>b) Accumulated depreciation</i>	(179)
Depreciation charge for the period	(280)
Net Book Value 30.9.2006	<u>28,418</u>
Balance 30.9.2006	
Cost	32,393
Accumulated depreciation	(3,975)

16. Property, plant and equipment

	Land and Buildings	Leased Equipment	Equipment	Total
Balance 1.1.2005				
Cost	1,050,081	10,219	301,509	1,361,809
Accumulated Depreciation	(197,739)	(8,699)	(238,604)	(445,042)
Net Book Value at 1.1.2005	852,342	1,520	62,905	916,767
1.1.2005-30.9.2005				
Net Book Value 1.1.2005	852,342	1,520	62,905	916,767
Additions	7,800	183	20,876	28,859
Additions from merger with Delta Singular A.E.P. (net book value)	-	530	191	721
Additions from companies consolidated for first time in the nine month period of 2005 (net book value)	27,154	-	6,690	33,844
Foreign exchange differences	42	136	1,273	1,451
Disposals	(489)	-	(985)	(1,474)
<i>a) Cost</i>	(1,509)	-	(4,215)	(5,724)
<i>b) Accumulated depreciation</i>	1,020	-	3,230	4,250
Reclassification from "non-current assets held for sale"	1,703	-	-	1,703
Reclassification from "Land and building" to "Equipment"	(5)	-	5	-
Reclassification to "Investment property"	(2,328)	-	-	(2,328)
Depreciation charge for the period	(14,676)	(411)	(18,488)	(33,575)
Net Book Value 30.9.2005	871,543	1,958	72,467	945,968
Balance 30.9.2005				
Cost	1,087,058	11,370	336,145	1,434,573
Accumulated depreciation	(215,515)	(9,412)	(263,678)	(488,605)
1.10.2005-31.12.2005				
Net book value 1.10.2005	871,543	1,958	72,467	945,968
Additions	4,606	161	4,182	8,949
Foreign exchange differences	2,146	(42)	(598)	1,506
Additions from companies consolidated for first time in current fiscal year (net book value)	(804)	-	1,207	403
Disposals	(7,459)	-	(139)	(7,598)
<i>a) Cost</i>	(10,181)	(130)	(6,630)	(16,941)
<i>b) Accumulated depreciation</i>	2,722	130	6,491	9,343
Reclassification to "non current assets held-for-sale"	-	-	(28)	(28)
Reclassification to "Investment property"	(191)	-	-	(191)
Depreciation charge for the period	(5,465)	(170)	(5,401)	(11,036)
Net book value 31.12.2005	864,376	1,907	71,690	937,973
Balance 31.12.2005				
Cost	1,076,377	3,347	342,984	1,422,708
Accumulated depreciation	(212,001)	(1,440)	(271,294)	(484,735)

	Land and Buildings	Leased equipment	Equipment	Total
1.1.2006-30.9.2006				
Net book value 1.1.2006	864,376	1,907	71,690	937,973
Foreign exchange differences	652	62	1,174	1,888
Additions	19,394	268	36,291	55,953
Disposals	(1,552)	-	(1,875)	(3,427)
<i>a) Cost</i>	(1,934)	-	(4,356)	(6,290)
<i>b) Accumulated depreciation</i>	382	-	2,481	2,863
Reclassification to "land and buildings" from "investment property"	1,600	-	-	1,600
<i>a) Cost</i>	1,600	-	-	1,600
<i>b) Accumulated depreciation</i>	-	-	-	-
Reclassification from "land and buildings" to "investment property"	(730)	-	-	(730)
<i>a) Cost</i>	(909)	-	-	(909)
<i>b) Accumulated depreciation</i>	179	-	-	179
Depreciation charge for the period	(14,719)	(412)	(17,053)	(32,184)
Net book value 30.9.2006	<u>869,021</u>	<u>1,825</u>	<u>90,227</u>	<u>961,073</u>
Balance 30.9.2006				
Cost	1,095,465	3,625	376,347	1,475,437
Accumulated depreciation	(226,444)	(1,800)	(286,120)	(514,364)

17. Goodwill and other intangible assets

	Goodwill	Other intangible	Software	Total
Balance 1.1.2005				
Cost	-	-	108,799	108,799
Accumulated Amortization	-	-	(77,938)	(77,938)
Net Book Value 1.1.2005	-	-	30,861	30,861
1.1.2005-30.9.2005				
Net Book Value 1.1.2005	-	-	30,861	30,861
Foreign exchange differences	-	-	2,605	2,605
Additions	-	-	9,237	9,237
Additions from merger with Delta Singular A.E.P (net book value)	-	-	239	239
Additions from companies consolidated for first time in the nine month period (net book value)	57,670	15,345	501	73,516
Disposals	-	-	(5)	(5)
<i>a) Cost</i>	-	-	(6)	(6)
<i>b) Accumulated amortization</i>	-	-	1	1
Amortization charge for the period	-	-	(13,413)	(13,413)
Net Book Value 30.9.2005	57,670	15,345	30,025	103,040
Balance 30.9.2005				
Cost	57,670	17,700	120,573	195,943
Accumulated Amortization	-	(2,355)	(90,548)	(92,903)
1.10.2005-31.12.2005				
Net Book Value 1.10.2005	57,670	15,345	30,025	103,040
Foreign exchange differences	-	-	(2,900)	(2,900)
Additions	-	-	12,364	12,364
Additions from companies consolidated for first time in fiscal year 2005	(3,648)	2,128	417	(1,103)
<i>a) Cost</i>	-	3,227	417	3,644
<i>b) Foreign exchange differences</i>	(3,648)	(1,099)	-	(4,747)
Disposals	-	-	(8)	(8)
<i>a) Cost</i>	-	-	(1,294)	(1,294)
<i>b) Accumulated amortization</i>	-	-	1,286	1,286
Reclassification to "non current assets held for sale"	-	-	(42)	(42)
<i>a) Cost</i>	-	-	(168)	(168)
<i>b) Accumulated amortization</i>	-	-	126	126
Amortization charge for the period	-	(3,095)	(820)	(3,915)
Net book value 31.12.2005	54,022	14,378	39,036	107,436
Balance 31.12.2005				
Cost	54,022	17,392	130,227	201,641
Accumulated Amortization	-	(3,014)	(91,191)	(94,205)

	Goodwill	Other intangible	Software	Total
1.1.2006-30.9.2006				
Net Book Value 1.1.2006	54,022	14,378	39,036	107,436
Foreign exchange differences	2,220	479	344	3,043
Additions	-	-	15,065	15,065
Disposals	-	-	(49)	(49)
<i>a) Cost</i>	-	-	(88)	(88)
<i>b) Accumulated amortization</i>	-	-	39	39
Amortization charge for the period	-	(2,452)	(12,375)	(14,827)
Net Book Value 30.9.2006	<u>56,242</u>	<u>12,405</u>	<u>42,021</u>	<u>110,668</u>
Balance 30.9.2006				
Cost	56,242	18,114	146,369	220,725
Accumulated Amortization	-	(5,709)	(104,348)	(110,057)

18. Deferred tax assets and liabilities

	From 1 January to	
	30.9.2006	31.12.2005
Deferred tax assets	270,346	202,519
Deferred tax liabilities	(112,935)	(23,857)
Total	<u>157,411</u>	<u>178,662</u>

	1.1.2005-30.9.2005						
	Recognition in						
	Income statement			Equity			
	Balance 1.1.2005	Mergers and acquisitions	Assets	Liabilities	Assets	Liabilities	Balance 30.9.2005
Depreciation	40,530	(267)	-	(9,514)	-	(1,540)	29,209
Loans and advances	4,592	2,043	1,312	(3,732)	-	(6,088)	(1,873)
Valuation of derivative financial instruments	429	-	8,571	-	-	-	9,000
Retained earnings	6,515	2,256	259	-	-	(491)	8,539
Other provisions	3,516	(33)	52	(4,396)	-	(301)	(1,162)
Amortization of transaction costs and fees of financial instruments	12,267	-	-	(1,927)	-	-	10,340
Employee defined benefit obligations	128,851	7	3,008	-	22	-	131,888
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(425)	-	-	(5,535)	3	-	(5,957)
Total	<u>196,275</u>	<u>4,006</u>	<u>13,202</u>	<u>(25,104)</u>	<u>25</u>	<u>(8,420)</u>	<u>179,984</u>

	1.10.2005-31.12.2005						Balance 31.12.2005
	Recognition in						
	Income statement			Equity			
	Balance 1.10.2005	Mergers and acquisitions	Assets	Liabilities	Assets	Liabilities	
Depreciation	29,209	-	-	(3,694)	-	(416)	25,099
Loans and advances	(1,873)	-	8,745	(6,354)	1,713	-	2,231
Valuation of derivative financial instruments	9,000	-	-	(4,074)	-	-	4,926
Retained earnings	8,539	-	236	-	-	(460)	8,315
Other provisions	(1,162)	-	1,308	(62)	1,403	(72)	1,415
Amortization of transaction costs and fees of financial instruments	10,340	-	-	(733)	-	-	9,607
Employee defined benefit obligations	131,888	-	-	(64)	-	(15)	131,809
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(5,957)	-	1,219	-	-	(2)	(4,740)
Total	179,984	-	11,508	(14,981)	3,116	(965)	178,662

	1.1.2006-30.9.2006						Balance 30.9.2006
	Recognition in						
	Income statement			Equity			
	Balance 1.1.2006	Mergers and acquisitions	Assets	Liabilities	Assets	Liabilities	
Depreciation	25,099	-	-	(7,903)	21	-	17,217
Loans and advances	2,231	-	13,487	(20,456)	-	-	(4,738)
Valuation of derivative financial instruments	4,926	-	-	(6,001)	-	-	(1,075)
Retained earnings	8,315	-	-	(258)	19	-	8,076
Other provisions	1,415	-	263	(36)	-	(74)	1,568
Amortization of transaction costs and fees of financial instruments	9,607	-	-	(1,433)	-	-	8,174
Employee defined benefit obligations	131,809	-	-	(240)	-	-	131,569
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(4,740)	-	1,360	-	-	-	(3,380)
Total	178,662	-	15,110	(36,327)	40	(74)	157,411

19. Non-current assets held for sale

a) Property, plant and equipment

	Land and Buildings	Office Equipment	Total
1.1.2005-30.9.2005			
Balance 1.1.2005	32,084	617	32,701
Additions	2,996	-	2,996
Additions from companies consolidated for first time in the year 2005	11	-	11
Additions from merger with Delta Singular A.E.P.	21,175	-	21,175
Disposals	(2,849)	-	(2,849)
Reclassification to "property, plant and equipment"	(1,703)	-	(1,703)
Reclassification from "investment property"	33,463	-	33,463
Balance 30.9.2005	<u>85,177</u>	<u>617</u>	<u>85,794</u>
1.10.2005-31.12.2005			
Balance 1.10.2005	85,177	617	85,794
Additions	6,012	20	6,032
Disposals	(3,185)	(52)	(3,237)
Balance 31.12.2005	<u>88,004</u>	<u>585</u>	<u>88,589</u>
1.1.2006-30.9.2006			
Balance 1.1.2006	88,004	585	88,589
Additions	5,916	329	6,245
Disposals	(2,570)	(325)	(2,895)
Balance 30.9.2006	<u>91,350</u>	<u>589</u>	<u>91,939</u>

b. Participations

Balance 31.12.2005	3,481
1.1.2006-30.9.2006	
Balance 1.1.2006	3,481
Disposals	(3,481)
Balance 30.9.2006	<u>-</u>

Disposal of € 3,481 refers to the sale of Alpha Insurance Romania S.A. (note 29, paragraph b).

Liabilities

20. Due to customers

	30.9.2006	31.12.2005
- Current accounts	5,597,825	5,628,485
- Saving accounts	9,723,101	9,731,063
- Term deposits	7,537,864	5,387,767
- Sale and repurchase agreements (Repos)	465,225	712,617
	<u>23,324,015</u>	<u>21,459,932</u>
Cheques payable	182,609	184,872
Total	<u><u>23,506,624</u></u>	<u><u>21,644,804</u></u>

21. Debt securities in issue and other borrowed funds

The Group, to effectively fund its activities has significantly broadened its funding sources so as to ensure:

- a) cheaper funding
- b) long-term funding
- c) strengthening of the capital adequacy ratio

As a result the Group has issued:

- i) Senior debt securities
- ii) Subordinated debt securities
These securities are subordinated, because the holders in case of a compulsory payment are satisfied after the owners of common debt securities.

Their maturity is 10 years, with the right of first redemption after 5 years. These bonds are considered own funds for regulatory purposes.

Senior debt	30.9.2006	31.12.2005
Euro due 2006	10,207	2,519,937
Euro due 2007 callable in 2006	-	7,126
Euro due 2007	1,003,050	901,444
HKD 100 million due 2007	10,241	11,027
US \$ 5 million due 2007	3,804	-
Euro due 2008	508,494	507,260
US \$ 10 million 2008 callable in 2006	7,596	8,052
Euro due 2009	1,683,417	710,405
Euro due 2009 callable in 2007	39,243	-
CZK 1.500 million due 2009	52,963	51,511
US \$ 11 million due 2009 callable in 2006	8,434	8,960
US \$ 5 million due 2009 callable in 2007	3,758	4,027
HKD 50 million due 2009	5,118	5,497
Euro due 2010	1,125,121	924,947
Euro due 2010 callable in 2006	36,249	56,600
Euro due 2010 callable in 2007	2,502,673	2,502,060

	30.9.2006	31.12.2005
US \$ 7 million due 2010 callable in 2006	4,804	5,366
US \$ 50 million due 2010 callable in 2007	39,647	42,521
Euro due 2011	457,421	15,439
CZK 700 million due 2011	24,600	-
Euro due 2011 callable in 2006	15,160	22,843
Euro due 2011 callable in 2007	6,919	-
Euro due 2011 callable in 2008	3,203,655	-
Euro due 2012	315,763	316,104
Euro due 2012 callable in 2006	56,565	9,353
Euro due 2013	319,373	19,341
Euro due 2015	11,985	12,360
US \$ 3 million due 2016	2,399	-
Euro due 2021	82,062	-
Senior debt total	<u>11,540,721</u>	<u>8,662,180</u>
Securities held by the Group	<u>(425,922)</u>	<u>(485,309)</u>
Total	<u>11,114,799</u>	<u>8,176,871</u>

The majority of senior debt securities bear a Euribor floating rate with a margin between -10 and +35 basis points which is connected with bond's start date and maturity date.

Subordinated debt

Euro due 2012 callable in 2007	325,840	325,817
Euro due 2013 callable in 2008	351,870	351,570
Euro due 2014 callable in 2009	201,470	201,115
JPY 30 billion callable in 2015	204,015	203,706
Total	<u>1,083,195</u>	<u>1,082,208</u>
Securities held by the Group	<u>(84,965)</u>	<u>(66,453)</u>
Subordinated debt total	<u>998,230</u>	<u>1,015,755</u>
Grand Total	<u>12,113,029</u>	<u>9,192,626</u>

Subordinated debt securities, due in 2012, carry interest at three-month Euribor plus 90 basis points spread, until they are redeemed. If they are not redeemed, the spread increases to 220 basis points.

Subordinated debt securities, due in 2013, carry interest at three-month Euribor plus a margin between 65 and 90 basis points, until they are redeemed. If they are not redeemed, the spread increases to 195 up to 220 basis points.

Subordinated debt securities, due in 2014, carry interest at three-month Euribor plus 60 basis points spread, until they are redeemed. If they are not redeemed, the spread increases to 190 basis points.

The subordinated debt securities in JPY, with the first call option to redeem in 2015, carrying a fixed rate of 2.94%.

Equity

22. Share capital, Retained earnings and Treasury shares

a. Share capital increase

The Bank's shareholders during the General Meeting on 18.4.2006 approved an increase of the share capital by € 133,954 with the issuance of 116,481,444 shares with a par value of € 3.90 each at a ratio of 4 new for 10, through the capitalization of retained earnings at an amount of € 133,954 and the decrease of nominal value of each share from € 5.00 to € 3.90.

After the above increase the Bank's share capital amounts to € 1,589,972 divided by 407,685,052 shares.

The share capital increase has been approved by the Ministry of Development decision No K2-6543/3.5.2006.

b. Retained earnings

On May 2, 2006 dividends of a total amount of € 237,556, were distributed (€ 0.84 per share), for the fiscal year 2005.

c. Treasury shares

Treasury shares refer to Alpha Bank shares, held by the Bank and the subsidiaries are analyzed as follows:

Alpha Bank	No of shares	Cost €	Ownership interest %
Balance 1.1.2006	8,398,426	188,128	
Bonus shares (4/10)	3,359,370	-	
Purchases 1.1-30.9	7,126,153	150,280	
Balance 30.9.2006	18,883,949	338,408	4.63%
Subsidiaries	No of shares	Cost €	Ownership interest %
Balance 1.1.2006	7,200	188	
Bonus shares (4/10)	2,880	-	
Balance 30.9.2006	10,080	188	
Total	18,894,029	338,596	4.63%

23. Hybrid Securities

The Alpha Bank Group issued hybrid securities through its wholly owned subsidiary Alpha Group Jersey as follows:

- On December 5, 2002 amount of € 200 million preferred securities with interest step up clause, which fulfill the requirements for recognition as Lower Tier 1 Capital.

They are perpetual securities and the issuer has the right of no dividend payment if the Bank does not pay any dividend to common shareholders. They may be redeemed after the expiration of 10 years. Non cumulative dividend is determined based on 3-month Euribor plus a margin of 2.65%. If the redemption option is not exercised, the margin is increased by 1.325 b.p. reaching to 3.975% in total. The securities are listed on the Luxemburg Stock Exchange.

- On December 5, 2003 amount of € 100 million preferred securities with the same characteristics as those issued on 5 December 2002.

- On February 18, 2005 amount of € 600 million preferred securities without an interest step up clause, which also represent Lower Tier 1 capital for the Group since they fulfill the requirements of securities with interest step up clause as described above. The expenses of the issue mentioned above amounted to €12 million. Non-cumulative dividend of preferred securities carry fixed interest at 6% for the first 5 years and thereafter interest is determined based on the formula $4 \times (\text{CMS10} - \text{CMS2})$ with a cap and floor rate of 10% and 3.25% respectively. CMS10 and CMS2 represent the Euribor of interest rate swaps of 10 and 2 years, respectively.

Hybrid securities	30.9.2006	31.12.2005
Perpetual callable in 2012	300,000	300,000
Perpetual callable in 2015	588,000	588,000
Total	<u>888,000</u>	<u>888,000</u>
Securities held from Group companies	(49,847)	(43,054)
Total	<u>838,153</u>	<u>844,946</u>

Additional Information

24. 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 actions. No provision has been recorded because after consultation with legal council, 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 of the other companies of the Group.

b) *Tax issues*

The Bank's books and records have been audited by the tax authorities up to the year ended 31 December 2002. A tax audit is in process by the tax authorities for the years from 2003 up to 2005 and is expected to be finalized at the end of the current year. During 2006 the tax audits of Alpha Astika Akinita A.E., for the years from 2000 up to 2005 and Alpha Insurance A.E., for the years from 2002 up to 2005, were completed. Tax audit differences were imposed of total amount € 2.7 million.

Tax audits are currently in process for Alpha Leasing A.E. for the years from 2001 up to 2004 and for Ionian Hotels Enterprises A.E. for the year 2005.

The other companies of the Group have been audited by the tax authorities up to the year ended 31 December 2002.

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

c) *Operating leases*

The Group's minimum future lease payments are as follows:

	30.9.2006	31.12.2005
Less than one year	29,248	25,396
Between one and five years	86,141	73,101
More than five years	65,765	46,567
Total	<u>181,154</u>	<u>145,064</u>

The lease expense for the nine month period of the current fiscal year relating to buildings amounts to € 21,747 (2005: € 18,953) and is included in General administrative expenses.

The minimum future lease revenues are as follows:

	30.9.2006	31.12.2005
Less than one year	7,049	4,149
Between one and five years	26,370	15,613
More than five years	15,981	12,864
Total	<u>49,400</u>	<u>32,626</u>

The lease revenue for the nine month period of the current fiscal year amounts to € 3,364 (2005: € 3,222) and is included in Other income.

d) *Off balance sheet liabilities*

	30.9.2006	31.12.2005
Letters of credit	185,934	234,470
Letters of guarantee	4,418,967	3,749,766
Approved loan agreements and credit limits	13,357,577	12,232,183
Total	<u>17,962,478</u>	<u>16,216,419</u>

e) *Assets pledged*

	30.9.2006	31.12.2005
Securities linked to reverse repos	-	420,000
Investment securities	585,000	165,000
Total	585,000	585,000

From the investment securities portfolio an amount of € 80,000 is pledged for capital withdrawal and an amount of € 5,000 is pledged as collateral to clearing house of derivative transactions "ETESEP" A.E. as margin account insurance. The remaining securities are pledged as collateral with the Bank of Greece for the participation in the Inter-Europe clearing of payments system on an ongoing time (TARGET).

25. Group consolidated companies

The Group's subsidiaries and joint ventures that are consolidated are as follows:

Name	Country of Incorporation	Group's ownership interest %	
		30.9.2006	31.12.2005
<i>a. Subsidiaries</i>			
Banks			
1. Alpha Bank London Ltd	United Kingdom	100.00	100.00
2. Alpha Bank 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 AD Beograd (ex Jubanka AD Beograd)	Serbia	99.99	99.99
Leasing companies			
1. Alpha Leasing A.E.	Greece	99.65	99.61
2. Alpha Leasing Romania S.A.	Romania	99.93	99.92
3. ABC Factors A.E.	Greece	100.00	100.00
4. Alpha Asset Finance Ltd	Cyprus	100.00	100.00
5. Alpha Asset Finance C.I. Ltd.	Jersey	100.00	100.00
Investment banking			
1. Alpha Finance A.X.E.P.E.Y.	Greece	100.00	100.00
2. Alpha Finance US Corporation	USA	100.00	100.00
3. Alpha Finance Romania S.A.	Romania	99.98	99.98
4. Alpha Advisory Romania SRL	Romania	99.98	99.98
5. Alpha Ventures A.E.	Greece	100.00	100.00
6. Alpha Equity Fund A.E.*	Greece	-	100.00
7. Alpha AEF European Capital Investments	Holland	100.00	100.00
Asset management			
1. Alpha Asset Management A.E.D.A.K (ex Alpha Mutual Fund Management A.E.)	Greece	100.00	100.00
2. Alpha Asset Management A.E.P.E.Y****	Greece	-	100.00
3. Alpha Private Investment Services A.E.P.E.Y	Greece	100.00	100.00
4. ABL Independent Financial Advisers Ltd	United Kingdom	100.00	100.00
Insurance			
1. Alpha Insurance A.E.	Greece	99.57	99.56
2. Alpha Insurance Romania S.A. **	Romania	-	99.92
3. Alpha Insurance Agents A.E.	Greece	100.00	100.00
4. Alpha Insurance Ltd Cyprus	Cyprus	99.92	99.92
5. Alpha Insurance Brokers S.R.L ***	Romania	99.91	-

Name	Country of Incorporation	Group's ownership interest %	
		30.9.2006	31.12.2005
<i>Other companies</i>			
1. Alpha Astika Akinita A.E.	Greece	66.09	61.21
2. Alpha Group Jersey Ltd	Jersey	100.00	100.00
3. Ionian Hotel Enterprises A.E.	Greece	92.69	90.28
4. Ionian Holdings A.E.	Greece	100.00	100.00
5. Oceanos A.T.O.E.E.	Greece	100.00	100.00
6. Alpha Credit Group Plc	United Kingdom	100.00	100.00
7. Alpha Bank London Nominees Ltd	United Kingdom	100.00	100.00
8. Alpha Trustees Ltd	Cyprus	99.99	99.99
9. Messana Holdings S.A.	Luxembourg	100.00	100.00
10. Flagbright Ltd	United Kingdom	100.00	100.00
11. Kafe Mazi A.E.	Greece	100.00	100.00
12. Evremethea A.E.	Greece	100.00	100.00
13. Alpha Real Estate D.O.O. Beograd*****	Serbia	66.09	-

b. Joint Ventures

Name	Country of Incorporation	Group's ownership interest %	
		30.9.2006	31.12.2005
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	60.10	60.10

The subsidiaries were fully consolidated and the joint ventures were consolidated under the proportional method.

* Alpha Equity Fund A.E. has been merged through absorption by subsidiary Alpha Ventures A.E. (note 29, paragraph d).

** The sale of Alpha Insurance Romania S.A. was completed during the first quarter of 2006 (note 29 paragraph b).

*** Alpha Insurance Brokers S.R.L. was established by Alpha Bank Romania S.A. for brokerage insurance services and was consolidated for first time in first semester 2006.

**** Alpha Asset Management A.E.P.E.Y. has been merged through absorption by subsidiary Alpha Mutual Fund Management A.E. and the new company was re-named to Alpha Asset Management A.E.D.A.K (note 29, paragraph f).

***** Alpha Real Estate D.O.O. Beograd, was established by Alpha Astika Akinita A.E. for real estate management assets and was consolidated for first time during the nine month period of 2006.

The subsidiary Jubanka AD Beograd was re-named on 9.10.2006 to Alpha Bank Srbija A.D. (note 29, paragraph e).

The Group hedges the net investment risk in its subsidiaries Alpha Bank London Ltd. and Alpha Bank Ltd. through the use of the FX swaps and interbank loans in the functional currency of the above subsidiaries.

26. Segment reporting

(Millions of Euro)

	30.9.2006						
	Group	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other
Net interest income	1,059.3	665.8	208.4	17.3	40.6	124.8	2.4
Commission	295.6	100.7	61.0	66.2	34.7	38.2	(5.2)
Other income	111.8	8.4	2.4	25.4	1.8	16.4	57.4
Total income	1,466.7	774.9	271.8	108.9	77.1	179.4	54.6
Expenses	(668.6)	(362.5)	(72.3)	(62.8)	(30.1)	(112.1)	(28.8)
Impairment	(188.9)	(126.8)	(43.9)	(1.1)	-	(17.1)	-
Profit before tax	609.2	285.6	155.6	45.0	47.0	50.2	25.8

	30.9.2005						
	Group	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other
Net interest income	898.1	549.6	200.1	16.5	27.7	103.7	0.5
Commission	258.3	86.1	64.4	54.0	26.5	32.0	(4.7)
Other income	99.9	8.1	2.5	25.6	(5.6)	20.8	48.5
Total income	1,256.3	643.8	267.0	96.1	48.6	156.5	44.3
Expenses	(613.2)	(332.9)	(70.5)	(63.6)	(24.3)	(92.8)	(29.1)
Impairment	(188.8)	(102.9)	(73.4)	3.2	-	(15.7)	-
Profit before tax	454.3	208.0	123.1	35.7	24.3	48	15.2

i. Retail banking

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

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

ii. Corporate banking

Includes all medium-sized and large companies, corporations with multinational activities, corporations managed by the Corporate Banking Division (Corporate) and shipping corporations. The Group offers working capital facilities, corporate loans, and letters of guarantee.

In this sector are also included the leasing products which are offered through the subsidiary company Alpha Leasing and factoring services to third parties through the subsidiary company ABC Factors.

iii. Asset management / Insurance

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

Also, a wide range of insurance products is offered to individuals and companies through the subsidiary company 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 subsidiaries with activities on the above products (Alpha Finance, Alpha Ventures). 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 operating in South Eastern Europe.

vi. Other

This segment consist of the non-financial subsidiaries and other foreign subsidiaries excluding those in South Eastern Europe and Bank's administration section.

27. Capital adequacy

The ratios measure capital adequacy by comparing the Group's regulatory own funds with the risks that it undertakes (risk weighted assets). Own funds include Tier I capital (share capital, reserves, minority interest), additional Tier I capital (hybrid debt) and Tier II capital (subordinated debt and fixed asset revaluation reserves). The risk-weighted assets arise from the credit risk of the investment portfolio and the market risk of the trading portfolio.

The Group uses all modern methods to manage capital adequacy. It has issued hybrid and subordinated debts which are included on the calculation of regulatory funds. The cost of these debts is lower than share capital and adds value to the shareholders.

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.

	(Millions of Euro)	
	30.9.2006	31.12.2005
Risk-weighted assets from credit risk	31,578	27,447
Risk-weighted assets from market risk	796	792
Total risk-weighted assets	32,374	28,239
Upper Tier I capital	2,256	2,210
Tier I capital	2,986	2,950
Total Tier I + Tier II capital	3,840	3,821
Upper Tier I ratio	7.0%	7.8%
Tier I ratio	9.2%	10.4%
Capital adequacy ratio (Tier I + Tier II)	11.9%	13.5%

28. Related-party transactions

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

	30.9.2006	31.12.2005
Loans	2,858	5,628
Deposits	31,402	14,854
Debt securities in issue	14,924	-
Letters of guarantee	164	145
Interest and similar income	39	-
Interest and similar charges	872	-

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

	30.9.2006	31.12.2005
<i>Assets</i>		
Loans and advances to customers	960	1,390
<i>Liabilities</i>		
Due to customers	1,014	639
Letters of guarantee	2,641	1,353

	From 1 January up to	
	30.9.2006	30.9.2005
Income		
Interest and similar income	72	84
General administrative revenue	24	17
Other income	334	-
Total	430	101
Expenses		
Interest and similar charges	5	5
General administrative expenses	509	688
Total	514	693

- c. The Group companies Board of Directors' fees for the nine month period of 2006 amount to € 5,680 (30.9.2005: € 3,837). The increase is due to modifications made in the Bank's Management as at 22 February 2005 and the placement of two new Executive General Managers, as at 16 May 2006.

29. Mergers and disposals of subsidiaries and associates

- a) On 1 February 2006, the Bank transferred 2,178,000 shares of Alpha Private Investment Services A.E.P.E.Y. representing 99% of the company's share capital to another subsidiary Alpha Bank London Ltd at an amount of €3.4 million. This transfer was made in accordance to the Group's Private Banking activities reorganization and did not have any affect on the Group's results.
- b) The legal transfer of Alpha Insurance Romania S.A. shares to third parties was completed on 16 February 2006 at an amount of € 2.6 million. The sale agreement was signed on 11 October 2005. Group's ownership interest in the company amounted to € 2.2 million. The result from the sale of Alpha Insurance Romania S.A. shares amounted to € 0.4 million.
- c) On 24 February 2006, the total shares of Lesvos Tourist Company A.E. or 24.99% of the company's total share capital was sold to third parties for € 2 million, making a profit of € 1.4 million. The Company was consolidated under the equity method.
- d) The legal procedure of the merger by absorption of the subsidiary Alpha Equity Fund A.E. by Alpha Ventures A.E., which is also a subsidiary, became effective on 31 May 2006, when the relevant decision of the Greek Ministry of Development was published in the S.A. Register. In company's new share capital derived from the above merger the Bank has 100% direct and indirect ownership interest.
- e) On 31 May 2006 was completed the merger by absorption of Bank's Belgrade branch by Jubanka a.d. Beograd, Bank's new acquisition in 2005, which was re-named on 1 June 2006 to Alpha Bank A.D. Beograd.
- f) On 14 June 2006 was completed the sale of Bank's ownership interest to Geosynthesis A.E. representing 20% of its share capital for € 13.8 thousand. The result of the sale amounted to profit € 13.8 thousand.
- g) The legal procedure of the merger by absorption of the subsidiary Alpha Asset Management A.E.P.E.Y. by Alpha Mutual Fund Management A.E., which is also a subsidiary, became effective on 19 September 2006, when the relevant decision of the Greek Ministry of Development was published in the S.A. Register. The new company was renamed to Alpha Asset Management A.E.D.A.K. In company's new share capital derived from the above merger the Bank has 100% direct and indirect ownership interest.

30. Events after the balance sheet date

- a) On 9 October 2006, the subsidiary Alpha Bank A.D. Beograd, was re-named to "Alpha Bank Srbija A.D." by the decision of the relevant authority.
- b) On 16 October 2006, the Bank announced that it has signed an agreement for the sale of 99.56% of the participation in its subsidiary Alpha Insurance A.E. to AXA, an insurance company which is the worldwide leader in financial protection for € 255 million. Alpha Bank and AXA have also signed a long-term exclusive bancassurance agreement for the distribution of AXA insurance products through Alpha Bank's extensive Branch Network. Under the agreement, Alpha Bank will distribute the products and AXA will originate and underwrite them.
- c) On 18 October 2006, the Bank transferred 100% of its participation of its subsidiary "Kafe Mazi A.E." to "Ionian Hotel Enterprises A.E.", also a subsidiary, for € 60 thousand. "Kafe Mazi A.E." was renamed to "Tourist Resorts A.E." and is going to undertake the activities of Hilton Rhodes Resort, in the context of the latter's spin off from "Ionian Hotel Enterprises A.E." with reference date 31 October 2006.
- d) On 18 October 2006, the Bank acquired 100% of the Cypriot company "Alpha Group Investments Ltd", which will be used as a holding company for the Group's development strategy in South Eastern Europe.
- e) The Bank, based on the decisions of the Ordinary General Shareholders' Meetings held in prior fiscal years, had acquired up to 31 December 2005 8,398,426 treasury shares which represent 2.88% of its share capital. According to Ordinary General Shareholders' Meeting held on 18 April 2006 the Bank may proceed, until 17.4.2007, to the purchase of additional treasury shares of up to 3% of its total outstanding paid-in share capital. The Board of Directors, at its meeting on 18 July 2006, decided the termination as of 20 July 2006 of the current share buyback period, for the period 22 May 2006 up to 20 October 2006, and the initiation of a new time period from 21 July 2006 to 17 April 2007, for the purchase of up to 6,230,552 treasury shares at the lower and upper limit share purchase price of €3.90 and €26.00 per share respectively.

The Bank has purchased 1,734,999 treasury shares with cost of €39,080 thousand (€22.52 per share), during the period from 4 October 2006 to 30 October 2006. The total number of treasury shares purchased on 30 October 2006 was 20,618,948 shares or 5.06% of the outstanding paid-in share capital.

- f) During October 2006, Alpha Astika Akinita D.O.O.E.L. Skopje was founded in Skopje with initial capital € 10,000 by Bank's subsidiary Alpha Astika Akinita A.E.
- g) On 2 November 2006, the Bank filed with the Hellenic Capital Market Commission and the Board of Directors of Alpha Leasing A.E. a voluntary public tender offer for the Company's shares in accordance to Law 3461/2006. The consideration amount to be offered is € 6.50 per share. As of the date of the voluntary public tender offer the shares which the Bank is bound to acquire are 137,088 representing 0.35% of Company's share capital. Bank's intention is to acquire shares as of the date and till the end of the tender offer acceptance period through the Athens Stock Exchange. Following completion of the tender offer the Bank will exercise its right to become holder of 100% of Company's shares.
- h) On 9 November 2006, a draft bill amendment was introduced to the Greek Parliament, imposing on the Banks, the individual taxation of specific reserves, which have been formed until 31 December 2005 and have arisen from tax deductible profits or specially taxed revenue. In case the above amendment is voted by the Parliament, a tax payment is expected, to an amount which cannot be determined before such law is enacted.

Athens November 14, 2006

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OF THE BOARD OF DIRECTORS

THE MANAGING DIRECTOR

THE EXECUTIVE DIRECTOR

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