

ALPHA BANK



**INTERIM GROUP FINANCIAL STATEMENTS
AS AT 31.03.2006**

(In accordance with the International Accounting Standard 34)



ATHENS
16 MAY 2006

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Interim consolidated income statement

		(Thousands of Euro)	
		From 1 January to	
Note		31.3.2006	31.3.2005
	Interest and similar income	594,159	415,648
	Interest expense and similar charges	(251,517)	(135,279)
	Net interest income	342,642	280,369
	Fee and commission income	100,061	84,168
	Commission expense	(5,434)	(4,924)
	Net fee and commission income	94,627	79,244
	Dividend income	186	131
	Gains less losses on financial transactions	24,964	14,867
	Other income	18,861	20,856
		44,011	35,854
	Total income	481,280	395,467
	Staff costs	(119,534)	(112,063)
	General administrative expenses	(81,171)	(69,821)
	Depreciation and amortization expenses	(16,067)	(15,407)
	Other expenses	(218)	(290)
	Total expenses	(216,990)	(197,581)
	Impairment losses and provisions to cover credit risk	(64,900)	(65,331)
	Share of profit (loss) of associates	(252)	(1,249)
	Profit before tax	199,138	131,306
	Income tax expense	(47,995)	(29,722)
	Profit after tax	151,143	101,584
	Attributable to equity holders of the Bank	150,666	100,697
	Attributable to minority interests	477	887
	Earnings per share:		
	Basic earnings per share (€)	0.53	0.36
	Diluted earnings per share (€)	0.53	0.36

The attached notes (pages 9 to 32) form an integral part of these interim financial statements.

Interim consolidated balance sheet

(Thousands of Euro)

	Note	31.3.2006	31.12.2005
ASSETS			
Cash and balances with Central Banks	12	1,952,243	2,202,382
Due from banks		5,315,863	4,775,229
Securities held for trading		420,814	122,638
Derivative financial assets		179,186	138,997
Loans and advances to customers	13	28,068,578	27,356,543
Investment securities			
-Available for sale		7,779,115	7,745,062
Investments in associates	14	10,610	11,389
Investment property	15	29,528	29,550
Property, plant and equipment	16	935,655	937,973
Goodwill and other intangible assets	17	103,721	107,436
Deferred tax assets	18	229,451	202,519
Other assets		311,514	285,258
		<u>45,336,278</u>	<u>43,914,976</u>
Non-current assets held for sale	19	89,774	92,070
Total Assets		<u>45,426,052</u>	<u>44,007,046</u>
LIABILITIES			
Due to banks		7,777,607	8,128,599
Derivative financial liabilities		187,317	140,236
Due to customers	20	21,604,631	21,644,804
Debt securities in issue and other borrowed funds	21	10,719,630	9,192,626
Liabilities for current income tax and other taxes		161,852	128,202
Deferred tax liabilities	18	54,304	23,857
Employee defined benefit obligations		574,356	561,748
Other liabilities		803,132	743,372
Provisions		336,477	317,871
		<u>42,219,306</u>	<u>40,881,315</u>
Liabilities related to non-current-assets held for sale		-	3,047
Total Liabilities		<u>42,219,306</u>	<u>40,884,362</u>
EQUITY			
Equity attributable to equity holders of the Bank			
Share Capital		1,456,018	1,456,018
Share premium		125,685	125,685
Reserves		316,551	324,297
Retained earnings		575,826	506,985
Treasury shares		(188,316)	(188,316)
		<u>2,285,764</u>	<u>2,224,669</u>
Minority interest		51,449	53,069
Hybrid securities	22	869,533	844,946
Total Equity		<u>3,206,746</u>	<u>3,122,684</u>
Total Liabilities and Equity		<u>45,426,052</u>	<u>44,007,046</u>

The attached notes (pages 9 to 32) 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	Translation reserve	Retained earnings	Treasury shares	Total	Minority interests	Hybrid securities	Total equity
Balance 1.1.2005	1,274,272	-	360,205	4,890	366,091	(18,873)	1,986,585	63,508	297,353	2,347,446
Changes in equity for the period 1.1-31.3.2005										
Movement in the available for sale securities reserve	-	-	(10,504)	-	-	-	(10,504)	-	-	(10,504)
Effect of translation of foreign subsidiaries	-	-	-	5,695	-	-	5,695	-	-	5,695
Other	-	-	-	-	(1,052)	-	(1,052)	-	-	(1,052)
Net income recognized directly in equity	-	-	(10,504)	5,695	(1,052)	-	(5,861)	-	-	(5,861)
Net income for the period	-	-	-	-	100,697	-	100,697	887	-	101,584
Total	-	-	(10,504)	5,695	99,645	-	94,836	887	-	95,723
Issue of hybrid securities	-	-	-	-	-	-	-	-	588,000	588,000
Acquisition of subsidiary and change of participating interests in subsidiaries (Purchases)/Disposals of treasury shares and hybrid securities	-	-	-	-	(76)	-	(76)	9,484	-	9,408
Amortization of initial share options valuation granted to employees	-	-	494	-	-	44	44	-	(64,463)	(64,419)
Dividends paid to hybrid securities holders	-	-	-	-	(3,649)	-	(3,649)	-	-	(3,649)
Reserves appropriation	-	-	657	-	(657)	-	-	-	-	-
Balance 31.3.2005	1,274,272	-	350,852	10,585	461,354	(18,829)	2,078,234	73,879	820,890	2,973,003

	Share capital	Share premium	Fair value reserve and other reserves	Translation reserve	Retained earnings	Treasury shares	Total	Minority interests	Hybrid securities	Total equity
Balance 1.4.2005	1,274,272	-	350,852	10,585	461,354	(18,829)	2,078,234	73,879	820,890	2,973,003
Changes in equity for the period 1.4-31.12.2005	-	-	-	-	-	-	-	-	-	-
Movement in the available for sale securities reserve	-	-	(28,058)	-	-	-	(28,058)	-	-	(28,058)
Transfer to income statement due to sales of available for sale securities	-	-	(3,982)	-	-	-	(3,982)	-	-	(3,982)
Effect of translation of foreign subsidiaries	-	-	-	(7,644)	-	-	(7,644)	-	-	(7,644)
Other	-	-	-	-	199	-	199	-	-	199
Net income recognized directly in equity	-	-	(32,040)	(7,644)	199	-	(39,485)	-	-	(39,485)
Net income for the period	-	-	-	-	401,477	-	401,477	2,809	-	404,286
Total	-	-	(32,040)	(7,644)	401,676	-	361,992	2,809	-	364,801
Merger of Delta Singular A.E.	23,449	125,685	-	-	-	-	149,134	-	-	149,134
Capitalization of reserve to round the 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)	-	-	-	-	-
Acquisition of subsidiary and change of participating interests in subsidiaries	-	-	-	-	(12,725)	-	(12,725)	(22,135)	-	(34,860)
(Purchases)/Disposals of treasury shares and hybrid securities	-	-	-	-	-	(169,487)	(169,487)	-	24,056	(145,431)
Amortization of initial share options valuation granted to employees	-	-	1,751	-	-	-	1,751	-	-	1,751
Dividends paid to equity holders of the Bank and minority interests	-	-	-	-	(174,064)	-	(174,064)	(1,484)	-	(175,548)
Dividends paid to hybrid securities holders	-	-	-	-	(10,166)	-	(10,166)	-	-	(10,166)
Reserves appropriation	-	-	793	-	(793)	-	-	-	-	-
Balance 31.12.2005	1,456,018	125,685	321,356	2,941	506,985	(188,316)	2,224,669	53,069	844,946	3,122,684

	Share capital	Share premium	Fair value reserve and other reserves	Translation reserve	Retained earnings	Treasury shares	Total	Minority interests	Hybrid securities	Total equity
Balance 1.1.2006	1,456,018	125,685	321,356	2,941	506,985	(188,316)	2,224,669	53,069	844,946	3,122,684
Changes in equity for the period										
1.1-31.3.2006										
Movement in the available for sale securities reserve	-	-	(53,605)	-	-	-	(53,605)	-	-	(53,605)
Transfer to income statement due to sales of available for sale securities	-	-	3,851	-	-	-	3,851	-	-	3,851
Effect of translation of foreign subsidiaries	-	-	-	3,185	-	-	3,185	-	-	3,185
Other	-	-	-	-	(4,080)	-	(4,080)	-	-	(4,080)
Net income recognized directly in equity	-	-	(49,754)	3,185	(4,080)	-	(50,649)	-	-	(50,649)
Net income for the period	-	-	-	-	150,666	-	150,666	477	-	151,143
Total	-	-	(49,754)	3,185	146,586	-	100,017	477	-	100,494
Change of participating interests in subsidiaries (Purchases)/Disposals of treasury shares and hybrid securities	-	-	-	-	(176)	-	(176)	(708)	-	(884)
Amortization of initial share options valuation granted to employees	-	-	1,181	-	-	-	1,181	-	-	1,181
Dividends paid to equity holders of the Bank and minority interests	-	-	-	-	-	-	-	(1,389)	-	(1,389)
Dividends paid to hybrid securities holders	-	-	-	-	(39,927)	-	(39,927)	-	-	(39,927)
Reserves appropriation	-	-	37,642	-	(37,642)	-	-	-	-	-
Balance 31.3.2006	1,456,018	125,685	310,425	6,126	575,826	(188,316)	2,285,764	51,449	869,533	3,206,746

The attached notes (pages 9 to 32) form an integral part of these interim financial statements.

Interim consolidated Cash flow statement

	Note	(Thousands of Euro)	
		From 1 January to 31.3.2006	31.3.2005
Cash flows from operating activities			
Profit before taxes		199,138	131,306
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	15,16	11,288	11,121
Amortization of intangible assets	17	4,779	4,286
Impairment losses and provisions		68,540	66,489
Gains / (losses) from investing activities		(13,518)	(4,383)
Gains / (losses) from financing activities		44,215	5,592
Share of (profit) loss of associates	14	252	1,249
		<u>314,694</u>	<u>215,660</u>
<i>Net (increase) / decrease in assets relating to operating activities:</i>			
Due from banks		(931,944)	591,907
Securities held for trading and derivative financial assets		(338,365)	(1,005,145)
Loans and advances to customers		(777,089)	(875,859)
Other assets		(23,959)	(16,829)
<i>Net increase / (decrease) in liabilities relating to operating activities</i>			
Due to banks		(350,992)	391,760
Derivative financial liabilities		47,081	(23,916)
Due to customers		1,472,464	31,256
Other liabilities		56,826	127,499
<i>Net cash from operating activities before taxes</i>		(531,284)	(563,667)
Income and other taxes paid		(26,187)	(7,727)
Net cash flows from operating activities		(557,471)	(571,394)
Cash flows from investing activities			
Acquisitions of subsidiaries and associates		(992)	(117,093)
Proceeds from sale of investments (subsidiaries and associates)		2,523	-
Dividends received	4	186	131
Purchase of property, plant and equipment	15,16,17	(11,929)	(11,605)
Disposal of property, plant and equipment		809	320
Net (increase) / decrease in investment securities		(71,178)	220,205
Net cash flows from investing activities		(80,581)	91,958
Cash flows from financing activities			
Dividends paid		(1,563)	-
Proceeds from the issue of loans		14,367	173,070
Repayment of loans		(6,856)	(5,591)
Proceeds from the issue of Hybrid securities		24,587	519,496
Dividends paid to Hybrid securities holders		(37,359)	(3,435)
Net cash flows from financing activities		(6,824)	683,540
Effect of exchange rate fluctuations on cash and cash equivalents		3,185	5,517
Net increase / (decrease) in cash and cash equivalents		(641,691)	209,621
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	5,024,123	5,778,005

The attached notes (pages 9 to 32) form an integral part of these interim financial statements.

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, which were elected by the shareholders' in a general meeting of April 19, 2005 ends in 2010. The members of the Board of Directors consist of:

CHAIRMAN (Executive Member)

Yannis S. Costopoulos

VICE CHAIRMAN (Non Executive Member)

Andreas L. Canellopoulos

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 *

Sophia G. Eleftheroudaki

Paul G. Karakostas*

Ioannis K. Lyras **(Since 18 April 2006 independent non executive member)

Nicholaos I. Manassis **

Minas G. Tanes *

NON-EXECUTIVE INDEPENDENT MEMBERS

Pavlos A. Apostolides **

Thanos M. Veremis

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

Nikolaos E. Vouniseas

Substitute Auditors:

Garyfallia B. Spyriouni

Nikolaos Ch. Tsiboukas

of KPMG Kyriacou Certified Auditors S.A.

The Bank's shares are listed on the Athens Stock Exchange since 1925. As at 31 March 2006 Alpha Bank was ranked 5th 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 market, the shares of the Bank are listed in London Stock Exchange in the form of international certificates (GDR's) and are traded over the counter in New York (ADR's).

The Bank as at 31 March 2006 has issued 291,203,608 shares.

The Bank's growth and consistent dividend policy has attracted local and foreign investors. This has increased the shares' liquidity which for the first quarter of 2006 amounted to an average of 1,000,000 shares per day.

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

The Board of Directors approved the financial statements on 16 May 2006.

Notes to the interim consolidated financial statements

Accounting principles applied

1. Basis of presentation

The Group has prepared the condensed interim financial statements as at 31 March, 2006 in accordance with International Financial Reporting Standard (IAS) 34, Interim Financial Reporting.

The accounting policies and methods of computation followed in these condensed interim financial statements are the same as those in the published annual financial statements for the year ended 31 December 2005.

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 or interpretations 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 present.

Income statement

2. Net interest income

	From 1 January to	
	31.3.2006	31.3.2005
Due from Banks	26,060	39,169
Securities	61,044	20,501
Loans and advances to customers	445,556	351,495
Due to Banks	(37,520)	(14,041)
Customers	(75,236)	(60,580)
Debt securities in issue and other borrowed funds	(68,722)	(41,512)
Other	(8,540)	(14,663)
Total	<u>342,642</u>	<u>280,369</u>

3. Net fee and commission income

	From 1 January to	
	31.3.2006	31.3.2005
Loans	12,201	11,350
Letters of guarantee	9,376	8,471
Imports-Exports	5,072	4,725
Credit Cards	8,658	8,326
Fund transfers	20,361	18,331
Mutual Funds	17,355	11,843
Management and advisory fees	2,269	2,736
Other	19,335	13,462
Total	<u>94,627</u>	<u>79,244</u>

4. Dividend income

	From 1 January to	
	31.3.2006	31.3.2005
Available-for-sale shares	186	131
Total	<u>186</u>	<u>131</u>

5. Gains less losses on financial transactions

	From 1 January to	
	31.3.2006	31.3.2005
Foreign exchange differences	12,584	3,558
Securities held for trading	(519)	321
Available-for-sale securities	12,850	4,252
Other financial instruments	49	6,736
Total	<u>24,964</u>	<u>14,867</u>

6. Other income

	From 1 January to	
	31.3.2006	31.3.2005
Insurance activities	6,670	9,116
Hotel activities	8,896	7,804
Operating lease income	1,105	671
Sale of property, plant and equipment	150	398
Other	2,040	2,867
Total	<u>18,861</u>	<u>20,856</u>

Income from insurance activities is analyzed as follows:

	From 1 January to	
	31.3.2006	31.3.2005
Non-life Insurance		
Premiums and other related income	23,161	24,894
Less:		
Reinsurance premiums ceded	(8,889)	(10,144)
Commissions	(1,377)	(1,638)
Claims from policyholders	(9,578)	(9,505)
Reinsurers' participation	3,319	3,643
Net income from non-life insurance	<u>6,636</u>	<u>7,250</u>
Life Insurance		
Premiums and other related income	15,773	18,605
Less:		
Reinsurance premiums ceded	(1,052)	(1,153)
Commissions	(2,603)	(2,749)
Claims from policyholders	(12,445)	(12,902)
Reinsurers' participation	361	65
Net income from life insurance	<u>34</u>	<u>1,866</u>
Total	<u>6,670</u>	<u>9,116</u>

7. Staff costs

	From 1 January to	
	31.3.2006	31.3.2005
Wages and Salaries	77,529	72,464
Social Security contributions	22,813	21,436
Expenses of defined benefit plans	13,227	11,472
Other	5,965	6,691
Total	<u>119,534</u>	<u>112,063</u>

8. General administrative expenses

	From 1 January to	
	31.3.2006	31.3.2005
Rent of buildings	6,873	6,037
Rent and maintenance of EDP equipment	4,972	4,887
EDP expenses	8,693	7,254
Marketing and advertisement expenses	6,932	4,423
Telecommunications and postage	5,725	5,236
Third party fees	6,419	5,335
Consultants fees	1,758	1,793
Contribution to Savings Guarantee Fund	2,883	2,632
Consumables	1,726	1,204
Electricity	1,806	1,519
Agency fees	2,544	692
Other general administrative expenses	22,086	21,058
Other taxes	8,754	7,751
Total	81,171	69,821

9. Impairment losses and provisions to cover credit risk

	From 1 January to	
	31.3.2006	31.3.2005
Impairment on loans and advances	50,699	66,320
Provisions to cover credit risk relating to off balance sheet items	14,946	-
Recoveries	(745)	(989)
Total	64,900	65,331

10. Income tax

	From 1 January to	
	31.3.2006	31.3.2005
Current tax	44,591	26,272
Deferred tax	3,404	3,450
Total	47,995	29,722

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

	From 1 January to	
	31.3.2006	31.3.2005
Depreciation	2,374	2,741
Loans and advances	(8,270)	(1,363)
Employee defined benefit obligations	184	796
Valuation of derivative financial instruments	7,673	(8,143)
Appropriation of income and expense on derivatives	30	688
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	2,421	8,648
Carry forward tax losses	(436)	(236)
Other temporary differences	(572)	319
Total	3,404	3,450

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 treasury shares held, during the period.

	From 1 January to	
	31.3.2006	31.3.2005
Profit attributable to shareholders of the Bank (in € thousands)	150,666	100,697
Weighted average number of outstanding ordinary shares	282,797,938	282,718,398
Basic earnings per share (in € per share)	0.53	0.36

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	
	31.3.2006	31.3.2005
Profit attributable to shareholders of the Bank (in € thousands)	150,666	100,697
Weighted average number of outstanding ordinary shares	282,797,938	282,718,398
Adjustment for share options	676,041	307,744
Weighted average number of outstanding ordinary shares for diluted earnings per share	283,473,979	283,026,142
Diluted earnings per share (in € per share)	0.53	0.36

Basic and diluted earnings per share, for the period from 1 January 2005 to 31 March 2005 have been restated in order to be comparative, due to free distribution of shares resulted from the capitalization of reserve on 9 May 2005, in accordance to a decision on a General Shareholders' Meeting held on 19 April 2005.

Assets

12. Cash and balances with Central Banks

	31.3.2006	31.12.2005
Cash	207,030	305,144
Cheques receivable	45,485	53,727
Balances with Central Banks	1,699,728	1,843,511
Total	1,952,243	2,202,382
Of which mandatory deposits with Central Banks:	886,621	1,202,541

Cash and cash equivalents as presented for the purposes of the cash flow statement

	31.3.2006	31.12.2005
Cash and balances with Central Banks	1,065,622	999,841
Sale and repurchase agreements (Reverse Repos)	1,634,001	2,148,476
Short-term placements with other banks	2,324,500	2,517,497
Total	5,024,123	5,665,814

Cash and cash equivalents, as presented in the cash flow statement for the period from 1 January 2005 to 31 March 2005 has been restated in order to be comparative with these of the current period 1 January 2006 to 31 March 2006.

The restatement concerns mandatory deposits with Central Banks not been included in the calculation of cash and cash equivalents.

13. Loans and advances to customers

	31.3.2006	31.12.2005
<i>Individuals:</i>		
Mortgages	7,319,720	6,937,685
Consumer	2,197,047	2,029,704
Credit cards	898,579	883,605
Other loans	193,704	193,181
Other receivables	36,708	189,918
<i>Companies:</i>		
Overdrafts	17,025,294	16,728,566
Leasing	855,516	843,011
Factoring	287,923	386,600
Other receivables	267,000	112,306
Receivables from insurance and reinsurance activities	92,501	92,327
	29,173,992	28,396,903
Allowance account	(1,105,414)*	(1,040,360)
Total	28,068,578	27,356,543

* In addition to the allowance account, a provision of € 14,946 has been made to cover credit risk relating to off balance sheet items. The total amount recorded to cover credit risk is € 1,120,360.

The loans and advances to customers includes receivables from finance lease:

	31.3.2006	31.12.2005
Up to 1 year	310,354	299,764
From 1 year up to 5 years	422,825	411,707
More than 5 years	330,906	331,601
	<u>1,064,085</u>	<u>1,043,072</u>
Unearned finance income	(208,569)	(200,061)
Total	<u><u>855,516</u></u>	<u><u>843,011</u></u>

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

	31.3.2006	31.12.2005
Up to 1 year	268,561	260,462
From 1 year up to 5 years	327,387	320,666
More than 5 years	259,568	261,883
	<u>855,516</u>	<u>843,011</u>
Total	<u><u>855,516</u></u>	<u><u>843,011</u></u>

Allowance account

Balance 1.1.2005	757,951
Provision from Jubanka acquisition	59,654
Exchange differences	(2,096)
Impairment losses for the period (note 9)	66,320
Loans written-off during the period	<u>(6,355)</u>
Balance 31.3.2005	875,474
Exchange differences	4,246
Impairment losses for the period	195,378
Loans written-off during the period	<u>(42,304)</u>
Provision from merger with Delta Singular A.E.	7,566
Balance 31.12.2005	1,040,360
Unwind of discount of allowance	16,370
Exchange differences	(667)
Impairment losses for the period (note 9)	50,699
Loans written-off during the period	<u>(1,348)</u>
Balance 31.3.2006	<u><u>1,105,414</u></u>

14. Investments in associates

	1.1-31.3.2006	1.1-31.12.2005
Opening balance	11,389	107,363
Purchases	104	837
Dividends received		(163)
Sale of Lesvos Tourist Company A.E.	(631)	-
Merger with Delta Singular A.E.	-	(96,524)
Impairment	(32)	(105)
Share of profit/ (loss)	(220)	(19)
Closing balance	<u><u>10,610</u></u>	<u><u>11,389</u></u>

During the first quarter of 2006 the carrying amount of the Group's investment in Evisak A.E. was reduced by an amount of € 32, as the recoverable amount was determined to be less than the carrying amount.

The Group's investments in associates is as follows:

Name	Country of incorporation	Ownership interest %	
		31.3.2006	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	13.83	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	20.00

* The sale of Lesvos Tourist Company A.E. was completed during the first quarter of 2006

** Alpha Astika Akinita A.E., a subsidiary, holds ownership interest 22.58%.

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

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

Name	Equity (in thousands €)	Profit/ (loss) after tax	Total (in thousands €)	Share of profits/ (losses) 31.3.2006	Impairment	Total profit/ (losses) 31.3.2006
a. Evisak A.E.	2,727	-	2,727	-	(32)	(32)
b. Icap A.E.	18,802	426	19,228	113	-	113
c. Gaiognomon A.E.	1,224	-	1,224	-	-	-
d. Propindex A.E.	61	(1)	60	-	-	-
e. AEDEP Thessalias & Stereas Ellados	147	-	147	-	-	-
f. A.L.C. Novelle Investments Ltd	15,783	(186)	15,597	(333)	-	(333)
g. Geosynthesis A.E.	85	-	85	-	-	-
Total	38,829	239	39,068	(220)	(32)	(252)

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>
1.1.2005-31.3.2005	
Net Book Value 1.1.2005	27,359
Additions from Jubanka a.d. Beograd acquisition	467
Additions	1
Depreciation charge for the period	(80)
Net Book Value 31.3.2005	<u>27,747</u>
Balance 31.3.2005	
Cost	30,869
Accumulated depreciation	(3,122)

	Land and buildings
1.4.2005-31.12.2005	
Net Book Value 1.4.2005	27,747
Foreign exchange differences	(463)
Additions	79
Additions from merger with Delta Singular A.E.	36,546
Accumulated depreciation from merger with Delta Singular A.E.	(2,940)
Disposals	(6)
<i>a) Cost</i>	(6)
<i>b) Accumulated depreciation</i>	-
Transfer to "assets held-for-sale"	(33,463)
<i>a) Cost</i>	(36,591)
<i>b) Accumulated depreciation</i>	3,128
Transfer from "property, plant and equipment"	2,519
<i>a) Cost</i>	3,168
<i>b) Accumulated depreciation</i>	(649)
Depreciation charge for the period	(469)
Net Book Value 31.12.2005	<u>29,550</u>
Balance 31.12.2005	
Cost	33,061
Accumulated depreciation	<u>(3,511)</u>
1.1.2006-31.3.2006	
Net Book Value 1.1.2006	29,550
Foreign exchange differences	(8)
Transfer from "property, plant and equipment"	75
<i>a) Cost</i>	75
<i>b) Accumulated depreciation</i>	-
Depreciation charge for the period	(89)
Net Book Value 31.3.2006	<u>29,528</u>
Balance 31.3.2006	
Cost	33,126
Accumulated depreciation	<u>(3,598)</u>

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
1.1.2005-31.3.2005				
Net Book Value 1.1.2005	852,342	1,520	62,905	916,767
Additions from companies consolidated for first time – acquisition Jubanka a.d. Beograd				
	26,384	-	6,348	32,732
Foreign exchange differences	270	3	46	319
Additions	2,011	177	7,440	9,628
Disposals	(132)	-	(184)	(316)
<i>a) Cost</i>	(458)	-	(2,822)	(3,280)
<i>b) Accumulated depreciation</i>	326	-	2,638	2,964
Depreciation charge for the period	(5,027)	(71)	(5,943)	(11,041)
Net Book Value 31.3.2005	875,848	1,629	70,612	948,089
Balance 31.3.2005				
Cost	1,082,821	10,418	320,331	1,413,570
Accumulated depreciation	(206,973)	(8,789)	(249,719)	(465,481)
1.4.2005-31.12.2005				
Net book value 1.1.2005	875,848	1,629	70,612	948,089
Additions	10,395	167	19,167	29,729
Foreign exchange differences	1,884	91	629	2,604
Additions from merger with Delta Singular A.E.	-	800	2,093	2,893
Accumulated depreciation from merger with Delta Singular A.E.	-	(270)	(1,902)	(2,172)
Disposals	(7,816)	-	(940)	(8,756)
<i>a) Cost</i>	(11,232)	(130)	(8,023)	(19,385)
<i>b) Accumulated depreciations</i>	3,416	130	7,083	10,629
Transfer from "assets held-for-sale"	1,703	-	-	1,703
<i>a) Cost</i>	1,928	-	-	1,928
<i>b) Accumulated depreciation</i>	(225)	-	-	(225)
Transfer from "land and buildings" and "leased equipment" to "equipment"	(5)	-	5	-
<i>a) Cost</i>	(319)	(7,996)	8,315	-
<i>b) Accumulated depreciation</i>	314	7,996	(8,310)	-
Transfer to "assets held-for-sales (Alpha Insurance Romania S.A.)"	-	-	(28)	(28)
<i>a) Cost</i>	-	-	(146)	(146)
<i>b) Accumulated depreciation</i>	-	-	118	118
Transfer to "Investment property"	(2,519)	-	-	(2,519)
<i>a) Cost</i>	(3,168)	-	-	(3,168)
<i>b) Accumulated depreciation</i>	649	-	-	649
Depreciation charge for the period	(15,114)	(510)	(17,946)	(33,570)
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
1.1.2006-31.3.2006				
Net book value 1.1.2006	864,376	1,907	71,690	937,973
Additions	4,024	204	5,289	9,517
Foreign exchange differences	(30)	70	90	130
Disposals	(425)	-	(234)	(659)
<i>a) Cost</i>	(547)	-	(1,282)	(1,829)
<i>b) Accumulated depreciation</i>	122	-	1,048	1,170
Transfer from "land and buildings" to "investment property"	(75)	-	-	(75)
<i>a) Cost</i>	(75)	-	-	(75)
<i>b) Accumulated depreciation</i>	-	-	-	-
Transfer from "leased equipment" to "other equipment"	-	-	-	-
<i>a) Cost</i>	-	(68)	68	-
<i>b) Accumulated depreciation</i>	-	68	(68)	-
Transfer from "other equipment" to "software"	-	-	(32)	(32)
<i>a) Cost</i>	-	-	(283)	(283)
<i>b) Accumulated depreciation</i>	-	-	251	251
Depreciation charge for the period	(4,954)	(132)	(6,113)	(11,199)
Net book value 31.3.2006	<u>862,916</u>	<u>2,049</u>	<u>70,690</u>	<u>935,655</u>
Balance 31.3.2006				
Cost	1,079,685	3,571	346,662	1,429,918
Accumulated depreciation	(216,769)	(1,522)	(275,972)	(494,263)

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
1.1.2005-31.3.2005				
Net Book Value 1.1.2005	-	-	30,861	30,861
Foreign exchange differences	-	434	106	540
Additions	-	-	1,316	1,316
Additions from companies consolidated for first time in current fiscal year	57,420	18,572	660	76,652
<i>Cost</i>	57,420	18,572	660	76,652
Disposals	-	-	(3)	(3)
<i>a) Cost</i>	-	-	(6)	(6)
<i>b) Accumulated amortization</i>	-	-	3	3
Amortization charge for the period	-	(615)	(3,671)	(4,286)
Net Book Value 31.3.2005	57,420	18,391	29,269	105,080
Balance 31.3.2005				
Cost	57,420	19,006	110,986	187,412
Accumulated Amortization	-	(615)	(81,717)	(82,332)
1.4.2005-31.12.2005				
Net Book Value 1.4.2005	57,420	18,391	29,269	105,080
Foreign exchange differences	(3,648)	(1,533)	(401)	(5,582)
Additions	-	-	20,285	20,285
Additions from merger with Delta Singular A.E.	-	-	620	620
Accumulated depreciation from merger with Delta Singular A.E.	-	-	(381)	(381)
Additions from companies consolidated for first time in current fiscal year	250	-	258	508
<i>a) Cost</i>	250	-	258	508
<i>b) Foreign exchange differences</i>	-	-	-	-
Disposals	-	-	(10)	(10)
<i>a) Cost</i>	-	-	(1,294)	(1,294)
<i>b) Accumulated amortization</i>	-	-	1,284	1,284
Transfer to "assets held for sales" (Alpha Insurance Romania S.A.)	-	-	(42)	(42)
<i>a) Cost</i>	-	-	(168)	(168)
<i>b) Accumulated amortization</i>	-	-	126	126
Amortization charge for the period	-	(2,480)	(10,562)	(13,042)
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
1.1.2006-31.3.2006				
Net Book Value 1.1.2006	54,022	14,378	39,036	107,436
Foreign exchange differences	(1,054)	(278)	(48)	(1,380)
Additions	-	-	2,412	2,412
Transfer from "other equipment"	-	-	32	32
<i>a) Cost</i>	-	-	283	283
<i>b) Foreign exchange differences</i>	-	-	(251)	(251)
Disposals	-	-	-	-
<i>a) Cost</i>	-	-	(39)	(39)
<i>b) Accumulated amortization</i>	-	-	39	39
Amortization charge for the period	-	(810)	(3,969)	(4,779)
Net Book Value 31.3.2006	<u>52,968</u>	<u>13,290</u>	<u>37,463</u>	<u>103,721</u>
Balance 31.3.2006				
Cost	52,968	17,053	132,882	202,903
Accumulated Amortization	-	(3,763)	(95,419)	(99,182)

18. Deferred tax assets and liabilities

	From 1 January to	
	31.3.2006	31.12.2005
Deferred tax assets	229,451	202,519
Deferred tax liabilities	<u>(54,304)</u>	<u>(23,857)</u>
Total	<u>175,147</u>	<u>178,662</u>

	1.1.2005-31.3.2005						
	Balance 1.1.2005	Mergers and acquisitions	Recognition in				Balance 31.3.2005
			Income statement		Equity		
			Assets	Liabilities	Assets	Liabilities	
Depreciation	40,530	(2,598)	64	(2,805)	4	-	35,195
Loans and advances	4,592	403	1,532	(169)	-	-	6,358
Valuation of derivative financial instruments	429	-	8,165	(22)	-	-	8,572
Retained earnings	6,515	2,256	236	-	-	-	9,007
Other provisions	3,516	71	173	(492)	20	(91)	3,197
Appropriation of income and expense on derivatives	12,267	-	-	(688)	-	-	11,579
Employee defined benefit obligations	128,851	-	32	(828)	-	(5)	128,050
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(425)	-	-	(8,648)	-	-	(9,073)
Total	<u>196,275</u>	<u>132</u>	<u>10,202</u>	<u>(13,652)</u>	<u>24</u>	<u>(96)</u>	<u>192,885</u>

1.4.2005-31.12.2005							
Recognition in							
	Income statement				Equity		
	Balance 1.4.2005	Mergers and acquisitions	Assets	Liabilities	Assets	Liabilities	Balance 31.12.2005
Depreciation	35,195	408	-	(10,390)	-	(114)	25,099
Loans and advances	6,358	1,640	9,324	(5,704)	-	(4,374)	7,244
Valuation of derivative financial instruments	8,572	-	-	(3,646)	-	-	4,926
Retained earnings	9,007	-	-	(6,729)	-	(950)	1,328
Other provisions	3,197	(20)	4,128	(4)	1,101	-	8,402
Appropriation of income and expense on derivatives	11,579	-	166	(7,151)	-	-	4,594
Employee defined benefit obligations	128,050	7	4,137	(389)	8	(4)	131,809
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(9,073)	-	4,333	-	-	-	(4,740)
Total	192,885	2,035	22,088	(34,013)	1,109	(5,442)	178,662

1.1.2006-31.3.2006							
Recognition in							
	Income statement				Equity		
	Balance 1.1.2006	Mergers and acquisitions	Assets	Liabilities	Assets	Liabilities	Balance 31.3.2006
Depreciation	25,099	-	-	(2,410)	59	-	22,748
Loans and advances	7,244	-	15,022	(6,955)	-	-	15,311
Valuation of derivative financial instruments	4,926	-	-	(7,673)	-	-	(2,747)
Retained earnings	1,328	-	432	-	-	(183)	1,577
Other provisions	8,402	-	813	-	-	(153)	9,062
Appropriation of income and expense on derivatives	4,594	-	-	(95)	-	-	4,499
Employee defined benefit obligations	131,809	-	-	(117)	166	-	131,858
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(4,740)	-	-	(2,421)	-	-	(7,161)
Total	178,662	-	16,267	(19,671)	225	(336)	175,147

19. Non-current assets held for sale

a) Property, plant and equipment

	Land-buildings	Office equipment	Total
Balance 1.1.2005			
Cost	<u>32,084</u>	<u>617</u>	<u>32,701</u>
1.1.2005-31.3.2005			
Cost 1.1.2005	32,084	617	32,701
Additions	324		324
Disposals	(724)		(724)
Cost 31.3.2005	<u>31,684</u>	<u>617</u>	<u>32,301</u>
Balance 31.3.2005			
Cost	<u>31,684</u>	<u>617</u>	<u>32,301</u>
1.4.2005-31.12.2005			
Cost 1.4.2005	31,684	617	32,301
Additions	8,684	20	8,704
Additions from merger with Delta Singular A.E.	21,175		21,175
Additions from companies consolidated for first time in current fiscal year	11		11
Disposals	(5,310)	(52)	(5,362)
Reclassification to "property, plant and equipment"	(1,703)		(1,703)
Reclassification from "investment property"	33,463		33,463
Cost 31.12.2005	<u>88,004</u>	<u>585</u>	<u>88,589</u>
Balance 31.12.2005			
Cost	<u>88,004</u>	<u>585</u>	<u>88,589</u>
1.1.2006-31.3.2006			
Cost 1.1.2006	88,004	585	88,589
Additions	1,449	4	1,453
Disposals	(268)		(268)
Cost 31.3.2006	<u>89,185</u>	<u>589</u>	<u>89,774</u>

b. Participations

Balance 31.12.2005	<u>3,481</u>
1.1.2006-31.3.2006	
Balance 1.1.2006	3,481
Disposals	<u>(3,481)</u>
Balance 31.3.2006	<u>-</u>

Disposal of € 3,481 concerns the sale of assets of Alpha Insurance Romania S.A. (note 28, paragraph b).

Liabilities

20. Due to customers

	31.3.2006	31.12.2005
- Current accounts	5,456,199	5,628,485
- Saving accounts	9,523,483	9,731,063
- Term deposits	5,839,838	5,387,767
- Sale and repurchase agreements (Repos)	630,537	712,617
	<u>21,450,057</u>	<u>21,459,932</u>
Cheques payable	154,574	184,872
Total	<u><u>21,604,631</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 broaden its funding sources and so as to ensure:

- i) cheaper funding
- ii) long-term funding
- iii) 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

	31.3.2006	31.12.2005
Euro due 2006	2,020,245	2,519,937
Euro due 2007 with 1 st call option in 2005	6,956	7,126
Euro due 2007	901,698	901,444
HKD 100 million due 2007	10,745	11,027
Euro due 2008	507,005	507,260
Euro due 2008 with 1 st call option in 2005	7,864	8,052
Euro due 2009	1,110,901	710,405
Euro due 2009 with 1 st call option in 2007	40,014	-
CZK 1.500 million due 2009	52,463	51,511
US \$ 11 million due 2009 with 1 st call option in 2006	8,758	8,960
US \$ 5 million due 2009 with 1 st call option in 2006	3,870	4,027
HKD 50 million due 2009	5,368	5,497
Euro due 2010	1,125,490	924,947
Euro due 2010 with 1 st call option in 2006	36,319	56,600
Euro due 2010 with 1 st call option in 2007	2,502,390	2,502,060

	31.3.2006	31.12.2005
US \$ 7 million due 2010 with 1 st call option in 2006	4,898	5,366
US \$ 50 million due 2010 with 1 st call option in 2007	41,448	42,521
Euro due 2011	24,615	15,439
CZK 700 million due 2011	24,491	-
Euro due 2011 with 1 st call option in 2006	22,383	22,843
Euro due 2011 with 1 st call option in 2008	1,000,700	-
Euro due 2012	315,856	316,104
Euro due 2012 with 1 st call option in 2006	37,050	9,353
Euro due 2013	318,932	19,341
Euro due 2015	12,212	12,360
Euro due 2021	82,878	-
Senior debt total	<u>10,225,549</u>	<u>8,662,180</u>
Securities held by the Group	<u>(536,041)</u>	<u>(485,309)</u>
Total	<u>9,689,508</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 with 1 st call option in 2007	325,542	325,817
Euro due 2013 with 1 st call option in 2008	351,463	351,570
Euro due 2014 with 1 st call option in 2009	201,223	201,115
JPY 30 billion with 1 st call option in 2015	194,466	203,706
Total	<u>1,072,694</u>	<u>1,082,208</u>
Securities held by the Group	<u>(42,572)</u>	<u>(66,453)</u>
Subordinated debt total	<u>1,030,122</u>	<u>1,015,755</u>
Grand Total	<u>10,719,630</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 option to redeem in 2015, carrying a fixed rate of 2.94%.

Equity

22. Hybrid securities

Alpha Group Jersey a wholly owned subsidiary of the Bank issued hybrid securities (Non-cumulative guaranteed Non-voting preferred securities) as follows:

- On 5 December 2002 amount of € 200 million preferred securities with interest step up clause, which represent Lower Tier 1 capital for the Group.
They are perpetual securities and may be redeemed after the expiration of 10 years. Preferred securities give the issuer the right of no preferred dividend payment if the Bank does not pay any dividend to common shareholders. They carry interest at the three month Euribor plus a margin of 265 basis points. If redemption option is not exercised by the issuer the margin is increased by 132.5 basis points reaching 397.5 basis points in total. The preferred securities are listed on the Luxembourg Stock Exchange.
- On 5 December 2003 amount of € 100 million preferred securities with the same characteristics as those issued on 5 December 2002.
- On 18 February 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 is 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 ceiling 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	31.3.2006	31.12.2005
Euro perpetual with 1 st call option in 2012	300,000	300,000
Euro perpetual with 1 st call option in 2015	588,000	588,000
Total	888,000	888,000
Securities held from Group companies	(18,467)	(43,054)
Total	869,533	844,946

Additional Information

23. Contingent liabilities and commitments

a) *Legal issues*

The Bank in the ordinary course of business is a dependent in claims from customers and other legal actions. No provision has been recorded because after calculation 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 2002 and for the other companies of the group up to the year 2000. Additional tax and penalties may be imposed for the unaudited years.

c) *Operating leases*

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

	31.3.2006	31.12.2005
Less than one year	25,945	25,396
Between one and five years	75,797	73,101
More than five years	55,426	46,567
Total	<u>157,168</u>	<u>145,064</u>

The minimum future lease revenues are as follows:

	31.3.2006	31.12.2005
Less than one year	4,132	4,149
Between one and five years	17,140	15,613
More than five years	12,529	12,864
Total	<u>33,801</u>	<u>32,626</u>

d) *Off balance sheet liabilities*

	31.3.2006	31.12.2005
Letters of credit	205,307	234,470
Letters of guarantee	3,958,735	3,749,766
Approved loan agreements and credit limits	12,491,302	12,232,183
Total	<u>16,655,344</u>	<u>16,216,419</u>

e) *Assets pledged*

	31.3.2006	31.12.2005
Securities linked to reverse repos	-	420,000
Investment securities	585,000	165,000
Total	<u>585,000</u>	<u>585,000</u>

From the investment securities portfolio € 80,000 are pledged for capital withdrawal and € 5,000 are pledged as collateral to clearing house of derivative transactions "ETSEF" A.E. as margin account insurance. The remaining 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).

24. Group consolidated companies

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

a. Subsidiaries

Name	Country of Incorporation	Group's ownership interest %	
		31.3.2006	31.12.2005
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. Jubanka a.d. Beograd	Serbia-Montenegro	99.99	99.99
Leasing companies			
1. Alpha Leasing A.E.	Greece	99.63	99.61
2. Alpha Leasing Romania S.A.	Romania	99.92	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.	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	Greece	100.00	100.00
6. Alpha Equity Fund	Greece	100.00	100.00
7. Alpha AEF European Capital Investments	Holland	100.00	100.00
Asset management			
1. Alpha Mutual Fund Management A.E.	Greece	100.00	100.00
2. Alpha Asset Management	Greece	100.00	100.00
3. Alpha Private Investment Services A.E.	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
Other companies			
1. Alpha Astika Akinita A.E.	Greece	61.24	61.21
2. Alpha Group Jersey Ltd	Jersey	100.00	100.00
3. Ionian Hotel Enterprises A.E.	Greece	90.90	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	100.00	100.00
9. Messina 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. Evremathea A.E.	Greece	100.00	100.00

b. Joint Ventures

Name	Country of Incorporation	Group's ownership interest %	
		31.3.2006	31.12.2005
1. Cardlink A.E.	Greece	50.00	50.00
2. Ape Fixed Assets	Greece	60.10	60.10
3. APE Commercial Property	Greece	60.10	60.10

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

The sale of Alpha Insurance Romania S.A. was completed during the first quarter of 2006.

25. Segment reporting

Analysis by sector

	(Millions of Euro)						
	31.3.2006						
	Group	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other
Net interest income	342.6	205.9	66.5	5.3	24.9	40.1	(0.1)
Commission	94.6	27.4	20.8	22.9	13.5	11.7	(1.7)
Other income	43.8	2.2	0.5	8.8	5.0	7.7	19.6
Total income	481.0	235.5	87.8	37.0	43.4	59.5	17.8
Expenses	(217.0)	(114.6)	(24.7)	(20.7)	(10.0)	(35.2)	(11.8)
Impairment	(64.9)	(33.6)	(24.6)	-	-	(6.6)	(0.1)
Profit before tax	199.1	87.3	38.5	16.3	33.4	17.7	5.9
	31.3.2005						
	Group	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other
Net interest income	280.4	171.4	63.2	5.6	9.6	30.3	0.3
Commission	79.2	24.9	22.0	17.4	6.7	8.9	(0.7)
Other income	34.6	2.0	0.5	8.0	8.9	6.5	8.7
Total income	394.2	198.3	85.7	31.0	25.2	45.7	8.3
Expenses	(197.6)	(111.1)	(23.2)	(18.6)	(7.6)	(27.5)	(9.6)
Impairment	(65.3)	(31.0)	(26.9)	(0.3)	-	(7.1)	-
Profit before tax	131.3	56.2	35.6	12.1	17.6	11.1	(1.3)

- 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, letter of guarantees) 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 (Corporate) and shipping corporations.

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

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, the subsidiary company Alpha Asset Management and also the mutual fund company Alpha AEDAK.
Also is offered a wide range of insurance products to individuals and companies through the subsidiary company Alpha Insurance.
- 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 Venture capital). 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.

26. 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)	
	31.3.2006	31.12.2005
Risk-weighted assets from credit risk	28,471	27,447
Risk-weighted assets from market risk	850	792
Total risk-weighted assets	29,321	28,239
Upper Tier I capital	2,246	2,210
Tier I capital	3,014	2,950
Total Tier I + Tier II capital	3,925	3,821
Upper Tier I ratio	7.7%	7.8%
Tier I ratio	10.3%	10.4%
Capital adequacy ratio (Tier I + Tier II)	13.4%	13.5%

27. Related-party transactions

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

	31.3.2006	31.12.2005
Loans	3,502	5,628
Deposits	11,864	14,854
Letters of guarantee	146	145

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

Associates		
	31.3.2006	31.12.2005
Assets		
Loans and advances to customers	1,233	1,390
Total	1,233	1,390
Liabilities		
Amounts due to customers	924	639
Total	924	639
Letters of guarantee		
Total	1,772	1,353
	31.3.2006	31.3.2005
Income		
Interest and similar income	26	28
General administrative revenue	7	21
Total	33	49
Expenses		
Interest and similar charges	2	448
General administrative expenses	125	220
Total	127	668

- c. The Group companies Board of Directors fees for the fiscal year 2006 amount to € 1,735 (31.3.2005: € 650). The increase attributed to the fact that modifications have been made in Bank's Board of Directors as at 23 February 2005.

28. Disposals of subsidiaries and associates

- On 1 February 2006 the Bank transferred 2,178,000 shares of Alpha Private EPEY representing 99% of the company's share capital to another subsidiary Alpha Bank London Ltd at an amount of €3.4 million. This transfer did not have any affect on the Group's results.
- 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 sales 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.
- 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, resulting to € 1.4 million gain. The Company was consolidated under the equity method.

29. Events after the balance sheet date

- The General Shareholders meeting held on 18 April 2006 approved the following:
 - the distribution of total dividend for the year 2005 of € 237,556 or € 0.84 per share.
 - the decrease of the nominal value of each share from € 5.00 to € 3.90, the capital increase due to the capitalization of prior years profits which have been already taxed of amount € 133,954, with the issue of 116,481,444 new shares with nominal value of € 3.90, which will be distributed to shareholders for free at a ratio of 4 new shares for 10.

After the above increase, which was approved by the Ministry's of Development decision No K2 – 6543/3.5.2006, the share capital of the Bank amounts to € 1,589,972 divided into 407,685,052 shares.

- plan to acquire treasury shares of the Bank for the period from April 2006 up to April 2007 of a total amount up to 3% of the issued share capital.
- b) According to the Board of Directors Meeting held on 17 February 2006 of subsidiary Ionian Hotel Enterprises A.E. it was decided to explore the possibility of selling the Rhodes Hilton Hotel owned by the Company.
- c) On 30 August 2005 the Board of Directors of Alpha Ventures and Alpha Equity Fund decided to start the process of merging the two companies, by absorption of the second by the first, with a balance sheet date of 31 August 2005. Both companies are wholly owned subsidiaries by the Bank. The merger is expected to be completed during 2006.
- d) On 30 December 2005 the Board of Directors of Alpha Mutual Funds AEDAK and Alpha Asset Management decided to start the process of merging the two companies, by absorption of the second by the first, with a balance sheet date of 31 December 2005. Both companies are wholly owned subsidiaries of the Bank. The merger is expected to be completed during 2006.