ALPHA BANK

ANNUAL REPORT

For the period from 1 January to 31 December 2016

(In accordance with Law 3556/2007)

Athens,
30 March 2017

T A B L E   O F   C O N T E N T S

Statement by the Members of the Board of Directors

(in accordance with article 4 paragraph 2 of Law 3556/2007)

To the best of our knowledge, the annual financial statements that have been prepared in accordance with the applicable accounting standards, give a true view of the assets, liabilities, equity and financial performance of Alpha Bank A.E. and of the group of companies included in the consolidated financial statements taken as a whole, as provided in article 4 paragraphs 3 and 4 of Law 3556/2007, and the Board of Directors' annual report presents fairly the evolution, performance and financial position of Bank, and group of companies included in the consolidated financial statements taken as a whole, including the analysis of the main risks and uncertainties that they face.

Athens, 30 March 2017

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE DEPUTY CEO OF NON-PERFORMING LOANS AND TREASURY MANAGEMENT
VASILEIOS T. RAPANOS **ID. No AI 666242**	**DEMETRIOS P. MANTZOUNIS** **ID. No I 166670**	**ARTEMIOS CH. THEODORIDIS** **ID. No AB 281969**

Board of Directors' Annual Management Report as at 31.12.2016

THE GREEK ECONOMY

The Greek economy stalled in 2016 for a second consecutive year (2015: -0.2%, 2016: 0,0%), yet showing signs of resilience despite the imposition of capital controls in July 2015. The economic adjustment programmes implemented in Greece managed to address, to a great extent, the fiscal imbalances and the lack of competitiveness. In particular, Greece recorded a primary surplus for a fourth consecutive year in 2016, which is estimated to exceed the target set of 0.5% to GDP, due to revenue over-performance as a result of the contractionary fiscal policy. The conclusion of the first review of the economic programme and subsequently the disbursement of the second tranche allowed the state to meet its financing needs and to partially clear the government arrears to the private sector which helped easing liquidity conditions.

The above developments are positive signs for the business climate and the strengthening of the prospects of the economy. However, delays regarding the conclusion of the second review prolong the vicious cycle of uncertainty and investment weakness.

The main developments in Greek economy can be summarized as follows:

Real GDP stagnated in 2016. Private consumption had a positive contribution to GDP change, investment had stalled, while net exports and public consumption had a negative contribution.

Regarding inflation, national CPI declined by 0.8% on average in 2016, against a fall by 1.7% in 2015, while the Harmonized Index of Consumer Prices stagnated in 2016 (0.0%) for the first time since 2013. The end of deflation in 2016 (period average) is the combined outcome of the mild recession in the first semester and the gradual recovery of the economy in the second semester. Deflationary pressures have eased mainly due to the significant increase of tax rates on consumption and the upward trend in energy prices in November-December 2016, not reflecting a pick-up of domestic demand. In 2017, HICP is expected to turn positive along with the recovery of the economy.

Labour market conditions continued to moderately improve in 2016 as they did in 2015, as a result of gains in employment and the falling number of unemployed. More specifically, in 2016 the unemployment rate declined to 23.5%, from 24.9% and 26.5% in 2015 and 2014 respectively, on account of a 5.5% decline in the number of unemployed persons and a 1.7% rise in the number of employed persons. Further de-escalation of unemployment rate and the increase in the employment rate depend to a large extent on the stabilisation of economic sentiment, the growth prospects, as well as the implementation of structural changes.

The general index of Industrial Production increased by 2.3% in 2016, against a smaller increase by 1.0% in 2015. This positive development in the Greek industry is due to the significant increase of manufacturing production (2016: 4.0%, 2015: 1.8%). It is worth noting that the main sectors of industry continue to increase their production, as they managed to direct most of the production abroad.

According to the Balance of Payments (Bank of Greece data) current account (CA) recorded a deficit of Euro 1.1 bn in 2016, against a small surplus of Euro 0.2 bn in 2015. The deficit in 2016 was mainly due to the decrease of services surplus which was not outweighed by the narrowing of trade deficit.

In particular, the service and trade balance that represent the largest part of the CA, recorded a deficit of Euro 1.3 bn in 2016, against a deficit of Euro 0.3 bn in 2015. The surplus in the services balance shrunk by 9.5% on a yearly basis, as tourism receipts declined by 6.4% (despite the increase of tourists arrivals by 5.1%), and transport receipts decline by 21.6%.

Regarding fiscal consolidation progress, is estimated that in 2016 a general government primary surplus higher than the target (0.5% of GDP) was achieved. The primary surplus is attributed to the over-performance of state revenues, as a result of the tax rate hikes on consumption, the increased use of electronic transactions that broaden the tax base, and finally, the further squeeze of Public Investment Programme. Moreover, it is noted the partial clearance of government arrears that amounted to Euro 4.5 bn in the end of 2016, from Euro 7.4 bn in the end of June 2016.

In 2016, Greek Banks showed signs of stabilization, achieved marginal profitability before taxes, met gradually their commitments according to their business plans and strengthened their capital base. The banking system's capital adequacy (CET1 Sept 2016, on consolidated basis: 18.1%[1]) and coverage ratio (Q3 2016: ca 50%[1]) are at high level, creating an important capital buffer which is able to absorb further turbulences and to support the significant effort of managing and drastically reducing the non-performing exposures (NPEs).

However, the structural weaknesses of the banking system remain, mainly due to the high stock of NPEs (Sept. 2016: 45.2%[1]) and the low level of deposits. The reduction of the NPEs is crucial to further stabilize the banking system, to en-

[1] *Bank of Greece_Governenor's Annual Report 2016*

sure the sustainability of the banks' business model and to resume credit expansion.

The contraction of credit to the private sector[2], which started at the second quarter of 2012, as a result of the economic crisis, continued at a slower pace in 2016 (December 2016:-1.4%[3], December 2015:-2.0%). At the end of December 2016, the private sector loan outstanding amounted to Euro 195.2 bn from Euro 204.3 bn at the end of December 2015. The private sector deposit outstanding[2] stood at Euro 121.4 bn. in December 2016. Household deposits amounted to Euro 100.8 bn and accounted for the 83% of the total private sector deposits, while corporation deposits amounted to Euro 20.6 bn. Finally, total deposits in the banking system that include, apart from deposits of the private sector, those of General Government and foreign residents amounted to Euro 157.5 bn in December 2016, registering a marginal decrease of 0.2% yoy.

In 2016, the use of electronic means of payment, by corporations and households has increased, as a result of capital controls. Specifically, the number of payment cards increased in the first half of 2016 by 440 thousands. The use of electronic payments is expected to expand further mainly due to the fact that corporations and households are getting more familiar.

The stabilization of the Greek economy from the second half of 2016, and the establishment of a framework for the management of non-performing exposures are estimated to set the conditions for a favourable environment for the banking system.

INTERNATIONAL ECONOMY

High volatility in stock markets during the first weeks of 2016, showed signs of stabilising in the first quarter. However, the outcome of the referendum in the UK on 23 June 2016, in favour of leaving the European Union took the stock markets by surprise and reinforced uncertainty.

The lack of a specific withdrawal procedure, as well as the uncertainty surrounding the future relationship between the United Kingdom and the European Union maintained investors' concerns throughout H2 2016, causing the British pound to slide against the euro by 14% and by 16% against the dollar, throughout 2016.

According to the latest forecasts by the International Monetary Fund (IMF, January 2017), world GDP is expected to increase by 3.1% in 2016 and 3.4% in 2017 from 3.2% in 2015. However, the international economic activity continues to suffer from geopolitical tensions and increased terrorist incidents. These could possibly reverse the course of global economic activity. In addition, economic uncertainty has increased due to the economic policy to be followed by the newly elected President of the US, since no details have been released about it.

As regards the rate of economic growth in developed economies, the IMF expects this to stand at 1.6% in 2016 and rise to 1.9% in 2017 from 2.1% in 2015.

The major Central Banks aim to increase in the medium term inflation close to 2%, with a combination of conventional and unconventional measures of expansionary monetary policy (such as very low or even negative interest rates) and through forward guidance.

The international trade in goods and services is estimated to have grown by 1.9% in 2016 and substantially increase by 3.8% in 2017 and 4.1% in 2018 (IMF, January 2017).

The Organization of Petroleum Exporting Countries (OPEC) maintained the petroleum production in high levels during the first eleven months of 2016 keeping the oil prices lower than USD 50. However, in late November 2016, an agreement between O.P.E.C. and other oil-producing countries, such as Russia, to reduce production in the first half of 2017 and with a view to extend the agreement, led to a significant rise in oil prices in December.

Oil price staying at a very low level for more than two years, led to the prevalence of low inflationary pressures, especially in developed economies. Deflationary pressures further strengthened by the decline in commodity prices by 2.7% in 2016 (IMF, January 2017).

In the USA, GDP growth rate is expected to increase by 2.3% in 2017 from 1.6% in 2016, due to the expansionary fiscal policy the new President has announced. Despite the reduction of the unemployment rate around the full employment level and the upward trend of inflation in 2016, the Federal Reserve in U.S.A. increased only once its key interest rates, in December 2016.

In China, GDP growth rate has decelerated to 6.7% in 2016 from 6.9% in 2015 and is forecasted to further decelerate to 6.5% in 2017 and to 6.3% in 2018 (IMF, January 2017), due to weak external demand and reduced private investment. However, in 2016, the economic rebalancing continued and growth was mainly relied on services, while investment expansion in the private sector was moderate.

In Japan, GDP increased by 1.0% in 2016 from 1.2% in 2015, as a result of increased consumption, investment and exports. The Bank of Japan, in order to achieve the medium-term target for inflation (2%), decided to introduce quantitative and qualitative monetary easing by means of yield curve control. Growth of GDP is forecasted to stand at 0.9% in 2017 and

[2] According to the Bank of Greece, as of December 2016, deposits and loans of the Consignment Deposits and Loan Fund are excluded from the domestic deposits and credit as the institution has been reclassified from the financial sector to the general government sector.

[3] Growth rates are calculated taking into account reclassifications and transfers of loans/corporate bonds, write-offs and exchange rate variations.

0.8% in 2018 (IMF, January 2017), driven by a fiscal stimulus package and the postponement of a planned consumption tax hike to October 2019 instead of April 2017.

In Eurozone, GDP growth stood at 1.7% in 2016, compared with 2.0% in 2015, but is forecasted to fall again to 1.6% in 2017, according to the IMF. The recovery is driven mainly by domestic demand, as the European Central Bank (ECB) has adopted accommodative monetary policy from June 2014, extended until December 2017.Indicatively, the deposit rate is negative from June 2014 (-0.10%) and has been further reduced, to -0.40%, since March 2016. However, as the ECB points out, the expansionary monetary policy is imperative to be complemented by the necessary reforms in the labour and product markets in order to improve the Eurozone competitiveness create new jobs and render recovery sustainable. Economic recovery has led to job creation taking the Eurozone unemployment rate down to 10.0% in 2016. According to the European Commission forecasts (Winter 2017 Economic Forecast), the unemployment rate is expected to further decline to 9.6% in 2017 and 9.1% in 2018.

The banking system of the Eurozone demonstrates resilience, according to the EU-wide stress test results in July 2016. The exercise stress test conducted by the European Banking Authority (EBA), in cooperation with the ECB on a sample of 51 banks showed that the weighted average common equity ratio (CET1) increased compared with 2014, both under the normal (July 2016: 13.0%, 2014: 11.2%), and under the unfavourable scenario (July 2016: 9.1%, 2014: 8.6%). However, Monte dei Paschi di Siena which bears a significant volume of non-performing loans was shown to have a weak financial position and has resorted to state resources for its rescue, since it failed to attract private funds.

In Southeastern Europe, Cyprus exited in 2016 the Economic Adjustment Programme and successfully returned to international capital markets. Private consumption was boosted by the decline in consumer prices and the fall in the unemployment rate, that resulted from economic recovery during the last years. Economic growth stood at 2.8% in 2016 (European Commission, Winter 2017 Economic Forecast) from 1.7% in 2015 due to the increase in private consumption and tourism. In 2017 and 2018, growth is forecast to fall to 2.5% and 2.3% respectively.

In Romania, economic growth rate in 2016 was one of the highest among the European Union countries, based mainly on domestic demand that was boosted by tax cuts, wage increases and low interest rates. GDP growth increased to 4.9% in 2016 from 3.9% in 2015 and decelerate to 4.4% in 2017 and to 3.7% in 2018 (European Commission, Winter 2017 Economic Forecast).

Analysis of Group financial information

On 31.12.2016 the total assets amounted to € 64.9 billion. This amount decreased by € 4.4 billion or 6.3% compared to 31.12.2015. At the end of December 2016, the total Group loans, before impairment, amounted to € 57 billion, decreased by € 1.2 billion compared to 31.12.2015 (€ 58.2 billion), mainly due to the loans accounting write-offs and to the classification of Alpha Bank Srbija A.D. as "Asset Held for Sale". The loans' balance after accumulated impairment amounts to €44.4 billion compared to € 46.2 billion on 31.12.2015.

The total deposits of the Group amounted to € 32.9 billion, showing an increase compared to 31.12.2015 by 4.8%, resulting to a loans (before impairment) to deposits ratio of 173%. This ratio was improved compared to 31.12.2015, when it was 185%, as a result of the gradual deposit inflow during the year. The increase of the deposits and the sale of the bonds issued by the European Financial Stability Facility, through the Public Sector Purchase Programme (PSPP), led to the decrease of the Group's funding from credit institutions (mainly the Eurosystem), which amounted to € 19.1 billion, decreased by 23.9% compared to 31.12.2015.

Assets held for Sale and Liabilities related to Assets held for Sale, include the figures of the subsidiaries Alpha Bank Srbija A.D. and APE Fixed Assets A.E., as well as the figures of the joint ventures APE Commercial Property A.E. and APE Investment Property A.E. after the decision making for starting the sales process. In addition, during the year, the Bank proceeded with the sale of the operations of the Branch in Bulgaria, of Alpha Bank A.D. Skopje and of Ionian Hotel Enterprises A.E, that had been classified as "Assets Held for Sale".

On 31.12.2016 the Group's equity amounted to € 9.1 billion, remaining unchanged compared to 31.12.2015, while the Common Equity Tier 1 ratio amounted to 17.1%.

Analyzing the financial performance of the year, the net interest income amounted to € 1,924.1 million, compared to € 1,897.5 million of the year 2015, positively affected by the voluntary exchange of bonds with shares in the context of the Liability Management Exercise (LME) that took place in November 2015, the decrease in the nominal value of the guarantees issued by the Greek State (Law 3723/2008) and the decrease of the exposure to the Emergency Liquidity Assistance (ELA).

Net fee and commission income amounted to € 317.9 million increasing by 3% compared to the previous year, when amounted to € 308.6 million. This increase was a result of the cancellation of the bonds issued by the Greek Government (Pillar III), which burdened the commission expenses until October 2015, and the credit card commission income increase due to the increase in the volume of transactions.

Gains less losses on financial transactions recorded a profit of € 84.9 million, reflecting the gains from the sale of the bonds issued by the European Financial Stability Facility and the acquisition of the shares of Visa Europe from Visa Inc., which were partially offset from the impairment/sale losses of the Group's companies.

The Group's total revenue amounted to € 2,387.1 million, increased by 7.5% compared to 2015 when amounted to € 2,220.9 million.

The Group's total expenses amounted to € 1,225.5 million, reduced by 3.3% compared to 2015 when amounted to € 1,266.9 million. More specifically, during the first quarter of 2016 Alpha Bank Cyprus Ltd launched a staff voluntary redundancy scheme, which cost amounted to € 31.7 m. As a result, staff expense reduced in 2016, incorporating the respective benefit. The rest captions of expenses do not show significant variation in aggregate during 2016 in comparison with prior year. The expenses to revenue ratio, excluding the gains less losses on financial transactions and other nonrecurring expenses, reduced by 2% compared to the comparative year (31.12.2016: 48.2%, 31.12.2015: 50.2%).

The impairment losses and the provisions to cover credit risk amounted to € 1,168 million compared to € 2,988 million in the previous year, resulting to a cost of risk of 191 base points compared to 215 base points in 2015, excluding the effect of the Asset Quality Review (AQR) that conducted in the context of the Bank's overall evaluation from the Single Supervisory Mechanism (SSM).

Group's after tax result was a loss of € 9.7 million while income tax for the Group is credit and amounts to € 29.2 million. During the previous year, the income tax amounted to € 806.8 million, significantly affected by the deferred tax effect due to the change of the tax rate from 26% to 29%.

Due to the above, after tax result from continuing operations amounted to profits of € 19.5 million and the after tax result from discontinued operations amounted to profits of € 22.8 million, resulting to profit after income tax for the Group of € 42.3 million.

Other information

The Bank's Ordinary General Meeting of the Shareholders on 30.6.2016 decided the non distribution of dividend to the common shareholders.

Bank's branches as at 31.12.2016 were 518, out of which 517 established in Greece and 1 established in United Kingdom (London).

Risk Management

The Group has established a framework of thorough and discreet management of all kinds of risks facing on the best supervisory practices and which is based on the common European legislation and the current system of common banking rules, principles and standards is improving continuously over the time in order to be applied in a coherent and effective way in a daily conduct of the Bank's activities within and across the borders making effective the corporate governance of the Bank.

The main objective of the Group during 2016 was to maintain the high quality internal corporate governance and compliance within the regulatory and supervisory provisions risk management in order to ensure the confidence in the conduct of its business activities through sound provision of suitable financial services.

Since November 2014, the Group falls within the Single Supervisory Mechanism (SSM) - the new financial supervision system which involves the European Central Bank (ECB) and the Bank of Greece - and as a major banking institution is directly supervised by the European Central Bank (ECB). The Single Supervisory Mechanism is working with the European Banking Authority (EBA), the European Parliament, the Eurogroup, the European Commission and the European Systemic Risk Board (ESRB) within their respective competences.

Moreover, since January 1st, 2014, EU Directive 2013/36/EU of the European Parliament and of the Council dated June 26, 2013 along with the EU Regulation 575/2013/EU dated June 26, 2013 ("CRD IV") are effective. The Directive and the Regulation gradually introduce the new capital adequacy framework (Basel III) of credit institutions.

In this new regulatory and supervisory risk management framework, Alpha Bank Group strengths its internal governance and its risk management strategy and redefining its business model in order to achieve full compliance within the increased regulatory requirements and the extensive guidelines. The latest ones are related to the governance of data risks, the collection of such data and their integration in the required reports of the management and supervisory authorities.

The Group's new approach constitutes of a solid foundation for the continuous redefinition of Risk Management strategy through (a) the determination of the extent to which the Bank is willing to undertake risks (risk appetite), (b) the assessment of potential impacts of activities in the development strategy by defining the risk management limits, so that the relevant decisions to combine the anticipated profitability with the potential losses and (c) the development of appropriate monitoring procedures for the implementation of this strategy through a mechanism which allocates the risk management responsibilities between the Bank units.

More specifically, the Group taking into account the nature, the scale and the complexity of its activities and risk profile, develops a risk management strategy based on the following three lines of defense, which are the key factors for its efficient operation:

- Development Units of banking and trading arrangements (host functions and handling customer requests, promotion and marketing of banking products to the public (credits, deposit products and investment facilities), and generally conduct transactions (front line)), which are functionally separated from the requests approval units, confirmation, accounting and settlement.

They constitute the first line of defense and 'ownership' of risk, which recognizes and manages risks that will arise in the course of banking business.

- Management and control risk and regulatory compliance Units, which are separated between themselves and also from the first line of defense.

  They constitute the second line of defense and their function is complementary in conducting banking business of the first line of defense in order to ensure the objectivity in decision-making process, to measure the effectiveness of these decisions in terms of risk conditions and to comply with the existing legislative and institutional framework, by involving the internal regulations and ethical standards as well as the total view and evaluation of the total exposure of the Bank and the Group to risk.

- Internal audit Units, which are separated from the first and second line of defense.

  They constitute the third line of defense, which through the audit mechanisms and procedures cover an ongoing basis of all operation of the Bank and the Group. They ensure the consistent implementation of the business strategy, by involving the risk management strategy through the true and fair implementation of the internal policies and procedures and they contribute to the efficient and secure operation.

Credit Risk

Credit risk arises from the potential weakness of borrowers' or counterparties' to repay their debts as they arise from their loan obligations to the Group.

The primary objective of the Group's strategy for the credit risk management in order to achieve the maximization of the adjusted relative to the performance risk is the continuous, timely and systematic monitoring of the loan portfolio and the maintenance of the credit risks within the framework of acceptable overall risk limits. At the same time, the conduct of daily business within a clearly defined framework of granting credit is ensured.

The framework of the Group's credit risk management is developed based on a series of credit policy procedures, systems and measurement models by monitoring and auditing models of credit risk which are subject to an ongoing review process. This happens in order to ensure full compliance with the new institutional and regulatory framework as well as the international best practices and their adaptation to the requirements of respective economic conditions and to the nature and extent of the Group's business.

The indicative actions below represent the development and improvement that occurred in 2016 with respect to the aforementioned framework:

- Ongoing upgrade of Wholesale and Retail Banking Credit Policies in Greece and on abroad in order to be adapted in the given macroeconomic and financial conditions of the Group's risk profile as well as in the acceptable maximum risk appetite limits totally for each kind of risk.
- Ongoing update of the credit rating models for corporate and retail banking in Greece and on abroad in order to ensure their proper and effective operation.
- Update of the impairment policy for Wholesale and Retail Banking.
- Update of Wholesale and Retail Banking Forbearance Policies, taking into consideration the Alpha Bank Group's NPE Business Plan for the reduction of the NPL/NPE stock.
- Establishment of Environmental and Social Risk Policy. During the credit approval process, supplementary to the credit risk assessment, the strict compliance of the principles of an environmentally and socially responsible credit facility is also examined. The main purpose is the management of potentially arising risk from the operations of obligors that may be connected with damage to the environment or the society or with any direct threat of such a damage having as a result a negative impact on the business operations and financial results of the Bank.
- Centralized and automated approval process for retail banking applications in Greece and abroad.
- Complete centralization of the collections policy mechanisms for retail banking (mortgage loans, consumer loans, credit cards, retail banking corporate loans) in Greece and abroad.
- Systematic estimation and assessment of credit risk per counterparty and per sector of economic activity.
- Periodic stress tests as a tool of assessment of consequences of various macroeconomic scenarios to establish the business strategy, the business decisions and the capital position of the Group. The stress tests are performed according to the requirements of the regulatory framework and they are fundamental parameters of the Group's credit risk management Policy.

Additionally, the following actions are in progress in order to enhance and develop the internal system of credit risk management:

- Continuation of the preparation for the transition process for the Bank and the Group companies in Greece to the Advanced Method for the Calculation of Capital Requirements against Credit Risk. For the purpose of this transition, the Advanced Internal Ratings-Based Approach method will be used with regards to the corporate loan portfolios, retail banking, leasing and factoring.

- Initiation of the preparation for the compliance to the International Financial Reporting Standards (IFRS 9) for the Bank and the Group companies, through the development of the necessary infrastructure and Credit Risk Models.
- Continuous upgrade of databases for performing statistical tests in the Group's credit risk rating models.
- Upgrade and automation of the aforementioned process in relation to the Wholesale and Retail banking by using specialized statistical software.
- Gradual implementation of an automatic interface of the credit risk rating systems with the central systems (core banking systems I-flex) for all Group companies abroad.
- Reinforcing the completeness and quality control mechanism of crucial fields of Wholesale and Retail Credit for monitoring, measuring and controlling of the credit risk.
- Determining a specific framework for the management of overdue and non-performing loans, in addition to the existing obligations, which arise from the Commission Implementing Regulation 2015/227 of January 9, 2015 of the European Committee for amending Executive Committee Act (EU) No. 680/2014 of the Committee for establishing executive technical standards regarding the submission of supervisory reports by institutions in accordance with the regulation (EU) No. 575/2013 of the European Parliament and the Council and Executive Committee Act of Bank of Greece, P.E.E. 42/30.5.2014 and the amendment of this with the Executive Committee Act of Bank of Greece, P.E.E. 47/9.2.2015 and P.E.E. 102/30.08.2016, which define the framework of supervisory commitments for the management of overdue and non-performing loans from credit institutions.

  This framework develops based on the following pillars:

  a. the establishment of an independent operation management for the "Troubled assets" (Troubled Asset Committee). This is achieved by the representation of the Administrative Bodies in the Evaluation and Monitoring of Denounced Customers Committee as well as in the Arrears Councils,

  b. the establishment of a separate management strategy for these loans, and

  c. the improvement of IT systems and processes in order to comply with the required periodic reporting to management and supervisory mechanisms.

Liquidity and interest rate risk of banking portfolio

During 2016 capital controls in the Greek banking system, which were imposed for the first time in June 29th, 2015, remains (even though slightly relaxed) resulting to the reduction of capital sources from the banking system. The deposit gathering campaigns during the year by offering new improved products has led to an increase of customer deposits both at a Bank and Group level by the end of the year. Thus, on 31.12.2016 the deposits of the Bank increased by 4.6% compared to 31.12.2015 and the deposits of the Group increased by 4.8%.

On June 29, 2016 the ECB re-issued a waiver for Greek Government Debt to be used as collateral for ECB funding, providing cheaper funding. Alpha Bank pledged €2.4 billion face value of Greek Government Bonds and €1.1 billion of Greek Government Tbills to the ECB, with a subsequent reduction of the ELA collateral. The corresponding cash value of the collaterals was €1.8 billion and it was used to repay ELA funding.

In 2016 the Bank paid off and did not renew bonds issued with the guarantee of the Greek Government of an amount €8.2 billion. This specific source of funding (Pillar II) on 31.12.2016 amounted to €1 billion.

In December, Bank successfully completed an SME securitisation transaction, achieving medium term funding of Euro 320 million, by placing Senior Notes to the European Investment Bank, the European Bank for Reconstruction and Development (EBRD) and an International Investment Bank. In addition, Alpha Bank was one of the Greek systemic banks to sign an agreement with the European Investment Bank for the support of SMEs and MidCaps. Both developments confirm market's trust to the Bank and its business portfolio.

As a result from the above developments on 31.12.2016 Bank's financing from the Eurosystem decreased by 25% reaching the level of €18.3 billions, of which €13.1 billion came from the emergency funding mechanism of Bank of Greece (ELA). Need to be mentioned that during 2016, the ECB Governing Council decreased significantly the amount of Emergency Liquidity Assistance (ELA) to the greek banking sector by €25.1 billion, from €70.8 billion to €50.7 billion.

Under the new requirements of the Regulatory Environment (Basel III) for liquidity, the stability, cost and the diversification of liquidity sources are systematically monitored. During 2016, Liquidity Coverage Ratio has been submitted on a monthly basis. Relatively, the Net Stable Funding Ratio was calculated for internal purposes on a monthly basis and it will be in force for regulatory purposes in 2018 The detailed conditions for both liquidity and the analysis of financing sources and the effects of regulatory interest rate crisis scenarios on Group's profitability are given on a quarterly basis in the Single Supervisory Mechanism (SSM). Additionally, starting from April 2016 the Bank submits to the Single Supervisory Mechanism (SSM) monthly reports for the additional liquidity monitoring metrics.

During 2016, Bank has renewed the policies and procedures of the Recovery Plan along with the scenarios for the liquidity stress tests. At the same time the Bank Subsidiaries have reviewed both Contingency Funding Plans and Recovery Plans.

The continuous update of the Assets and Liabilities Management (ALM) system, in which all Bank's reports are based, is essential for the evolution and the development of the product mix of the Bank, by taking into account the current structure of competition and the economic conditions. In particular, the audit and the finalization of the conventions of repricing and of movement of non-maturing assets-liabilities are parts of the efficient and the effective management of asset liability risk. It has to be noted that at the end of 2016, in accordance with the new directions of the European Banking Authority, a review of all applicable assumptions has been completed as a part of the annual update of the applied assumptions.

The interbank financing (short, medium to long-term) and the Early Warning Indicators of the Bank and of Group's subsidiaries and foreign branches are monitored on a daily basis with reports and checks in order to capture daily variations.

Due to the criticality of the Greek economy, stress tests are incurred frequently for liquidity purposes in order to assess potential outflows (contractual or contingent). The purpose of this process is to determine the level of the immediate liquidity which is available in order to cover the Bank's needs. These exercises are carried out in accordance with the approved Liquidity Buffer and Liquidity Stress Scenario of Group's policy.

Moreover, the stress tests are implemented for interest rate risk purposes of the Banking Portfolio in order to estimate the volatility of the net interest income of the banking portfolio and the value of the customer loans and deposits.

Market, Counterparty and Foreign Currency Risk

The Group has developed a strong control envirnonment applyingpolicies and procedures in accordance with the regulatory framework and the international best practices in order to meet business needs incurring market and counterparty risk while limiting adverse impact on results and equity. The framework of methodologies and systems for the effective management of those risks is evolving on a continuous basis in accordance with the changing circumstances in the markets and in order to meet customer requirements.

The valuation of bonds and derivative positions are monitored on an ongoing basis. Each new position is examined for its characteristics and an appropriate valuation methodology is developed, in case it is required. On a regular basis stress tests are conducted in order to assess the impact on the results and the equity, in the markets where the Group operates.

A detailed structure for trading limits, investment limits and counterparty limits have been adopted and implemented. This structure involves regular monitoring of trigger events in order to perform extra revisions. The limit usage is monitored on an ongoing basis and any limit breaches identified are reported officially.

For the mitigation of the market risk of the banking portfolio, hedging relationships are applied using derivatives and hedge effectiveness is tested on a regular basis.

During 2016, interbank credit lines were largely restored and foreign currency financing operations were resumed. In capital markets high volatility was experienced in Greek Government Bonds that registered an increase in fair value on an annual basis.

With respect to the market risk internal model the Bank participated in the Targeted Review of Internal Models (TRIM), a project launched by the European Central Bank with a view to fostering greater consistency and accuracy in the use of internal models within the Single Supervisory Mechanism. Furthermore, the Bank participated in the Benchmarking Exercise with respect to the market risk internal model, providing valuation and risk analysis to the Bank of Greece and the European Central Bank for specific benchmarking portfolios as specified by the European Banking Authority, in order for the competent authorities to assess the internal approaches that they have permitted institutions to use for the purpose of calculating risk weighted exposure amounts and own fund requirements. Moreover, the Bank implemented the calculation methodology in order to quantify the overall capital requirements according to the revised market risk framework (Minimum Capital Requirements for Market Risk - Fundamental Review of the Trading Book) and reported such calculations to the Bank of Greece and the European Central Bank, in the scope of participating in the Basel III monitoring exercise of the Basel Committee on Banking Supervision

Operational Risk

In the context of the continuous improvement in the implementation of the operational risk management framework, the Bank proceeded rigorously to the expansion of preventive measures in order to identify and evaluate risk as well as, the enhancement of the process of collecting and analyzing operational risk events.

Specifically, the RCSA method of operational risk self-assessment has been implemented during the year in accordance with the general plan for the Bank and Group Companies. It is noted that this method provides the recognition and assessment of potential operational risks through the implementation of audits (residual risks). Further to the above the respective divisions proceed with the appropriate actions in order to mitigate the potential negative impacts. In addition, a process for the monthly production, assessment and monitoring of Key Risk Indicators (KRIs) regarding the Bank's Branches and selected Divisions of the Bank, has been initiated.

Moreover, several projects are in progress for the improvement of the Operational Risk Management Framework, the implementation of Advanced Techniques in Operational Risk Measurement as well as for the creation of a framework regarding the management of specific Operational Risk subcategories as highlighted by recent guidelines issued by the European Banking Authority.

The operational risk events, the risk and control self-assessment results as well as, other operational risk issues are systematically monitored by the Bank and the Group Companies by the competent Operational Risk Management Committees which review the relevant information and ensure the implementation of Operational Risk mitigation measures.

Management Non Performing Loans (NPLs)

As a result of the sustained downturn of the Greek economy, where GDP has declined by more than 30% since 2009, the quality of the Bank's loan book has deteriorated, and the Bank experienced increased NPLs across all business segments. However, in a very challenging economic environment, the Bank is constantly reviewing and adjusting its strategy for the management of NPLs.

During the past two years, the Bank has undertaken a major overhaul of its NPE Management infrastructure and Strategy, leveraging, among others, recommendations of the Bank of Greece Troubled Asset Review as well as provisions in the Bank of Greece Executive Committee Act 42/47.

On September 30, 2016 the Bank submitted to the SSM the NPE/NPL targets along with the NPE Strategy Explanatory Note and the relevant Action Plan, depicting the Bank's full commitment towards the active Management and reduction of NPEs over the Business Plan period 2016-2019.

The development and launch of targeted long-term arrangements represents a significant shift from the past, where the focus was more on short-term arrangements. In addition, efforts for the increased collectability and improved collateral levels remain a key aspect of the Bank's strategy.

At the same time key operating indicators were adjusted and updated accordingly:

- Organizational restructuring: Major reengineering aiming at creating and developing appropriate and independent management structures, which in tandem with improvements in the overall governance structure, provide increased control over governance, as well as the implementation of evidence-based practices and policies regarding the management of past due portfolio.
- Segmentation and Portfolio Analysis: clearly defined and detailed strategies are in progress, including a strict and well defined segmentation framework.
- Flexible and upgraded modification products and final settlement solutions (for example out of court settlements).
- Focused human resources management with specialised teams and targeted training.
- Significant IT investment and automated decision-making tools (for example NPV calculators).

These operational changes have been combined with major, recent strategic components, in particular:

- Joint Venture with Retail NPL Servicer (which is a specialized provider of loan services). This action will allow the Bank to manage more effectively the portfolio of the non-performing loans.
- Cooperation with KKR Credit and Pillarstone on the management of selected large corporate NPL exposures (jointly with Eurobank) in order to optimize their value and improve their recoverability.
- Loss Budget allocation framework: the Bank, in collaboration with an international consultant, has formulated a granular loss budget allocation framework to facilitate the implementation of its strategy for the restructuring of the portfolio of non-performing loans. This framework provides for:
  - i. Loss allocation into sub-portfolios in order to achieve better non-performing loans management objectives.
  - ii. Control and monitoring of key performance indicators of the Bank's NPLs management strategy.
  - iii. Identification of the most suitable resolution strategies per segment.
- Property Repossession Strategy (REO): Evaluation of the existing Property Repossession strategy in order to determine the best way to maximize their value for the Bank in the current economic environment.

Some of the above initiatives are already in place, while others have been already developed and implemented over the past months.

Furthermore, these strategic initiatives and the execution of the resolution strategy will benefit from a number of changes in the Greek legislative landscape and economic environment, including:

- Structural reforms: The structural reforms as part of the third bailout package will benefit the Bank's ability to execute their resolution strategy, in particular the state-wide Juridical System Reform, the new Civil Procedure Code, an expansion of the loan servicing industry, removal or alleviation of the residential real estate moratorium.
- Improved macroeconomic environment forecast: The estimated improvement of the Greek economy, in conjunction with the eventual lifting of capital controls, is expected to

improve the ability of borrowers to respect their repayment schedules. It is also expected that they will enhance the reliability of the planned business projects, by enhancing the value of the existing collaterals.

Administrative Structure Division - Arrears Management

Having realized the strategic need to focus on NPL management, the Bank has embarked on an effort to streamline the monitoring functions and the management of past due exposures. Dedicated teams have been established within the Bank to monitor the evolution of a wide range of NPL-related strategies and metrics within the Bank's pre-defined NPL Strategy.

Organizational Structure and Corporate Governance

Since 2009 discrete units for the management of Retail and Wholesale NPLs have been established and they are key pillars for the Bank. These independent Units report directly to the Bank CEO through the Heads of each division. Moreover, they are responsible for all the areas which are related to the loan management – such as monitoring the portfolio and the front line services. Through those Units, the Bank has achieved the segregation of arrears management, from the Relationship Management and the Approval Authorities, by combining automated and mass procedures for portfolio's low-risk segments and a case by case management of the portfolio's more complex and higher-risk segments.

Furthermore, the establishment of the Troubled Assets Committee (TAC) has also contributed to the strategic alignment of the Retail & Wholesale NPL strategy

Exposure management of arrears strategy

The reduction of the Wholesale/Retail NPE & NPL stock, taking into consideration the new flows for the period 2016-2019, is driven by targeted resolution actions to specific segments of the Wholesale/Retail portfolio. These actions are envisaged to deliver comprehensive NPE resolution to a broad range of portfolio segments.

Targeted loss mitigation approaches and a broad range of loan modification offerings, primarily skewed towards long-term solutions, are designed to accommodate a wide variety of financial difficulties faced by borrowers and to deliver sustainable and affordable solutions.

In order to successfully implement the aforementioned strategy, the Bank aims to transform its NPL operating model by addressing the following operational areas: (i) execution strategy, (ii) organizational structure, (iii) systems, tools and processes, and (iv) Joint Ventures (e.g. Retail NPL Servicing Platform & KKR/Pillarstone) and (v) distressed asset sales, as also referred to in the Bank's Action Plan submitted to SSM in conjunction with the NPE Strategy.

Prospects

The future performance of the Bank will also be a function, among other parameters, of the developments in the Greek economy, as these will largely define the potential for positive developments in terms of the management of non-performing exposures and the restoration of a healthy liquidity profile for the Bank.

2017 is considered a turning point for the Greek economy, which is expected to return in positive growth rate. The drivers of the economy are expected to be the fixed capital formation, the exports of goods and services and to a lesser extent private consumption.

However, the international environment seems particularly unstable and is expected to be determined by the following parameters:

First, the successive critical elections in some European countries along with the rise of Euroscepticism. Second, the weakening of the economy in the Eurozone from 1.7% growth rate in 2016 to 1.6%[4] in 2017, with significant deviations among countries. Third, the evolution of the refugee flows that may test the resilience of the respective agreements between the EU and Turkey. Fourth, the deterioration of security conditions and the spike of terrorism which increase uncertainty. Fifth, the geopolitical instability in the wider region (eg. the escalation of war in Syria and the attempt of a military coup in Turkey). Finally, the process of setting the new European landscape, as the EU-UK negotiations evolve in the post-Brexit era.

Concerning Greece, the completion of the second review of the programme, the commitment regarding the medium-term debt relief measures and subsequently the inclusion of Greek State bonds in the ECB's quantitative easing programme, are the catalysts for investment pick-up in 2017 and job creation that will have a multiple effect on consumer spending in the following years.

Delays in the realization of the above developments may endanger not only the strengthening of the economic recovery but also the possibility to reach the fiscal targets. On the contrary, the above sequence of events paves the way for an essential improvement of the indicators that reflect restoration of confidence, such as the improvement of the investment climate, the fall of the Greek and German bonds spread, the lift of capital controls and ultimately the access of the economy to the international markets.

Related parties

According to the corresponding regulatory framework, this report must include the main transactions with related par-

[4] *European Commission, Winter 2017 Economic Forecast*

ties. All the transactions between related parties, the Bank and the Group companies, are performed in the ordinary course of business, conducted according to market conditions and are authorized by corresponding management personnel. There are no other material transactions between related parties beyond those described in the following paragraph.

a. The outstanding balances of the Group transactions with key management personnel which is composed by members of the Board of Directors and the Executive Committee of the Bank, as well as their close family members and the companies relating to them, as well as the corresponding results from those transactions are as follows:

Amounts in thousand of Euro

Loans and advances to customers	916
Due to customers	12,302
Employee defined benefit obligations	260
Letters of guarantee and approved limits	1,500
Interest and similar income	79
Fee and commission income	76
Interest expense and similar charges	47
Fees paid to key management and close family members	3,647

b. The outstanding balances and the corresponding results of the most significant transactions of the Bank with Group companies are as follows:

A. SUBSIDIARIES

Amounts in thousand of Euro

Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
Banks					
1. Alpha Bank London Ltd	15,256	1,062	5,410		822
2. Alpha Bank Cyprus Ltd	119,462	233,656	1,313	101	58,292
3. Alpha Bank Romania S.A.	1,139,860	80,739	2,494	2,715	326,788
4. Alpha Bank AD Skopje			36		
5. Alpha Bank Srbija A.D.	94,370	16,516	1,842	226	8,083
6. Alpha Bank Albania SH.A.	20,299	27,995	281	351	
Leasing					
1. Alpha Leasing A.E.	182,777	384	4,684	143	
2. ABC Factors A.E.	402,516	71	51,470	1	39,463
Investment Banking					
1. Alpha Finance A.E.P.E.Y.	122	11,884	862	606	56
2. SSIF Alpha Finance Romania S.A.		13			
3. Alpha A.E. Investment Holdings		35,738	7	266	
4. Alpha A.E. Ventures Capital Management - AKES		2,193	27	15	
5. Emporiki Ventures Capital Developed Markets Ltd					
6. Emporiki Ventures Capital Emerging Markets Ltd		394			
Asset Management					
1. Alpha Asset Management A.E.D.A.K.	2,667	33,460	18,909	336	
Insurance					
1. Alpha Insurance Agents A.E.		2,186	4,990	32	
2. Alphalife A.A.E.Z.	151	6,801	13,218	1,789	
Real estate and hotel					
1. Alpha Astika Akinita A.E.	341	59,254	974	9,326	
2. Ionian Hotel Enterprises A.E.			1,677	200	
3. Oceanos A.T.O.E.E.		5,129		24	
4. Emporiki Development and Real Estate A.E.		29,031	18,137	402	
5. Alpha Real Estate Bulgaria E.O.O.D.					
6. Chardash Trading E.O.O.D.				290	
7. Alpha Investment Property Chalandriou A.E.	17,451	737	354	8	
8. Alpha Investment Property Attikis A.E.	6,214	7	169		
9. Alpha Investment Property Attikis II A.E.	38,647	247	189	1	
10. Alpha Investment Property Amaroussion I A.E.	1,530	18,994	25	8	
11. Alpha Investment Property Amaroussion II A.E.	478	63	8	5	
12. Stockfort Ltd	23,629	3	450		
13. AGI-RRE Zeus S.R.L.	32,988		659		
14. AGI-RRE Poseidon S.R.L.	13,137		262		
15. AGI-BRE Participations 1 E.O.O.D.	4,715		92		
16. AGI-BRE Participations 2 E.O.O.D.	8,956		182		
17. AGI-BRE Participations 2BG E.O.O.D.	7,611		91		

A. SUBSIDIARIES

Amounts in thousand of Euro

Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
Real estate and hotel					
18. AGI-BRE Participations 3 E.O.O.D.	19,702		337		
19. AGI-BRE Participations 4 E.O.O.D.	16,182	15,937			
20. APE Fixed Assets A.E.		9			
21. HT-1 E.O.O.D.	434		9		
22. SC Carmel Residential SRL	14,463		244		
23. AGI-RRE Cleopatra S.R.L.	12,558		222		
24. AGI-RRE Hera S.R.L.	10,710		250		
25. Alpha Investment Property Neas Kifisias A.E.	3,361	388	55		
26. Alpha Investment Property Kallirois A.E.	588	757	10		
27. Alpha Investment Property Livadias A.E.	4,483	366	160		
28. Asmita Gardens S.R.L.					
29. Alpha Investment Property Kefalariou A.E.		11			
30. Ashtrom Residents S.R.L.	17,466		295		
31. AGI-BRE Participations 5 E.O.O.D.					
32. Cubic Center Development S.A.	33,640		637		
33. Alpha Investment Property Neas Erythreas A.E.	10,133	1,400	169	1	
34. Anaplasis Plagias A.E.	24,078	10,118	1,480		
35. Alpha Real Estate Services S.R.L.				9	
Special purpose and holding entities					
1. Alpha Credit Group Plc		8,880			
2. Alpha Group Jersey Ltd	21	15,277			15,542
3. Alpha Group Investments Ltd		88,420			
4. Ionian Holdings A.E.		340,003	56,034	2,420	
5. Ionian Equity Participations Ltd		5,152			
6. Emporiki Group Finance Plc		1,256			
7. AGI-RRE Participations 1 Ltd		935			
8. Alpha Group Ltd		15,589	325,002	36	
9. Katanalotika Plc	1,196				
10. Epihiro Plc		1,248			
11. Irida Plc	361,600	118,061	251		
12. Pisti 2010-1 Plc		142			
13. Alpha Shipping Finance Ltd	5	229,622	4,859	12,989	
14. Umera Ltd	419,884	21,763	1,535	78	4,258
15. AGI-RRE Poseidon Ltd	35,032		594		
16. AGI-BRE Participations 4 Ltd	3,334		102		
17. AGI-RRE Artemis Ltd	1,747		34		
18. Zerelda Ltd		998			
19. AGI-Cypre Ermis Ltd	1,757,868	111,551	27,808	184	308,786
20. AGI-SRE Ariadni DOO	21,724				18,780
21. AGI-CYPRE ALAMINOS LTD	8,445		89		
22. AGI-CYPRE TOCHINI LTD	1,300		13		
23. AGI-CYPRE MAZOTOS LTD	7,486		76		
24. Alpha Proodos DAC		289,262		153	
Other					
1.Kafe Alpha A.E.		227	17	283	
2. Alpha Supporting Service A.E.	270	31,641	561	6,894	
3. Real Car Rental A.E.		31			
4. Evisak A.E.		735	1	5	
5. Emporiki Management A.E.	15	1,956	50	14	
6. Alpha Bank Notification Services A.E.	11	717	20	621	

B. JOINT VENTURES

1. APE Commercial Property A.E.		13,684	1	108	
2. APE Investment Property A.E.	151,738	6,642	4,960	34	
3. Alpha TANEO A.K.E.S.		390			
4. Rosequeens Properties SRL	23,397		990		
5. Aktua Hellas Holdings S.A.	6	835	5		

C. ASSOCIATES

Amounts in thousand of Euro

Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
1. AEDEP Thessalias and Stereas Ellados		299			
2. Banking Information Systems A.E.		299			
3. Olganos A.E.	3,044		9		
4. Alpha Investment Property Eleona A.E.	51,196	326	420		
Total	**5,150,294**	**1,901,484**	**556,111**	**40,674**	**780,870**

c. Other related party transactions

The outstanding balances and the corresponding results are analyzed as follows:

(Amounts in thousand of Euro)

	Assets	Liabilities	Income	Expenses
Employees Supplementary Funds – TAP		296		18
Hellenic Financial Stability Fund – HFSF			10	

CORPORATE RESPONSIBILITY – NON-FINANCIAL REPORT

Alpha Bank Corporate Responsibility Policy

With a view to ensuring its sustainable development, Alpha Bank is committed to operating responsibly, taking into account of the economic, social and environmental parameters of its operation, both in Greece and in the other countries where it is present. To this end, it promotes communication and cooperation with all its Stakeholders.

In order to enhance social responsibility and integrate it into the Group's principles and values in the best possible way, Alpha Bank applies the law and aligns its activity with internationally recognised guidelines, principles and initiatives on sustainable development, such as the OECD Guidelines on Responsible Business Conduct, the Principal Conventions of the International Labour Organisation (ILO), and the United Nations' Universal Declaration of Human Rights (UDHR).

Alpha Bank's **organisation and operation** follow the best banking and business practices. They are governed by principles such as integrity and honesty, impartiality and independence, confidentiality and discretion, in line with the Bank's Code of Ethics and the principles of Corporate Governance. Particular significance is attached to the identification, measurement and management of the undertaken risk, to the compliance with the applicable legal and regulatory frameworks, to transparency and to the provision of full, accurate and truthful information to the Bank's Stakeholders.

The Bank's primary goals are credibility, reliability and efficiency in banking services. Its key concerns are to continuously improve the products and services it offers and to ensure that its **Customers'** banking needs are addressed in a modern and responsible manner. It examines and incorporates non-financial criteria (on issues related to the environment, society and corporate governance) in its financing procedures, as well as in developing and placing new products and services on the market.

Alpha Bank is responding with increased awareness to matters concerning the protection of the **environment** and the conservation of natural resources and is committed to addressing the direct and indirect impacts of its activities on the environment.

Alpha Bank implements responsible policies with regard to its **Human Resources**. In particular, the Bank:

- Respects and defends the diversity of its Employees (age, gender, ethnic origin, religion, disability/special capabilities, sexual orientation etc.).
- Ensures top-quality working conditions and opportunities for advancement based on merit and equitable treatment, free of discrimination.
- Offers fair remuneration, based on contracts which are in agreement with the corresponding national labour market and ensure compliance with the respective national regulations on minimum pay, working hours and the granting of leave.
- Defends human rights, recognises the right to union membership and to collective bargaining, and opposes all forms of child, forced or compulsory labour.

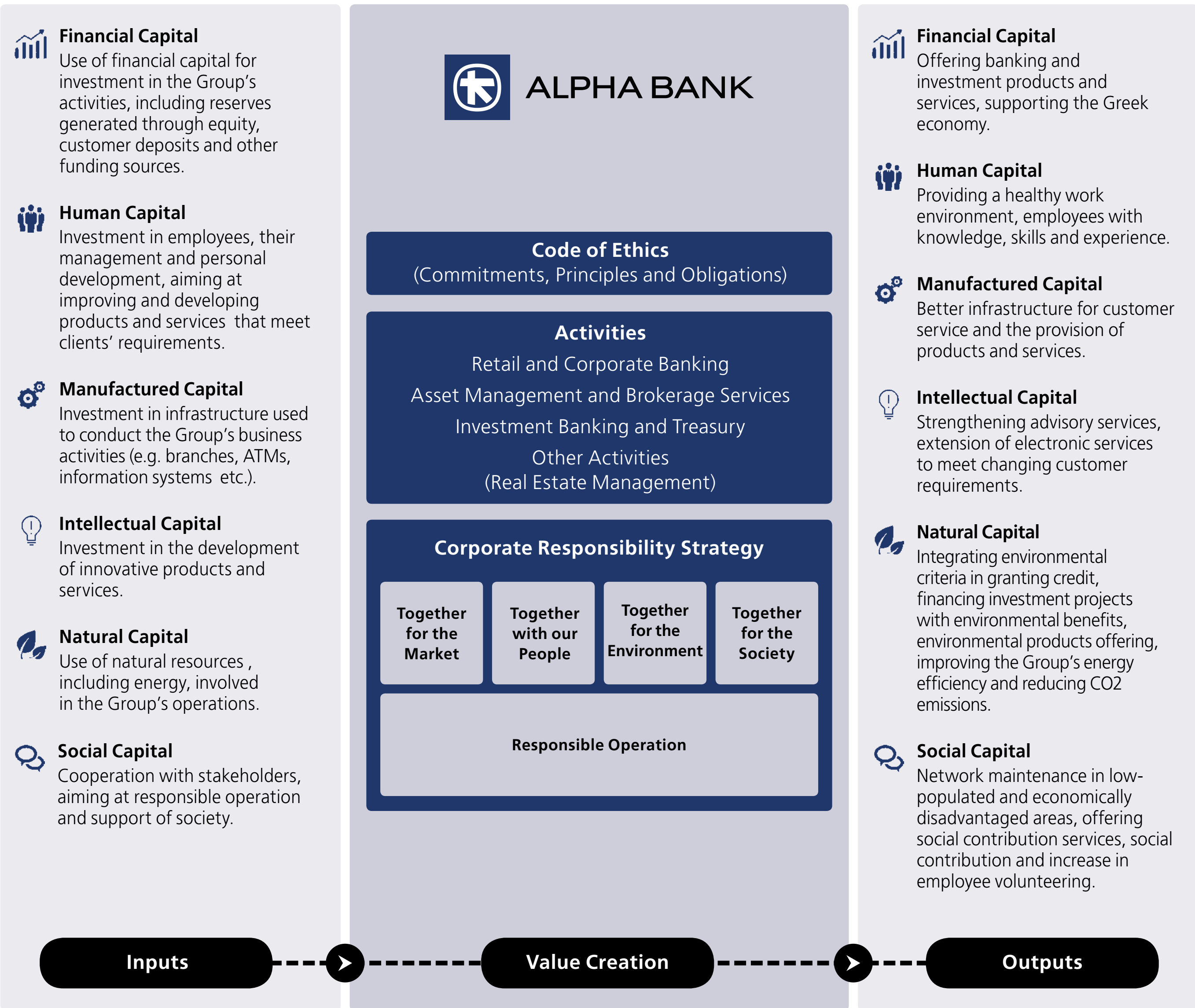
- Treats all Employees with respect.
- Provides Employees with continuous education and training.
- Ensures the health and safety of Employees at the workplace, and helps them balance their professional and personal life.

The Bank's activities are directly linked to the society and the citizens. Therefore, Alpha Bank seeks to contribute to the efforts to support the **society** and the citizens, giving priority to culture, education, health and the protection of the environment.

The Bank applies the Corporate Social Responsibility principles across the entire range of its activities and seeks to ensure that its suppliers and partners also comply with the values and business principles that govern its operation.

Business Model

The business model of Alpha Bank aims to create value for its Stakeholders. Alpha Bank invests in its employees, in its network and infrastructures in order to develop and place on the market high quality services and products. It also works together with its Stakeholders in order to identify their requirements in a timely manner, to ensure its responsible operation and to support the society. Alpha Bank provides a healthy work environment, in which its employees broaden their knowledge and skills and contribute to the development of new products and services. Alpha Bank supports the Greek economy, enhances its electronic services, offers products and services with specific social and environmental, and also actively contributes to the society.



Alpha Bank Business Model

Codes and procedures

The Corporate Governance Code of Alpha Bank sets out the framework and the guidelines for the governance of the Bank and is revised by the Board of Directors. The Code also defines the duties and the allocation of responsibilities between the Board of Directors, the Board Committees, the Executive Committee and the other Committees of the Bank, and is published on the Bank's website.

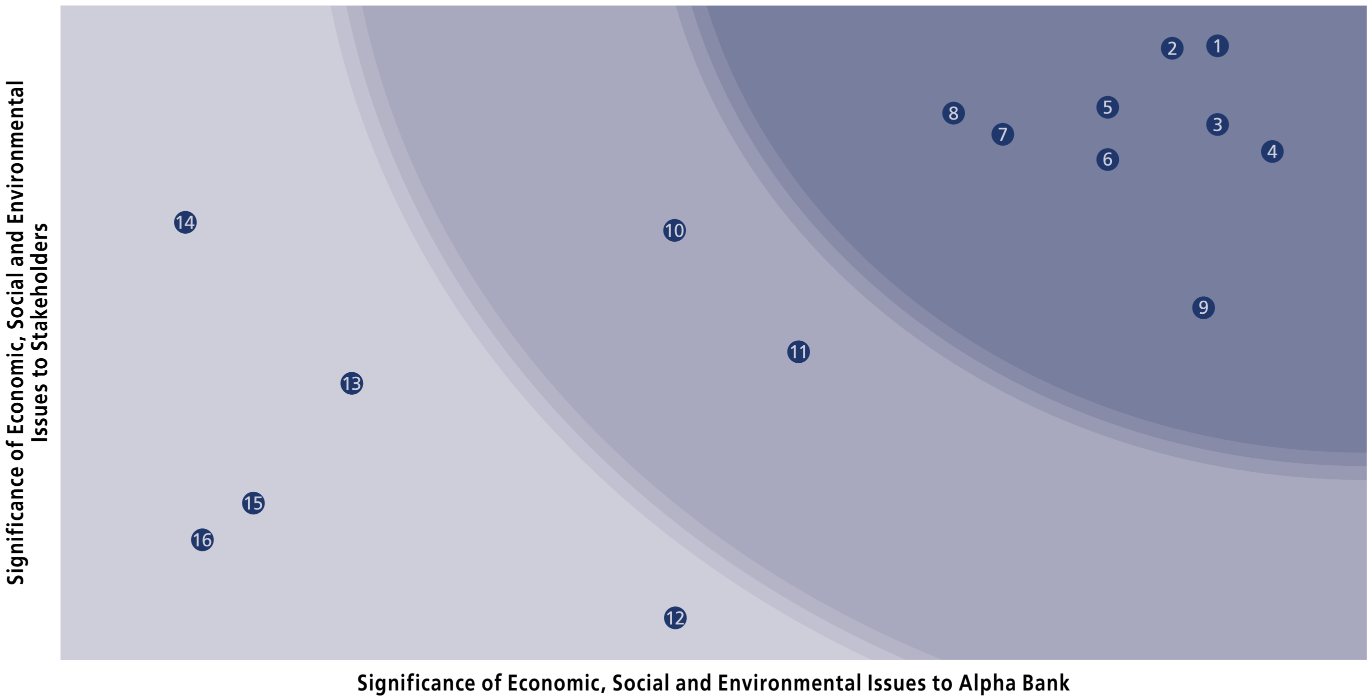
Matters of Corporate Governance, as well as the management of matters concerning sustainability in general, are determined by the Board of Directors based on the recommendations submitted by the competent Divisions. The Code of Ethics describes the Bank's commitments and practices regarding its activities, its management, and the rules of conduct that apply to its Executives and Employees not only in their interactions with each other but also with business parties and with the Shareholders. The application of the Code of Ethics and of the principles of Corporate Governance, together with the operation of the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee, have allowed Alpha Bank to enhance effectively the principles of integrity and transparency in its operations and to ensure optimal management of risk.

In line with Alpha Bank's firm and unwavering position against corruption, during 2016 the Market and Operational Risk Division and the Compliance Division examined, for yet another year, all cases which could represent a risk in connection with the Bank's efforts to combat corruption and bribery. Alpha Bank conducted audits of transactions and Customers for compliance with the regulatory framework, aiming at combating money laundering, financial crime and fraud, using the specialised control and reporting systems it has put in place and working closely with the competent Regulatory Authorities.

Alpha Bank has in place policies, procedures and management systems to ensure its compliance with the regulatory framework in force, its responsible operation and the continuous improvement of its performance. When required, relevant instructions are issued to the Bank’s Branches, as well as to the Group Companies in Greece and abroad. In addition, employees attend corresponding training programmes.

Identification of Material Issues

Alpha Bank has identified and mapped the most important issues for its responsible operation (Materiality Analysis), taking into account the views of its Stakeholders.



1. Strategy and Operation of the Bank
2. Protection of Customers' Personal Data
3. Fair Marketing Practices and Customer Satisfaction
4. Economic Performance
5. Training and Development
6. Health and Safety at the workplace
7. Corporate Governance, Risk Management and Compliance
8. Recruitment, Employment, Remuneration and Employee
9. Product portfolio
10. Fair Labor Practices Issues
11. Impact to Society / Local Communities
12. Supporting Culture
13. Responsible Procurement
14. Human Rights Issues
15. Energy Consumption and Climate Change
16. Other Environmental Impacts

Performance in 2016

The table below presents sample indicators on Alpha Bank's performance in 2016. Detailed information and additional performance indicators for the Bank, together with information on the corporate responsibility activities of the Group's subsidiaries, are presented in the Alpha Bank Corporate Responsibility Report 2016.

Indicators	Alpha Bank
Employees (total number)	8,543
Women employees (%)	54
Donations for social purposes	€1.6 million
Increase in the use of e-statements* (%)	209
Convictions for corruption and bribery	-

* *Calculated on the basis of the number of deposit and mortgage loan accounts, as well as of debit, credit and prepaid cards registered with the Alpha e-statements service.*

Athens, 30 March 2017

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

VASILEIOS T. RAPANOS
ID. No AI 666242

Explanatory Report of the Board of Directors of Alpha Bank for the year 2016

The present Explanatory Report of the Board of Directors of Alpha Bank (hereinafter the "Bank") to the Ordinary General Meeting of Shareholders of the Bank for the year 2016 contains detailed information, pursuant to the provision of article 4 par. 7 of Law 3556/2007, the reference date being 31.12.2016, in accordance with the order in which they are written in the provision in question.

In particular:

a. 1. On 1.1.2016 the share capital of the Bank stood at the total amount of Euro 461,064,360.00 divided into 1,536,881,200 common, nominal, voting, paperless shares, of a nominal value of Euro 0.30 each. Out of the said common, nominal, voting, paperless shares, 1,367,706,054 have been subscribed by Private Investors and 169,175,146 have been issued by the Bank and have been subscribed by the Hellenic Financial Stability Fund, pursuant to Law 3864/2010, governed by virtue of the terms thereof

2. On the dates of the sixth and seventh exercise processes for Titles Representing Share Ownership Rights (hereinafter Warrants), i.e. on 10.6.2016 and 12.12.2016 respectively, no Warrants were exercised.

Following the above-mentioned under 1 and 2, on 31.12.2016 the share capital of the Bank stood at the total amount of Euro 461,064,360.00 divided into 1,536,881,200 common, nominal, voting, paperless shares, of a nominal value of Euro 0.30 each. Out of the said common, nominal, voting, paperless shares, 1,367,706,054 have been subscribed by Private Investors and 169,175,146 have been issued by the Bank and have been subscribed by the Hellenic Financial Stability Fund, pursuant to Law 3864/2010, governed by virtue of the terms thereof.

All shares are listed for trading on the Securities Market of the Athens Exchange.

The 1,367,706,054 shares that have been subscribed by Private Investors represent 89% of the total paid-in share capital of the Bank and embody all the rights and obligations provided for in the law and the Bank's Articles of Incorporation.

The 169,175,146 shares that have been subscribed by the Hellenic Financial Stability Fund represent 11% of the total paid-in share capital of the Bank, they have the rights stipulated by law and are subject to the restrictions of the law. With regard to these shares, it is noted that the Hellenic Financial Stability Fund:

- became a shareholder of the Bank, within 2013, in the context of the Recapitalisation of the Greek Credit Institutions, on the basis of Law 3864/2010, having, however, restricted voting rights at the General Meeting.
- has issued, in accordance with Law 3864/2010 and Cabinet Act 38/2012, Warrants in order to offer the shares of the Bank it undertook to private investors. These Warrants may be exercised within the time periods referred to in the relevant legislation.
- may vote at the General Meeting only on resolutions pertaining to the amendment of the Articles of Incorporation, including the increase or reduction of the share capital or the grant of a relevant authorisation to the Board of Directors, the merger, split-up, conversion, revival, extension of the term of operation or winding-up of the Bank, the transfer of assets, including the sale of Group Companies or on any other item for which an enhanced majority is required in accordance with the stipulations of Codified Law 2190/1920.
- also possesses all the other rights stipulated by Law 3864/2010, as it is each time in force.

b. The Articles of Incorporation contain no restrictions on the transfer of Bank shares, save as otherwise provided for in the law.

c. From the Bank's records, on 31.12.2016 there are no qualified, direct or indirect, holdings within the meaning of Law 3556/2007, in its share capital, with the exception of the Hellenic Financial Stability Fund, which holds common shares representing 11% of the total paid-in share capital of the Bank.

d. There are no shares issued by the Bank possessing special rights of control, with the exception of the common shares held by the Hellenic Financial Stability Fund in reference to the rights that the Hellenic Financial Stability Fund enjoys by virtue of Law 3864/2010.

e. The Articles of Incorporation contain no restrictions on voting rights and the deadlines for exercising the same on shares issued by the Bank, save the restrictions foreseen in Law 3864/2010 with regard to the shares owned by the Hellenic Financial Stability Fund.

f. To the knowledge of the Bank, there are no shareholder agreements providing for restrictions on share transfers or restrictions on the exercise of voting rights on shares issued by the Bank save as otherwise provided for in the provisions of the laws stipulating the rights of the Hellenic Financial Stability Fund.

g. There are no rules in the Articles of Incorporation for the appointment and replacement of Members of the Board of Directors, as well as for the amendment of the Articles of Incorporation of the Bank, which are at variance with the stipulations of the law as in force.

h. The Bank may increase its share capital by virtue of a resolution of the General Meeting of Shareholders or of the Board of Directors, in accordance with the law and the Articles of Incorporation.

The General Meeting of Shareholders of 27.6.2014 renewed the validity of the authority (articles 13 par. 1 case (b) and 3a par. 3 item first of Codified Law 2190/1920) granted by the General Meeting to the Board of Directors of the Bank: (i) to increase the share capital of the Bank, through the issuance and distribution of new shares, the amount whereof shall be paid in cash and/or by contribution in kind, and (ii) to issue a bond loan convertible into shares issued by the Bank.

For as long as the Bank participates in the programmes for the enhancement of the economy's liquidity as per Law 3723/2008, the Bank may not purchase its own shares (article 28 par. 2 of Law 3756/2009).

Additionally, for as long as the Hellenic Financial Stability Fund participates in the share capital of the Bank, the latter may not purchase its own shares without the former's approval.

The Bank does not hold any of its own shares.

i. The Bank has entered into no major agreement, which comes into effect, is amended or expires upon a change of control of the Bank following a public tender offer.

j. The Bank has entered into no agreement with Members of the Board of Directors or the staff, providing for compensation upon their resignation or dismissal without just cause, or upon termination of tenure/employment, owing to a public tender offer, except in accordance with the provisions of the law.

Corporate Governance Report for the year 2016

Pursuant to the provision of article 43bb of Codified Law 2190/1920, the Annual Management Report of the Board of Directors of Alpha Bank (hereinafter the "Bank") includes the Corporate Governance Report for the year 2016. The reference date of the Corporate Governance Report is 31.12.2016.

Specifically, the required information is listed below:

a. The Bank operates within the framework of the Alpha Bank Corporate Governance Code, which is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=120&la=2).

b. Effective Corporate Governance is not determined by a fixed programme, but rather by a continuous effort to integrate parameters proposed each time, in conjunction with the ever increasing requirements of the institutional framework and expectations of society. The proper corporate structure, the appropriate institutional framework and its implementation are prerequisites for successful Corporate Governance, which promotes the recognition and reputation of the company.

The Corporate Governance practices, which are implemented by the Bank, are in accordance with the requirements of the relevant legal, supervisory and regulatory frameworks as well as with the international best practices in Corporate Governance and aim at the increase of the long-term value of the Bank, taking into consideration the interests of the Shareholders, those transacting with the Bank, Employees and other Stakeholders.

The said practices are quoted in the Alpha Bank Corporate Governance Code, which sets the framework and guidelines for the governance of the Bank and is reviewed by the Board of Directors.

The Corporate Governance Code of Alpha Bank defines the duties and allocates responsibilities among the Board of Directors, its Committees, the Executive Committee and the other Committees of the Bank.

Alpha Bank implemented, as early as 1994, the principles of Corporate Governance, enhancing transparency in communication with the Bank's Shareholders and keeping investors promptly and continuously informed. In this context, the Bank has adopted the following modifications, before their establishment as regulatory and legal requirements: the separation of the Chairman's duties from those of the Managing Director, a number of Independent Members of the Board of Directors exceeding the minimum stipulated by law, the establishment of an Audit Committee of the Board of Directors, the monthly convocation of the Risk Management Committee of the Board of Directors, the provision of comprehensive and detailed introductory informational programmes for the new Members of the Board of Directors and of information seminars in the context of constant training, when deemed necessary.

Additionally, since 2006 the Vice Chairman of the Board of Directors is a Non-Executive Independent Member, even today when the Chairman of the Board of Directors is Non-Executive.

The Corporate Governance Code stipulates expressly the distinguished responsibilities of the Chairman of the Board of Directors, the Vice Chairman and the Managing Director.

The Board of Directors convenes every month or more often if necessary. The Articles of Incorporation of the Bank provide the Board of Directors with the option to meet by teleconference. The programme of the Meetings of the Board of Directors and its Committees for every year is set and notified at the end of the previous year. The Minutes of the Meetings of the Board of Directors and its Committees are ratified at the next regular Meeting of the Board of Directors or of the relevant Committee. The tenure of the Members of the Board of Directors is four years while Codified Law 2190/1920 stipulates up to six years.

Article 3 of Law 3016/2002 stipulates, inter alia, that the number of Non-Executive Members of the Board of Directors cannot be less that 1/3 of the total number of Members. Out of a total of thirteen (13) Members of the Board of Directors of the Bank, the number of Non-Executive Members amounts to nine (9), i.e. 69% of the total, thus exceeding by far the minimum number for such Members set by Law 3016/2002.

In accordance with the above-mentioned article of Law 3016/2002, at least two (2) Non-Executive Members should also be Independent. In the Board of Directors of the Bank, the respective number exceeds, as in the case mentioned above, the minimum requirement set by law and amounts to five (5), i.e. 38% of the total.

Additionally, the Bank has adopted a Code of Ethics for the performance of duties with the purpose to implement the standards required by modern corporate governance and effective Internal Audit. The Code of Ethics is posted on the Bank's website (http://www.alpha.gr/page/default.asp?la=2&id=5393).

The Corporate Governance and Nominations Committee ascertained that the current composition of all the Committees of the Board of Directors, namely the Audit

Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee, meets the requirements of the compliance framework, is consistent with the principles of Corporate Governance of the Bank and contributes to the effective and smooth operation of the Committees.

It also ascertained that the Members of the Board of Directors represent different business sectors and geographical areas and are acknowledged for their character, integrity, ability of leadership, management, thought and constructive collective operation in a team environment as well as for their financial knowledge and other professional and business experience. The level of experience and knowledge as well as the work of all the Members of the Board of Directors and its Committees was evaluated as very high.

Lastly, it was ascertained that the Members comply with the stipulations of article 83 of Law 4261/2014 on the combination of directorships that Board Members may hold at the same time, that they do not have any personal or private interest, as defined in article 2 of Law 3016/2002 and that the Non-Executive Independent Members of the Board of Directors fulfil all the criteria for being Independent, in accordance with Law 3016/2002 and the Corporate Governance Code of the Bank.

Additionally, at the annual Meeting of the Non-Executive Members of the Board of Directors, the Non-Executive Members recognised that the Board operations are conducted in an effective manner and that the Members of the Board of Directors contribute to very effective and productive Board meetings. During the meetings, the Members deliberate openly in an environment of trust and they feel free to express their views and the relevant arguments. The Meeting evaluated the performance of the Executive Members and highlighted the contribution of each and every Member to the accomplishment of absolutely satisfactory results during these highly volatile economic circumstances which the country is experiencing as well as the excellent cooperation with the Non-Executive Members of the Board.

The main objective is that the Members attend more than 85% of the Board meetings. The Corporate Governance and Nominations Committee reviewed the attendance of Members at Board Meetings and deemed that there are no Member absences without a valid reason. The Members of the Board of Directors who were absent had informed the Bank on time of the relevant reasons and had authorised in writing another Member of the Board of Directors to represent them at the Meeting where they were not present due to impediment.

During the year the Bank, in response to the changing landscape in Greek banking and anticipating the recent regulatory and legal trends in the Corporate Governance framework, proceeded to modify the composition of its Board of Directors. The modifications pertained to the replacement of Non-Executive Members with persons who possess international experience in banking, audit, risk management and non-performing loans.

In the context of implementing the above, in 2016 Mr. Minas G. Tanes, Ms Ioanna E. Papadopoulou, Mr. Ioannis K. Lyras and Mr. Pavlos A. Apostolides departed from the Board of Directors of the Bank. Within the same year Messrs Jan A. Vanhevel and Richard R. Gildea were elected as Members.

Messrs Jan A. Vanhevel and Richard R. Gildea were provided by the Bank with a comprehensive and detailed introductory informational programme on Corporate Governance, Risk Management, Internal Audit, Compliance, Capital Adequacy, Financial Services and Human Resources.

In order to enhance the active participation of the Shareholders in the General Meetings and the genuine interest in issues relating to its operation, the Bank develops procedures of active communication with the Shareholders and establishes the appropriate conditions so that the policies and strategies adopted are based on the constructive exchange of views with the Shareholders.

In order to ensure the reliable, secure and broad dissemination of institutional information to Shareholders, the Bank declares the "Officially Appointed Mechanism for the Central Storage of Regulated Information" of the Hellenic Exchanges S.A. (HELEX), which is currently managed by the Athens Exchange and operates through the "HERMES" communication system, in accordance with the Athens Exchange Rulebook (www.helex.gr), as the means of disclosure of regulated information and information provided by law to its Shareholders before the General Meeting. Through this disclosure, the prompt and non-discriminatory access to the relevant information is made available to the general public and particularly to the Shareholders, given that the above System, as recognised by law, is considered reasonably reliable for the effective dissemination of information to the investing public and meets the national and European range requirements of the law.

c. Internal Control System

The Internal Control System, on which the Bank places great emphasis, comprises auditing mechanisms and procedures, relating to all the activities of the Bank, aiming at its effective and secure operation.

The Internal Control System ensures:

- the consistent implementation of the business strategy with an effective utilisation of the available resources,
- the identification and management of all risks undertaken,

- the completeness and the credibility of the data and information required for the accurate and timely determination of the financial situation of the Bank and the generation of reliable financial statements,
- the compliance with the current regulatory framework, the internal regulations, the rules of ethics,
- the prevention and avoidance of erroneous actions that could jeopardise the reputation and interests of the Bank, the Shareholders and those transacting with it,
- the effective operation of the IT systems in order to support the business strategy and the secure circulation, processing and storage of critical business information.

The evaluation of the adequacy and effectiveness of the Internal Control System of the Bank is conducted:

a) On a continuous basis through audits effected by the Internal Audit Division of the Bank, as well as by the Compliance Division with respect to the observance of the regulatory framework.

   The audit plan of the Internal Audit Division is based on the prioritisation of the audited areas by identifying and assessing the risks and the special factors associated with them. In addition, any instructions or decisions of the Management of the Bank, along with regulatory framework requirements and extraordinary developments in the overall economic environment are taken into account.

   The Audit Committee of the Board of Directors approves the audit plan and is updated every quarter on its implementation, the main conclusions of the audits and the implementation of the audit recommendations, as well as on the compliance with the regulatory framework.

b) On an annual basis by the Audit Committee of the Board of Directors, on the basis of the relevant data and information from the Internal Audit Division, the findings and observations from the External Auditors as well as from the Regulating Authorities.

   In 2016, the Audit Committee evaluated the Internal Control System of the Bank for 2015.

c) Every three years by External Auditors, other than the regular ones.

   These are highly experienced individuals in the field of internal audit (external auditors or special advisors), who are independent of the Group and for whom there is no question of a conflict of interests.

   The Audit Committee determines the criteria and the selection procedures for external auditors and approves the scope and the content of audit operations.

The Bank has in place Policies and Procedures for the recognition of financial events and the preparation of the financial statements.

Transactions are carried out through specialised computerised applications, per business activity of the Bank and the Group, which support Officer authorisation limits and procedures for double-checking transactions.

The accounting system of the Bank and the Group is supported by specialised IT systems which have been adapted to the business requirements of the Bank.

Audit and accounting reconciliation procedures have been established in order to ensure the correctness and the legitimacy of the entries in the accounting books as well as the completeness and validity of the financial statements.

Furthermore, in order to ensure the independence of the regular audit of the financial statements of the Group, the Board of Directors applies specific policies and procedures in order to formulate a recommendation for the General Meeting with regard to the election of a regular auditor.

The Audit Committee of the Board of Directors supervises and assesses the drafting procedures, in accordance with the current audit standards, for the interim and annual financial statements of the Bank and studies the reports of the External Auditors as regards deviations from the current accounting practices.

Risk Management

The Bank places great emphasis on the identification, measurement and management of the risks undertaken and, to this end, has assigned these tasks to the Risk Management Business Unit. The Risk Management Business Unit reports to the General Manager and Chief Risk Officer of the Group, to the Risk Management Committee and (through the latter) to the Board of Directors of the Bank.

The effective management of all types of risk focuses on accurate and efficient measurement using specialised methods and calculation models, and on the adoption of policies and limits through which the Bank's exposure to various risks is monitored.

The Operational Risk Committee convenes regularly or whenever deemed necessary by the circumstances and ensures that the appropriate processes, methodologies and infrastructure to manage the operational risk of the Group exist and approves recommendations to limit operational risk.

The Credit Risk Committee convenes regularly and assesses the adequacy and the efficiency of the credit risk management policy and procedures of the Bank and the Group and resolves on the planning of the required corrective actions.

The Troubled Assets Committee (TAC) convenes regularly and examines issues related to the portfolios managed by the Divisions under the supervision of the Non-Performing Loans - Wholesale Banking Executive General Manager and the Non-Performing Loans - Retail Banking Executive General Manager, in order to achieve the operational goals of the Bank and the Group, pertaining to which it may propose further decision-making to the Credit Risk Committee and subsequently to the Board of Directors for the final approval, through the Risk Management Committee of the Board.

The Assets-Liabilities Management Committee (ALCo) convenes regularly every quarter, examines and resolves on issues related to Treasury and Balance Sheet Management and the overall financial volumes of the Bank and the Group approving the respective actions and policies.

The Bank has fully complied with the provisions of the institutional framework with respect to its troubled assets.

The Audit Committee and the Risk Management Committee review in a joint session every quarter the financial statements of the Bank and the Group compiled in accordance with the International Financial Reporting Standards (IFRS) and propose to the Board of Directors the approval thereof.

d. The items c), d), f), h), i) of article 10 of Directive 2004/25/EC of the European Parliament and of the Council, as they are incorporated in the items c), d), e), g), h) of article 4 par. 7 of Law 3556/2007, are analysed in the Explanatory Report of the Board of Directors already submitted to the General Meeting of Shareholders.

e. General Meeting

The General Meeting of Shareholders is the supreme governing body of the Bank and resolves on all corporate matters, apart from those that fall within the exclusive jurisdiction of the Board of Directors, unless the latter resolves, on a particular item of its agenda, to relegate it to the General Meeting. Its resolutions shall be binding upon all the Shareholders including those absent or dissenting.

The General Meeting, unless otherwise foreseen by law and the Articles of Incorporation, is vested with exclusive authority to resolve on the following matters:

(a) Amend the Articles of Incorporation, including the resolutions to increase or to reduce the share capital;

(b) elect Members to the Board of Directors and award the status of Independent Member of the Board of Directors;

(c) appoint regular auditors and determine their remuneration;

(d) approve and reform the Annual Financial Statements and determine the distribution of the annual profits of the Bank;

(e) issue bond loans pursuant to articles 8 (without prejudice to article 3a par. 1 section b of Codified Law 2190/1920) and 9 of Law 3156/2003;

(f) merge, split-up, convert, revive, extend the term of operation or wind-up the Bank;

(g) change the nationality of the Bank;

(h) appoint liquidators; and

(i) resolve on any other issues stipulated by law.

Board of Directors

The Board of Directors is responsible for the general administration and management of corporate affairs, as well as for the representation of the Bank in all its relations and resolves on all issues concerning the Bank. It performs any action for which the relevant authority is bestowed upon it, apart from those actions for which the General Meeting of Shareholders is the sole competent authority.

The primary concern of the Board of Directors, while exercising its powers, is to meet the interests of the Bank, the Shareholders, and of its Employees and of other interested parties (as the case may be). The Board of Directors monitors the compliance and adherence to the provisions of the law, within the framework of the corporate interest, as well as the compliance to procedures of reliable and timely information and communication.

Pursuant to the Presubscription Agreement of 28 May 2012, the Hellenic Financial Stability Fund is represented in the Board of Directors of the Bank. The representative of the Hellenic Financial Stability Fund is also a Member of the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee of the Board of Directors.

As long as the Bank is subject to the provisions of article 2 of Law 3723/2008, the participation of the representative of the Greek State in the Board of Directors of the Bank, pursuant to article 1 par. 3 of Law 3723/2008 will be maintained and, in fact, produce the same lawful effects, until the expiration of the guarantee granted.

The Board of Directors convenes at least on a monthly basis. In 2016, it convened 16 times.

Committeees of the Board of Directors

A. The Audit Committee of the Board of Directors, having as a whole specialised knowledge in finance and audit, under the chairmanship of Mr. E.J. Kaloussis, assists the Board of Directors in the adaptation and implementation of an adequate and effective Internal Control System for the Bank and the Group, which it evaluates on an annual basis, it supervises and evaluates the procedures followed in drawing-up the published annual and interim Financial Statements of the Bank and of the Group, it approves the Financial Statements of the Bank and of the Group before they are submitted to the Board of Directors, ensures the independent and unprejudiced conducting of internal and external audits in the Bank and assesses the performance and effectiveness of the Internal Audit and Compliance Divisions of the Bank and the Group.

The Audit Committee convenes at least once every quarter.

In 2016, it convened 6 times.

The specific duties and responsibilities of the Audit Committee are determined in its Charter, which is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=3295&la=2).

B. The Risk Management Committee of the Board of Directors, under the chairmanship of Mr. J.A. Vanhevel, recommends to the Board of Directors the risk undertaking and capital management strategy, checks its implementation, evaluates its effectiveness and defines the principles governing risk management with regard to identifying, forecasting, measuring, monitoring, controlling and handling it in line with the adequacy of the available resources, as well as the limits of the Risk Appetite of the Bank and of the Group. It evaluates and monitors the implementation of the Troubled Assets Management Strategy and the performance of actions on Non-Performing Exposures. The Member of the Committee Mr. R.R. Gildea possesses expertise and experience in risk management and NPLs management.

The Risk Management Committee convenes at least every month. In 2016, it convened 12 times.

The specific duties and responsibilities of the Risk Management Committee are determined in its Charter, which is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=3295&la=2).

C. The Remuneration Committee of the Board of Directors proposes the policy for remuneration, of the Bank and Group Personnel as well as of the Members of the Board of Directors and submits recommendations accordingly to the Board of Directors.

The Remuneration Committee convenes at least twice a year. In 2016, it convened 5 times.

The specific duties and responsibilities of the Remuneration Committee are determined in its Charter, which is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=3295&la=2).

D. The Corporate Governance and Nominations Committee of the Board of Directors attends to the implementation of the legal, regulatory and supervisory frameworks with regards to the composition, structure and operation of the Board of Directors, and of international corporate governance best practices. Additionally, it formulates the Policy for the Nomination of Candidates to the Alpha Bank Board of Directors.

The Corporate Governance and Nominations Committee convenes at least twice a year. In 2016, it convened 8 times.

In particular, as far as the Policy for the Nomination of Candidates to the Alpha Bank Board of Directors is concerned, the Committee evaluates the qualifications with regards to the different business sectors and the interaction of the candidate with the geographical areas served by the Bank and the Group. It takes into consideration their professional and management experience, their skills, integrity of character, and their ability to fulfil the independence criteria. During the nomination procedure it assesses the balance of knowledge, qualifications, experience, skills, views, as well as gender within the Board of Directors, so as to rule with perspicuity on the role and skills that the candidate Members must have.

The specific duties and responsibilities of the Corporate Governance and Nominations Committee are determined in its Charter, which is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=3295&la=2).

Composition of the Board of Directors and the Board of Directors' Committees for the year 2016

Board of Directors	Audit Committee	Risk Management Committee	Remuneration Committee	Corporate Governance and Nominations Committee
Chairman (Non-Executive Member) Vasileios T. Rapanos Professor Emeritus, University of Athens				
Vice Chairman (Non-Executive Independent Member) Minas G. Tanes (until 21.4.2016) Chairman, FOOD PLUS S.A.	○	●		●
Pavlos A. Apostolides (Vice-Chairman from 21.4.2016 until 15.12.2016) Honorary Ambassador			●	○
Evangelos I. Kaloussis (Vice-Chairman as of 15.12.2016) Chairman, Federation of Hellenic Food Industries (SEVT)	●	○		
EXECUTIVE MEMBERS				
Managing Director – CEO Demetrios P. Mantzounis				
Executive Directors and General Managers				
Spyros N. Filaretos				
Artemios Ch. Theodoridis				
George C. Aronis				
NON-EXECUTIVE MEMBERS				
Ioanna E. Papadopoulou (until 28.7.2016) President and Managing Director, E.J. PAPADOPOULOS S.A. BISCUIT AND FOODWARE INDUSTRY				○
Efthimios O. Vidalis Executive Member of the Board of Directors, TITAN S.A.			○ (as of 15.12.2016)	○ (as of 15.12.2016)
NON-EXECUTIVE INDEPENDENT MEMBERS				
Ioannis K. Lyras (until 30.11.2016) President, PARALOS MARITIME CORPORATION S.A.	○		○	
Ibrahim S. Dabdoub Vice Chairman, INTERNATIONAL BANK OF QATAR			● (as of 15.12.2016)	○ (as of 28.7.2016)
Shahzad A. Shahbaz Investment Advisor		○		●
Jan A. Vanhevel (as of 21.4.2016) Banking Executive	○	●		
Richard R. Gildea (as of 28.7.2016) Banking Executive		○	○	
NON-EXECUTIVE MEMBER in accordance with Law 3723/2008				
THE GREEK STATE, via its appointed representative: - Ms Marica S. Ioannou – Frangakis, Economist				
NON-EXECUTIVE MEMBER in accordance with Law 3864/2010				
Panagiota S. Iplixian As representative, and upon instruction of the Hellenic Financial Stability Fund.	○	○	○	○

● Committee Chairman ○ Committee Member

CVs of the Memers of the Board of Directors

Chairman

(Non-Executive Member)

Vasileios T. Rapanos

He was born in Kos in 1947. He is Professor Emeritus at the Faculty of Economics of the University of Athens. He studied Business Administration at the Athens School of Economics and Business (1975) and holds a Master's in Economics from Lakehead University, Canada (1977) and a PhD from Queen's University, Canada. He was Deputy Governor and Governor of the Mortgage Bank (1995-1998), Chairman of the Board of Directors of the Hellenic Telecommunications Organization (1998-2000), Chairman of the Council of Economic Advisors at the Ministry of Economy and Finance (2000-2004), and Chairman of the Board of Directors of the National Bank of Greece and the Hellenic Bank Association (2009-2012). He has been the Chairman of the Board of Directors of the Bank since May 2014.

Vice-Chairman

(Non-Executive Independent Member)

Minas G. Tanes (until 21.4.2016)

He was born in 1940 and is the Chairman of FOOD PLUS S.A. He was at the helm of Athenian Brewery S.A. from 1976 to 2008 and was a member of the Board of Directors of the Bank from 2003.

Pavlos A. Apostolides (from 21.4.2016 to 15.12.2016)

He was born in 1942 and graduated from the Law School of Athens. He was a member of the Bank's Board of Directors from 2004. He joined the Diplomatic Service in 1965 and has been, among others, Ambassador of Greece to Cyprus and Permanent Representative of Greece to the European Union in Brussels. In 1998 he became General Secretary of the Ministry of Foreign Affairs and in 1999 he was appointed Director of the National Intelligence Agency. He retired in November 2004.

Evangelos J. Kaloussis (as of 15.12.2016)

He was born in 1943 and is the Chairman of the Federation of Hellenic Food Industries (SEVT) as of 2006, whereas he has been a member of the Federation's Board of Directors since 2002. He was Chairman of NESTLE HELLAS S.A. from 2001 until 2015. He has been a member of the Board of Directors of the Bank since 2007.

EXECUTIVE MEMBERS

MANAGING DIRECTOR - CEO

Demetrios P. Mantzounis

He was born in Athens in 1947. He studied Political Sciences at the University of Aix-Marseille. He joined the Bank in 1973 and he has been a member of the Board of Directors of the Bank since 1995. In 2002 he was appointed General Manager and he has been the Managing Director since 2005.

Executive Directors and General Managers

Spyros N. Filaretos

He was born in Athens in 1958. He studied Economics at the University of Manchester and at the University of Sussex. He joined the Bank in 1985. He was appointed Executive General Manager in 1997. He has been a member of the Board of Directors of the Bank and a General Manager since 2005. In October 2009 he was appointed Chief Operating Officer (COO).

Artemios Ch. Theodoridis

He was born in Athens in 1959. He studied Economics and holds an MBA from the University of Chicago. He joined the Bank as Executive General Manager in 2002. He has been a member of the Board of Directors of the Bank and a General Manager since 2005.

George C. Aronis

He was born in Athens in 1957. He studied Economics and holds an MBA, major in Finance, from the Athens Laboratory of Business Administration (ALBA). He has worked for multinational banks for 15 years, mostly at ABN AMRO BANK in Greece and abroad. He joined Alpha Bank in 2004 as Retail Banking Manager. In 2006 he was appointed Executive General Manager and in 2008 General Manager. He joined the Board of Directors of the Bank in 2011.

NON-EXECUTIVE MEMBERS

Ioanna E. Papadopoulou (until 28.7.2016)

She was born in 1952 and is the President and Managing Director of the E.J. PAPADOPOULOS S.A. BISCUIT AND FOODWARE INDUSTRY. She was a member of the Board of Directors of the Bank from 2008.

Efthimios O. Vidalis

He was born in 1954. He holds a BA in Government from Harvard University and an MBA from the Harvard Graduate School of Business Administration. He worked at Owens Corning (1981-1998), where he served as President of the Global Composites and Insulation Business Units. Furthermore, he was Chief Operating Officer (1998-2001) and Chief Executive Officer (2001-2011) of the S&B Industrial Minerals Group, where he served on the Board of Directors for 15 years. He is an executive member of the Board of Directors of the TITAN Group. He was a member of the Board of Directors of the Hellenic Federation of Enterprises (SEV) from 2006 to 2016 as well as founder and Chairman of the SEV Business Council for Sustainable Development from 2008 to 2016. He has been a member of the Board of Directors of the Bank since May 2014.

NON-EXECUTIVE INDEPENDENT MEMBERS

Ioannis K. Lyras (until 30.11.2016)

He was born in 1951 and is the President of PARALOS MARITIME CORPORATION S.A. He was a member of the Board of Directors of the Bank from 2005. He was Chairman of the Union of Greek Shipowners from 1997 to 2003. He represents the Union of Greek Shipowners to the Board of Directors of the European Community Shipowners' Associations.

Ibrahim S. Dabdoub

He was born in 1939. He studied at the Collège des Frères in Bethlehem, at the Middle East Technical University in Ankara, Turkey and at Stanford University, California, U.S.A. He was the Group Chief Executive Officer of the National Bank of Kuwait from 1983 until March 2014. He is Vice Chairman of the International Bank of Qatar (IBQ), Doha and a member of the Board of Directors of the International Institute of Finance (IIF) as well as Co-Chair of the Emerging Markets Advisory Council (EMAC), Washington D.C. He is also a member of the Bretton Woods Committee, Washington D.C. and of the International Monetary Conference (IMC). Furthermore, he is a member of the Board of Directors of the Central Bank of Jordan, Amman, of the Board of Directors of the Consolidated Contractors Company, Athens, and of the Board of Advisors of Perella Weinberg, New York. In 1995, he was awarded the title of "Banker of the Year" by the Arab Bankers Association of North America (ABANA) and in 1997 the Union of Arab Banks named him "Arab Banker of the Year". In 2008 and 2010 he was given a "Lifetime Achievement Award" by "The Banker" and "MEED" respectively. He has been a member of the Board of Directors of the Bank since May 2014.

Shahzad A. Shahbaz

He was born in 1960. He holds a BA in Economics from Oberlin College, Ohio, U.S.A. He has worked at various banks and investments firms, since 1981, including the Bank of America (1981-2006), from which he left as Regional Head (Corporate and Investment Banking, Continental Europe, Emerging Europe, Middle East and Africa). He served as Chief Executive Officer (CEO) of NDB Investment Bank/Emirates NBD Investment Bank (2006-2008) and of QInvest (2008-2012). He is currently the Investment Advisor at Al Mirqab Holding Co. He has been a member of the Board of Directors of the Bank since May 2014.

Jan A. Vanhevel (as of 21.4.2016)

He was born in 1948. He studied Law at the University of Leuven (1971), Financial Management at Vlekho (Flemish School of Higher Education in Economics), Brussels (1978) and Advanced Management at INSEAD (The Business School for the World), Fontainebleau. He joined Kredietbank in 1971, which became KBC Bank and Insurance Holding Company in 1998. He acquired a Senior Management position in 1991 and joined the Executive Committee in 1996. In 2003 he was in charge of the non-Central European branches and subsidiaries while in 2005 he became responsible for the KBC subsidiaries in Central Europe and Russia. In 2009 he was appointed CEO and implemented the Restructuring Plan of the group until 2012 when he retired. From 2008 until 2011 he was President of the Fédération belge du secteur financier (Belgian Financial Sector Federation) and a member of the Verbond van Belgische Ondernemingen (Federation of Enterprises in Belgium), while he has been the Secretary General of the Institut International d'Études Bancaires (International Institute of Banking Studies) since May 2013. He was also a member of the Liikanen Group on reforming the structure of the EU banking sector. He has been a member of the Board of Directors of the Bank since April 2016.

Richard R. Gildea (as of 28.7.2016)

He was born in 1952. He holds a BA in History from the University of Massachusetts (1974) and an MA in International Economics, European Affairs from The Johns Hopkins University School of Advanced International Studies (1984). He served in JP Morgan Chase from 1986 until 2015 wherein he held various senior management positions throughout his career. He was Emerging Markets Regional Manager for the Central and Eastern Europe Corporate Finance Group, London (1993-1997) and Head of Europe, Middle East and Africa (EMEA) Restructuring, London (1997-2003), as well as Senior Credit Officer in EMEA Emerging Markets, London (2003-2007). From 2007 until 2015 he was Senior Credit Officer for JP Morgan's Investment Bank Corporate Credit in EMEA Developed Markets, London and was appointed Senior Risk Representative to senior committees within the Investment Bank. He is currently a member of the Board of Trustees at The Johns Hopkins University School of Advanced International Studies, Washington D.C., of the Chatham House (the Royal Institute of International Affairs), London and of the International Institute of Strategic Studies, London. He has been a member of the Board of Directors of the Bank since July 2016.

NON-EXECUTIVE MEMBER, pursuant to the provisions of Law 3723/2008

THE GREEK STATE, via its appointed representative:

Marica S. Ioannou – Frangakis

She was born in Asyut, Egypt in 1950. She holds a BSc in Economics from the London School of Economics (LSE), University of London, U.K. and an MA in Development Economics from the University of Sussex, U.K. From 1978 to 1993 she worked at the Agricultural Bank of Greece, initially as Head of the Economic Forecasting Department (1978-1990) and then at the Privatisations Unit of the Governor's Office (1990-1993). From 1993 to 2010 she served as Head of the Liquidations Department of Ethniki Kefaleou S.A., a company of the National Bank of Greece group. She is currently an independent researcher focusing on Macroeconomics and Finance. She is a member of the Board of Directors of the Nicos Poulantzas Institute as well as of the Steering Committee of the EuroMemo Group. Following a decision by the Minister of Finance, she has been a member of the Board of Directors of the Bank as a representative of the Greek State since March 2015.

NON-EXECUTIVE MEMBER, pursuant to the provisions of Law 3864/2010

Panagiota S. Iplixian

She was born in 1949. She holds a BA in Business Administration and a Postgraduate Diploma in Management Studies from the University of Northumbria, Newcastle upon Tyne, England, and specialised in "Organisation and Methods" at the British Institute of Administrative Management. From 1972 to 1987, she worked for consulting firms. From 1987 until 2000 she worked for commercial banks in the United States and from 2000 until 2009 for EFG Eurobank Ergasias. From 2010 until 2012 she was a Non-Executive Independent Member of the Board of Directors of the Hellenic Financial Stability Fund. From October 2011 until December 2013 she was Non-Executive Vice President of the Board of Directors of New Proton Bank, representing the Hellenic Financial Stability Fund. She has been a member of the Board of Directors of the Bank, representing the Hellenic Financial Stability Fund, since January 2014.

Management Committees

The Committees composed by Members of the Management of the Bank are the Executive Committee, the Operations Committee, the Assets – Liabilities Management Committee (ALCo), the Treasury and Balance Sheet Management Committee, the Operational Risk Committee, the Credit Risk Committee and the Troubled Assets Committee.

A. The Executive Committee is the senior executive body of the Bank. It convenes at least once a week under the chairmanship of the Managing Director and with the participation of the General Managers and the Secretary of the Committee. Depending on the subjects under discussion, other Executives or Members of the Management of Group Companies participate in the proceedings. The Executive Committee carries out a review of the domestic and international economy and market developments, and examines issues of business planning and policy. Furthermore, the Committee deliberates on issues relating to the development of the Group and submits recommendations on the Rules and Regulations of the Bank, as well as on the budget of each Business Unit. Finally, it submits recommendations on the Human Resources policy and the participation of the Bank or the Group Companies in other companies.

B. The Operations Committee convenes at least once a week under the chairmanship of the Managing Director and with the participation of the General Managers, the Executive General Managers, and the Secretary of the Committee. Depending on the subjects under discussion, other Executives or Members of the Management of Group Companies participate in the proceedings. The Operations Committee undertakes a review of the market and the sectors of the economy, examines the course of business and new products. It resolves on the policy on Network and Group development and determines the credit policy. Finally, it decides on treasury management, the level of interest rates and the Terms and Conditions for deposits, loans and transactions of the Bank.

C. The Assets – Liabilities Management Committee (ALCo) convenes regularly every quarter under the chairmanship of the Managing Director. The General Managers, the Executive General Managers and the Managers of the Asset Liability Management Division, the Market and Operational Risk Division, the Analysis and Performance Management Division, the Asset Gathering Management Division, the Accounting and Tax Division, the Economic Research Division, the Wholesale Banking Credit Risk Division, the Retail Banking Credit Risk Division, the Trading Division and the Capital Management and Banking Supervision Division participate as Members. The Committee examines and decides on issues related to Treasury and Balance Sheet Management and monitors the course of the results, the budget, the funding plan, the capital adequacy and the overall financial volumes of the Bank and the Group approving the respective actions and policies. In addition, the Committee approves the interest rate policy, the structure of the investment portfolios and the total market, interest rate and liquidity risk limits.

D. The Treasury and Balance Sheet Management Committee convenes regularly every month under the chairmanship of the Wholesale Banking and International Network General Manager. The Retail Banking General Manager, the Chief Risk Officer, the Chief Financial Officer, the Executive General Manager of Treasury Management and the Managers of the Asset Liability Management Division and the Market and Operational Risk Division participate as Members. The Committee examines and submits recommendations to ALCo or to the Executive Committee of the Bank on issues generally related to the Treasury and Balance Sheet Management, such as capital structure, interest rate policy, total market, interest rate and liquidity risk limits, the funding policy of the Bank and the Group, liquidity management, stress test assumptions, hedging strategies, funds transfer pricing, the structure of the investment portfolios and capital and liquidity allocation to the business units.

E. The Operational Risk Committee convenes regularly under the chairmanship of the Managing Director and with the participation of the General Managers, the Information Technology and Operations Executive General Manager and the Manager of the Market and Operational Risk Division. The Operational Risk Committee ensures that the appropriate organisational structure, processes, methodologies and infrastructure to manage operational risk are in place. In addition, it is regularly updated on the operational risk profile of the Group and the results of the operational risk assessment process; reviews recommendations for minimising operational risk; assesses forecasts regarding Third Party Lawsuits against the Bank; approves the authorisation limits of the Committees responsible for the management of operational risk events of the Bank and the Group Companies and reviews the operational risk events whose financial impact exceeds the limits of the other Committees.

F. The Credit Risk Committee convenes regularly at least every quarter under the chairmanship of the Managing Director and with the participation of the General Managers and the Managers of the Credit Control Division, the Credit Risk Data and Analysis Division and the Capital Management and Banking Supervision Division. The Credit Risk Committee assesses the adequacy and the efficiency of the credit risk management policy and procedures of the Bank and the Group with regard to the undertaking, monitoring and management of credit risk per Business Unit (Wholesale Banking, Retail Banking, Wealth Management/Private Banking), geographical area, product, activity, industry et al. and resolves on the planning of the required corrective actions.

G. The Troubled Assets Committee (TAC) reports to the General Manager - Chief Operating Officer and convenes on a monthly basis or ad hoc under the chairmanship of either the Non-Performing Loans - Wholesale Banking Executive General Manager or the Non-Performing Loans - Retail Banking Executive General Manager while the Managers of the Strategic Planning Division, the Credit Control Division, the Credit Risk Data and Analysis Division, the Capital Management and Banking Supervision Division, the Budgeting and Controlling Division, the Non-Performing Loans Monitoring Division - Retail and the Non-Performing Loans Monitoring Division - Wholesale participate in the meetings. The Committee examines issues related to the portfolios managed by the Divisions under the supervision of the Non-Performing Loans - Wholesale Banking Executive General Manager and the Non-Performing Loans - Retail Banking Executive General Manager, in order to achieve the operational goals of the Bank and the Group, pertaining to which it may propose further decision-making to the Credit Risk Committee and subsequently to the Board of Directors for the final approval, through the Risk Management Committee of the Board.

Finally, the Bank states that it complies immediately with any additional disclosure requirements which are set by the institutional framework for Credit Institutions.

f. Description of the diversity policy applied to management, administration and supervision bodies.

To Alpha Bank, the provision of equal opportunities for employment and advancement to all its Employees, is not merely a legal obligation, but a cornerstone of its Human Resources policy. This policy is incorporated in the Human Resources management procedures and practices and ensures the implementation thereof in every country where Alpha Bank is present. Seeking to implement gender equality in action and to address the issue of the low percentage of women in positions of responsibility, two issues which are typical of the Greek labour market, Alpha Bank has taken a number of measures which help its Employees balance their professional and family life, while also promoting equitable treatment and merit-based Personnel advancement, with equal advancement opportunities for female Employees. The Bank also applies a uniform, gender-neutral salary policy to all categories of Personnel. The Bank respects and defends the diversity of its Employees irrespective of gender, age, nationality, political and religious convinctions or any other discrimination. Further to the above principles, the Bank recognises the need for diversity pertaining to skills, background, knowledge and experience in order to facilitate constructive discussion and independent thinking. It ensures top-quality work conditions and opportunities for advancement that are based on merit and equitable treatment. It offers fair remuneration, based on contracts which are in agreement with the conditions of the corresponding national labour market and ensures compliance with the respective national regulations, inter alia, on minimum pay, working hours and the granting of leave.

Moreover, the Bank defends human rights and opposes all forms of child, forced or compulsory labour. Alpha Bank respects Employee rights and is committed to safeguarding them fully, in accordance with the national and European law and the Conventions of the International Labour Organization.

The Board of Directors of Alpha Bank applies a Diversity Policy pertaining to gender in accordance with which Alpha Bank strives to achieve and maintain over time a balanced gender profile at Board level. The Bank targets a Board gender profile where the under-represented gender constitutes at least 30% of Board Members. This might not always be achievable in the short term. However, whenever the above target is not reached, the Corporate Governance and Nominations Committee informs the Board and makes its achievement a priority in nominating candidates.

Employees in positions of responsibility (Positions of Responsibility are defined as the positions from Branch Manager and above) as of 31.12.2016:

	Age Breakdown as of 31.12.2016					Percentage (%)
Gender	**18-25**	**26-40**	**41-50**	**51+**	**Total**	
Male		45	260	195	500	63.21
Female		32	210	49	291	36.79
Total:		**77**	**470**	**244**	**791**	**100**
Percentage %		9.73	59.42	30.85	100	

Educational level	Breakdowns 31.12.2016	Percentage
Postgraduate Studies (Master's, PhD)	270	34,13
Tertiary Education (graduates of Universities or Technological Education Institutes)	279	35,27
High School (Lyceum) graduates	242	30,59
Total:	**791**	**100**

The percentage and number of Employees in managerial positions per educational level points out the following:

- Employees in managerial positions holding tertiary education degrees (graduates of Universities or Technological Education Institutes) represent in 2016 the highest percentage, i.e. 35.27%.
- Employees in managerial positions holding postgraduate degrees represent in 2016 34.14%.
- The percentage of High School (Lyceum) graduates represents the lowest percentage of the population in question, i.e. 30.59%.

Remuneration Policy

The Remuneration Policy is consistent with the values, business strategy, objectives and, in general, the long-term interests of the Bank and the Group Companies and complies, inter alia, with the dictates of Law 3723/2008, Law 4261/2014 and the Bank of Greece Governor's Act 2650/2012.

In particular, in the context of effective risk management, it discourages excessive risk undertaking and prevents or minimises the emergence of conflicts of interest which are to the detriment of the proper, wise and moral management of risks. It also correlates the remuneration received by the Human Resources of the Bank and Group Companies with the risks they undertake and manage.

For the determination of the fixed remuneration, further to the provisions of the labour legislation and the collective labour agreements, the market practices and the significance of each position are also taken into account. In order to establish an objective and fair Remuneration Policy, the assessment of job positions is required. Furthermore, the performance management system motivates the achievement of outstanding long-term results without encouraging excessive risk undertaking. More specifically, the evaluation of the performance of an Executive takes into account the achievement of his/her predefined goals, which include, operational results, adherence to internal procedures, client relations and subordinates management, but also includes qualitative criteria relating to his/her personality demonstrated in the performance of his/her duties. The proper and selective implementation of the variable remuneration policy is considered a necessary tool of Human Resources Management and is required for attracting and/or keeping Executives at Bank and Group level, thus contributing significantly to the achievement of the long-term business objectives of the Bank and the Group Companies.

Athens, 30 March 2017

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

VASILEIOS T. RAPANOS
ID. No AI 666242

Independent Auditors' Report
(Translated from the original in Greek)

To the Shareholders of
ALPHA BANK A.E.

Audit Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of ALPHA BANK A.E. (the "Bank") which comprise the Consolidated Balance Sheet as of 31 December 2016 and the Consolidated Statements of Income and Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these Consolidated Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing incorporated in Greek Law. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the financial position of ALPHA BANK A.E. as of 31 December 2016 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Emphasis of matter

Without qualifying our opinion, we draw attention to the disclosures made in note 1.31.1 to the consolidated financial statements, which refer to the material uncertainties associated with the current economic conditions in Greece and the ongoing developments that could adversely affect the going concern assumption.

Report on Other Legal and Regulatory Requirements

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement which is incorporated in this report, pursuant to the provisions of paragraph 5 of Article 2 of Law 4336/2015 (part B), we note that:

(a) The Board of Directors' Report includes a Corporate Governance Statement which provides the information set by article 43bb of C.L. 2190/1920.

(b) In our opinion, the Board of Directors' report has been prepared in accordance with the applicable legal requirements of articles 43a and 107a and paragraphs 1c and 1d of Article 43bb of C.L. 2190/1920 and its content corresponds with the accompanying Consolidated Financial Statements for the year ended 31 December 2016.

(c) Based on the knowledge acquired during our audit, for ALPHA BANK A.E. and its environment, we have not identified material misstatements in the Board of Directors' Report.

Athens, 30 March 2017

KPMG Certified Auditors AE
AM SOEL 114

Nikolaos Vouniseas
Certified Auditor Accountant
AM SOEL 18701

Ioannis Achilas
Certified Auditor Accountant
AM SOEL 12831

Group Financial Statements as at 31.12.2016

Consolidated Income Statement

(Amounts in thousands of Euro)

	Note	From 1 January to 31.12.2016	31.12.2015*
Interest and similar income	2	2,668,781	2,972,740
Interest expense and similar charges	2	(744,696)	(1,075,279)
Net interest income	2	1,924,085	1,897,461
Fee and commission income		373,667	373,791
Commission expense		(55,742)	(65,150)
Net fee and commission income	3	317,925	308,641
Dividend income	4	3,178	3,308
Gains less losses on financial transactions	5	84,896	(46,869)
Other income	6	56,988	58,329
		145,062	14,768
Total income		**2,387,072**	**2,220,870**
Staff costs	7	(507,853)	(519,626)
Cost/Provision for separation schemes	7	(31,655)	(64,300)
General administrative expenses	8	(510,770)	(539,563)
Depreciation and amortization	20, 21, 22	(97,425)	(102,587)
Other expenses	9	(77,752)	(40,793)
Total expenses		**(1,225,455)**	**(1,266,869)**
Impairment losses and provisions to cover credit risk	10	(1,167,953)	(2,987,646)
Share of profit/(loss) of associates and joint ventures	19	(3,342)	(9,821)
Profit/(loss) before income tax		(9,678)	(2,043,466)
Income tax	11	29,214	806,814
Profit/(loss) after income tax, from continuing operations		**19,536**	**(1,236,652)**
Profit /(loss) after income tax, from discontinued operations	47	22,766	(134,802)
Profit/(loss) after income tax		**42,302**	**(1,371,454)**
Profit/(loss) attributable to:			
Equity owners of the Bank			
- from continuing operations		19,374	(1,236,912)
- from discontinued operations		22,766	(134,802)
		42,140	**(1,371,714)**
Non-controlling interests			
- from continuing operations	38	162	260
Earnings/(losses) per share:			
Basic and diluted (€per share)	12	0.03	(3.56)
Basic and diluted from continuing operations (€per share)	12	0.01	(3.21)
Basic and diluted from discontinued operations (€per share)	12	0.01	(0.35)

* *The figures for the comparative year for the Consolidated Income Statement have been restated due to modification of the presentation of figures related to the loyalty bonus card program and the presentation of Alpha Bank Srbija A.D. as discontinued operations (note 49).*

Consolidated Balance Sheet

(Amounts in thousands of Euro)

	Note	31.12.2016	31.12.2015*
ASSETS			
Cash and balances with central banks	13	1,514,607	1,730,327
Due from banks	14	1,969,281	1,976,273
Trading securities	15	4,701	2,779
Derivative financial assets	16	634,323	793,015
Loans and advances to customers	17	44,408,760	46,186,116
Investment securities			
- Available for sale	18a	5,217,053	5,794,484
- Held to maturity	18b	44,999	79,709
- Loans and receivables	18c	2,682,655	4,289,482
Investments in associates and joint ventures	19	21,792	45,771
Investment property	20	614,092	623,662
Property, plant and equipment	21	793,968	860,901
Goodwill and other intangible assets	22	371,314	345,151
Deferred tax assets	23	4,519,046	4,398,176
Other assets	24	1,450,459	1,508,633
		64,247,050	68,634,479
Assets held for sale	47	625,216	663,063
Total Assets		**64,872,266**	**69,297,542**
LIABILITIES			
Due to banks	25	19,105,577	25,115,363
Derivative financial liabilities	16	1,336,227	1,550,529
Due to customers (including debt securities in issue)	26	32,946,116	31,434,266
Debt securities in issue held by institutional investors and other borrowed funds	27	616,865	400,729
Liabilities for current income tax and other taxes	28	33,778	38,192
Deferred tax liabilities	23	21,219	20,852
Employee defined benefit obligations	29	91,828	108,550
Other liabilities	30	879,185	910,623
Provisions	31	321,704	298,458
		55,352,499	59,877,562
Liabilities related to assets held for sale	47	406,354	366,781
Total Liabilities		**55,758,853**	**60,244,343**
EQUITY			
Equity attributable to equity owners of the Bank			
Share capital	32	461,064	461,064
Share premium	33	10,790,870	10,790,870
Reserves	34	400,640	308,880
Amounts recognized directly in equity related to assets held for sale	34, 47	(68,579)	40
Retained earnings	35	(2,506,711)	(2,546,885)
		9,077,284	**9,013,969**
Non-controlling interests	38	**20,997**	**23,998**
Hybrid securities	36	**15,132**	**15,232**
Total Equity		**9,113,413**	**9,053,199**
Total Liabilities and Equity		**64,872,266**	**69,297,542**

* *The figures of the Consolidated Balance Sheet of the comparative year have been restated due to the completion of the valuation of net assets of acquired subsidiary company and the correct presentation of amounts of Alpha Bank A.D. Skopje recognized directly in equity (note 49).*

The attached notes (pages 47-190) form an integral part of these consolidated financial statements

Consolidated Statement of Comprehensive Income

(Amounts in thousands of Euro)

		From 1 January to	
	Note	31.12.2016	31.12.2015*
Profit/(loss), after income tax, recognized in the Income Statement		**42,302**	**(1,371,454)**
Other comprehensive income recognized directly in equity:			
Amounts that may be reclassified to the Income Statement			
Net change in available for sale securities reserve		93,352	214,288
Net change in cash flow hedge reserve		(55,212)	52,313
Exchange differences on translating and hedging the net investment in foreign operations		(849)	773
Net change in the share of other comprehensive income of associates and joint ventures		-	(547)
Income tax		(6,635)	(68,055)
Amounts that may be reclassified in the income statement from continuing operations		**30,656**	**198,772**
Amounts that may be reclassified in the income statement from discontinued operations	47	**(1,458)**	**1,959**
Amounts that may not be reclassified in the income statement from continuing operations			
Net change in actuarial gains/(losses) of defined benefit obligations		(10,694)	916
Income tax		3,100	2,130
		(7,594)	**3,046**
Amounts that may not be reclassified in the income statement from discontinued operations		**4**	**(4)**
Total of other comprehensive income recognized directly in equity, after income tax	11	**21,608**	**203,773**
Total comprehensive income for the year, after income tax		**63,910**	**(1,167,681)**
Total comprehensive income for the year attributable to:			
Equity owners of the Bank			
- from continuing operations		42,448	(1,035,109)
- from discontinued operations		21,312	(132,847)
		63,760	**(1,167,956)**
Non controlling interests			
- from continuing operations		150	275

* *The figures for the comparative year for the Consolidated Comprehensive Income have been restated due to the presentation of Alpha Bank Srbija A.D. as discontinued operations and due to the completion of the valuation of net assets of acquired subsidiary company (note 49).*

Consolidated Statements of Changes in Equity

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non-controlling interests	Hybrid securities	Total
Balance 1.1.2015		**3,830,718**	**4,858,216**	**105,687**	**(1,142,801)**	**7,651,820**	**23,266**	**31,464**	**7,706,550**
Changes for the period 1.1- 31.12.2015									
Profit for the year, after income tax					(1,371,714)	(1,371,714)	260		(1,371,454)
Other comprehensive income recognized directly in equity, after income tax				200,713	3,045	203,758	15		203,773
Total comprehensive income for the year, after income tax				**200,713**	**(1,368,669)**	**(1,167,956)**	**275**	**-**	**(1,167,681)**
Decrease of common shares nominal value	32	(3,754,104)	3,754,104			-			-
Share capital increase paid in cash	32	232,825	1,319,344			1,552,169			1,552,169
Share capital increase through capitalization of monetary claims	32	151,625	859,206			1,010,831			1,010,831
Share capital increase expenses, after income tax					(43,506)	(43,506)			(43,506)
Effect due to change in income tax rate for the share capital increase expenses					6,261	6,261			6,261
Purchases/sales and change of ownership interests in subsidiaries					(457)	(457)	457		-
(Purchases), (redemptions)/sales of hybrid securities, after income tax					4,807	4,807		(16,232)	(11,425)
Appropriation of reserves				2,520	(2,520)	-			-
Balance 31.12.2015		**461,064**	**10,790,870**	**308,920**	**(2,546,885)**	**9,013,969**	**23,998**	**15,232**	**9,053,199**

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non-controlling interests	Hybrid securities	Total
Balance 1.1.2016		**461,064**	**10,790,870**	**308,920**	**(2,546,885)**	**9,013,969**	**23,998**	**15,232**	**9,053,199**
Changes for the period 1.1-31.12.2016									
Profit for the year, after income tax					42,140	42,140	162		42,302
Other comprehensive income recognized directly in equity, after income tax				29,208	(7,588)	21,620	(12)		21,608
Total comprehensive income for the year, after income tax		**-**	**-**	**29,208**	**34,552**	**63,760**	**150**	**-**	**63,910**
Share capital increase expenses, after income tax					(689)	(689)			(689)
Purchases/sales and change of ownership interests in subsidiaries				(8,826)	8,826	-	(3,151)		(3,151)
(Purchases), (redemptions)/sales of hybrid securities, after income tax					61	61		(100)	(39)
Appropriation of reserves				2,759	(2,759)	-			-
Other					183	183			183
Balance 31.12.2016		**461,064**	**10,790,870**	**332,061**	**(2,506,711)**	**9,077,284**	**20,997**	**15,132**	**9,113,413**

Consolidated Statement of Cash Flows

(Amounts in thousands of Euro)

	Note	From 1 January to 31.12.2016	31.12.2015*
Cash flows from continuing operating activities			
Profit / (loss) before income tax		(9,678)	(2,043,466)
Adjustments for gain/(losses) before income tax for:			
Depreciation/impairment/write-offs of fixed assets		101,855	92,139
Amortization/impairment/write-offs of intangible assets		51,578	45,714
Impairment losses from loans, provisions and staff leaving indemnity		1,237,992	3,117,055
(Gains)/losses from investing activities		(109,792)	75,696
(Gains)/losses from financing activities		50,015	31,714
Share of (profit)/loss of associates and joint ventures		3,342	9,821
Other adjustments			9,529
		1,325,312	**1,338,202**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks		(135,041)	1,059,452
Trading securities and derivative financial assets		156,769	356,871
Loans and advances to customers		480,508	(223,026)
Other assets		82,573	(54,510)
Net increase/(decrease) in liabilities relating to continuing operating activities:			
Due to banks		(6,004,782)	7,842,354
Derivative financial liabilities		(269,485)	(345,729)
Due to customers		1,901,458	(11,008,914)
Other liabilities		(28,180)	(230,316)
Net cash flows from continuing operating activities before taxes		**(2,490,868)**	**(1,265,616)**
Income taxes and other taxes paid		(17,391)	(40,794)
Net cash flows from continuing operating activities		**(2,508,259)**	**(1,306,410)**
Net cash flows from discontinued operating activities		**2,697**	**(869)**
Cash flows from continuing investing activities			
Investments in associates and joint ventures		(18,655)	(12,310)
Acquisitions during the year			9,151
Amounts received from disposal of subsidiaries		76,016	15,392
Dividends received		3,178	3,308
Acquisitions of fixed and intangible assets	20, 21, 22	(186,048)	(105,553)
Disposals of fixed and intangible assets		36,537	14,270
Net (increase)/decrease in investement securities		2,093,587	7,469
Net cash flows from continuing investing activities		**2,004,615**	**(68,273)**
Net cash flows from discontinued investing activities		**(24,477)**	**33,252**
Cash flows from continuing financing activities			
Receipts of debt securities in issue and other borrowed funds		204,640	
Repayments of debt securities in issue and other borrowed funds			(9,640)
(Purchases)/sales of hybrid securities		(15)	(1,730)
Share capital increase	32		1,552,169
Share capital increase expenses		(970)	(61,276)
Net cash flows from continuing financing activities		**203,655**	**1,479,523**
Effect of exchange rate differences on cash and cash equivalents		(31,476)	(3,334)
Net increase/(decrease) in cash flows from continuing activities		**(331,465)**	**101,506**
Net increase/(decrease) in cash flows from discontinued activities		**(21,780)**	**32,383**
Cash and cash equivalents at the beginning of the year	13	**1,328,133**	**1,194,244**
Cash and cash equivalents at the end of the year	13	**974,888**	**1,328,133**

* *The figures for the comparative year for the Consolidated Statement of Cash Flows have been restated due to the presentation of Alpha Bank Srbija A.D. as discontinued operations (note 49).*

The attached notes (pages 47-190) form an integral part of these consolidated financial statements

Notes to the Financial Statements

GENERAL INFORMATION

The Alpha Bank Group, which includes companies in Greece and abroad, offers the following services: corporate and retail banking, financial services, investment banking and brokerage services, real estate management, hotel services.

The Bank operates under the brand name of Alpha Bank A.E. using the sign of Alpha Bank. The Bank's registered office is 40 Stadiou Street, Athens and is listed in the General Commercial Register with registration number 223701000 (ex societe anonyme registration number 6066/06/B/86/05). The Bank's duration is until 2100 but may be extended by the General Meeting of Shareholders.

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

The tenure of the Board of Directors which was elected by the Ordinary General Meeting of Shareholders on 27.6.2014 expires in 2018.

The Board of Directors as at December 31, 2016, consists of:

CHAIRMAN (Non Executive Member)

Vasileios Th. Rapanos

VICE CHAIRMAN
(Non Executive Independent Member)

Evangelos J. Kaloussis */***

EXECUTIVE MEMBERS

MANAGING DIRECTOR

Demetrios P. Mantzounis

EXECUTIVE DIRECTORS AND GENERAL MANAGERS

Spyros N. Filaretos (COO)
Artemios Ch. Theodoridis
George C. Aronis

NON-EXECUTIVE MEMBERS

Efthimios O. Vidalis **/****

NON-EXECUTIVE INDEPENDENT MEMBERS

Ibrahim S. Dabdoub **/****
Richard R. Gildea **/***
Shahzad A. Shahbaz ***/****
Jan Oscar A. Vanhevel */***

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

Marica S. Ioannou - Frangakis

NON-EXECUTIVE MEMBER
(in accordance with the requirements of Law 3864/2010)

Panagiota S. Iplixian */**/***/****

SECRETARY

Georgios P. Triantafyllidis

At the meeting held on 26.1.2017, the Board of Directors of Alpha Bank elected Mrs. Carolyn Adele G. Dittmeier, as non-Executive Independent Member in replacement of Mr. Pavlos A. Apostolidis who resigned on 15.12.2016. On 23.2.2017 the Board of Directors of Alpha Bank elected, according to Law 3864/2010, as suggested by the Financial Stability Fund (HFSF), Mr. Spyridon - Stavros A. Mavrogalos - Fotis, as Non-Executive Member in replacement of Mrs. Panagiota S. Iplixian who resigned.

* *Member of the Audit Committee*
** *Member of the Remuneration Committee*
*** *Member of the Risk Management Committee*
**** *Member of Corporate Governance and Nominations Committee*

The Ordinary General Meeting of Shareholders of 30.6.2016 appointed for the fiscal year of 2016, KPMG Certified Auditors AE as certified auditors of the Bank by the following persons:

a. Principal Auditors: Nikolaos E. Vouniseas
John A. Achilas

b. Substitute Auditors: Michael A. Kokkinos
Anastasios E. Panayides

The Bank's shares are listed in the Athens Stock Exchange since 1925 and are ranked among the companies with the higher market capitalization. Additionally, the Bank's share is included in a series of international indices, such as MSCI Emerging Markets Index, the FTSE All World, FTSE Med100 and the FTSE4Good Emerging Index (from December 2016).

Apart from Greek Stock Exchange, the shares of the Bank are listed on the London Stock Exchange in the form of international certificates (GDRs) and they are traded over the counter in New York (ADRs).

The total number of ordinary shares amounted to 1,536,881,200 as at 31 December 2016. 1,367,706,054 ordinary shares of the Bank are traded in the Athens Stock Exchange while the Hellenic Financial Stability Fund ("HFSF") possesses the remaining 169,175,146 ordinary, registered, voting, paperless shares or percentage equal to 11.01% on the total of ordinary shares issued by the Bank. The exercise of the voting rights for the shares of HFSF is subject to restrictions according to the article 7a of Law 3864/2010.

In addition, on the Athens Stock Exchange there are 1,141,734,167 warrants that are traded each one incorporating the right of the holder to purchase 0.148173663047785 new shares owned by the HFSF.

During the year 2016, the average daily volume per session for shares was €14,802,962 and for warrants €4,325.

The credit rating of the Bank assessment by three international credit rating agencies is as follows:

- Moody's: Caa3
- Fitch Ratings: RD
- Standard & Poor's: CCC+

According to Law 4374/1.4.2016, the obligation to publish quarterly financial statements for the first and third quarter of the financial year, pursuant to the provision of Article 6 of Law 3556/30.4.2007 before its amendment, was abolished. However, article 25 of Law 4416/6.9.2016 incorporated article 5b in the Law 3556/30.4.2007, based on which the obligation to prepare and publish consolidated Financial Statements for the first and third quarter of the financial year remains. This obligation relates to credit institutions whose securities are traded on a regulated market and are required to publish Consolidated Financial Statements.

Furthermore, according to No. 8/754/14.4.2016 decision of the Hellenic Capital Market Commission relating to "Special Topics Periodic Reporting according to Law 3556/30.4.2007", the obligation to publish financial Information arising from the quarterly and half-yearly financial statements, as previously stated by the No. 4/507/28.4.2009 decision of the Hellenic Capital Market Commission Board of Directors, was abolished.

In addition, according to Law 4403/7.7.2016, which amended article 135 of Codified Law 2190/1920 the obligation to publish the financial information arising from the annual financial statements, was abolished.

The financial statements have been approved by the Board of Directors on 30 March 2017.

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

These consolidated financial statements relate to the fiscal year 1.1-31.12.2016 and they have been prepared:

a) in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002 and

b) on the historical cost basis. As an exception, some assets and liabilities are measured at fair value. Those assets are mainly the following:

- Trading securities
- Derivative financial instruments
- Available-for-sale securities
- The convertible bond issued by the Bank which is included in "Debt securities in issue held by institutional investors and other borrowed funds".

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

The accounting policies for the preparation of the financial statements have been consistently applied by the Group to the years 2015 and 2016, after taking into account the following amendments to standards which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2016:

- **Amendment to International Financial Reporting Standard 10** "Consolidated Financial Statements", **to International Financial Reporting Standard 12** "Disclosure of Interests in Other Entities" and **to International Accounting Standard 28** "Investments in Associates and Joint Ventures": Investment Entities: Applying the Consolidation Exception (Regulation 2016/1703/22.9.2016)

On 18.12.2014, the International Accounting Standards Board issued an amendment to the above standards with which it clarified that the exception provided in IFRS 10 and IAS 28, for the preparation of consolidated financial statements and the application of the equity method respectively, applies also to a parent entity that it is a subsidiary of an investment entity which measures all of its subsidiaries at fair value according to IFRS 10. In addition, with the aforementioned amendment it was clarified that the disclosure requirements of IFRS 12 apply to the investment entities which measure all of their subsidiaries at fair value through profit or loss.

The adoption of the above amendment by the Group had no impact on its financial statements.

- **Amendment to International Financial Reporting Standard 11** "Joint Arrangements": Accounting for acquisition of interests in joint operations (Regulation 2015/2173/24.11.2015)

On 6.5.2014 the International Accounting Standards Board issued an amendment to IFRS 11 with which it is clarified that when an entity acquires an interest in a joint operation in which the activity of the joint operation constitutes a business (as defined in IFRS 3), it shall apply all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in IFRS 11. In addition, it shall disclose the information required by IFRS 3 and other related standards. This applies both when acquiring the initial interest in the joint operation that constitutes a business and when acquiring an additional interest.

The adoption of the above amendment by the Group had no impact on its financial statements.

- **Amendment to International Accounting Standard 1** "Presentation of Financial Statements": Disclosure Initiative (Regulation 2015/2406/18.12.2015)

On 18.12.2014 the International Accounting Standards Board issued an amendment to IAS 1 in the context of the project it has undertaken to analyze the possibilities for improving the disclosures in IFRS financial reporting. The main amendments are summarized below:

- the restriction to disclose only a summary of significant accounting policies is removed;
- it is clarified that even when other standards require specific disclosures as minimum requirements, an entity may not provide them if this is considered immaterial. In addition, in case the disclosures required by the IFRS are insufficient to enable users to understand the impact of particular transactions, the entity shall consider whether to provide additional disclosures;
- it is clarified that the line items that IFRS require to be presented in the balance sheet and the statements of profit or loss and other comprehensive income are not restrictive and that the entity may present additional line items, headings and subtotals;
- it is clarified that in the Statement of Comprehensive Income the share of other comprehensive income of associates and joint ventures accounted for using the equity method shall be separated into:
  - amounts that will not be reclassified subsequently to profit or loss and
  - amounts that will be reclassified subsequently to profit or loss;
- it is clarified that the standard does not specify the presentation order of the notes and that each entity shall determine a systematic manner of presentation taking into account the understandability and comparability of its financial statements.

The adoption of the above amendment by the Group had no impact on its financial statements.

- **Amendment to International Accounting Standard 16** "Property, Plant and Equipment" and **to International Accounting Standard 38** "Intangible Assets": Clarification of Acceptable Methods of Depreciation and Amortization (Regulation 2015/2231/2.12.2015)

On 12.5.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 38 with which it expressly prohibits the use of revenue as a basis for the depreciation and amortization method of property, plant and equipment and intangible assets respectively. An exception is provided only for intangible assets and only when the following conditions are met:

- when the intangible asset is expressed as a measure of revenue, i.e. when the right over the use of the intangible asset is expressed as a function of revenue to be generated in such a way that the generation of a specific amount of revenue determines the end of the right of use, or
- when it can be demonstrated that the revenue and the consumption of the economic benefits are highly correlated.

The adoption of the above amendment by the Group had no impact on its financial statements.

- **Amendment to International Accounting Standard 16** "Property, Plant and Equipment" and **to International Accounting Standard 41** "Agriculture": Bearer Plants (Regulation 2015/2113/23.11.2015)

On 30.6.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 41 with which it clarified that bearer plants, which are living plants that:

a) are used in the production or supply of agricultural produce;

b) are expected to bear produce for more than one period; and

c) have remote likelihood of being sold as agricultural produce, except for incidental scrap sales,

shall be accounted for based on IAS 16 instead of IAS 41.

The above amendment does not apply to the activities of the Group.

- **Amendment to International Accounting Standard 27** "Separate Financial Statements": Equity Method in Separate Financial Statements (Regulation 2015/2441/18.12.2015)

On 12.8.2014 the International Accounting Standards Board issued an amendment to IAS 27 with which it provides the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. In addition, with the above amendment it is clarified that the financial statements of an investor that does not have investments in subsidiaries but has investments in associates or joint ventures, which under IAS 28 are accounted for with the equity method, do not constitute separate financial statements.

The above amendment does not apply to the financial statements of the Group.

- **Improvements to International Accounting Standards – cycle 2012-2014** (Regulation 2015/2343/15.12.2015)

As part of the annual improvements project, the International Accounting Standards Board issued, on 25.9.2014, non- urgent but necessary amendments to various standards.

The adoption of the above amendments had no impact on the financial statements of the Group.

Except for the standards mentioned above, the European Union has adopted the following new standards which are effective for annual periods beginning after 1.1.2016 and have not been early adopted by the Group.

- **International Financial Reporting Standard 9** "Financial Instruments" (Regulation 2016/2067/22.11.2016)

Effective for annual periods beginning on or after 1.1.2018

On 24.7.2014, the International Accounting Standards Board completed the issuance of the final text of IFRS 9: Financial Instruments, which replaces the existing IAS 39. The new standard provides for significant differentiations in the classification and measurement of financial instruments as well as in hedge accounting. An indication of the new requirements is presented below:

Classification and measurement

Financial instruments shall be classified, at initial recognition, at either amortized cost or at fair value. The criteria that should be considered for the initial classification of the financial assets are the following:

i. The entity's business model for managing the financial assets and

ii. The contractual cash flow characteristics of the financial assets.

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the instrument is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

If an instrument meets the above criteria but is held with the objective of both selling and collecting contractual cash flows it shall be classified as measured at fair value through other comprehensive income.

Financial assets that are not included in any of the above two categories are mandatorily measured at fair value though profit or loss.

In addition, IFRS 9 permits, at initial recognition, equity instruments to be classified at fair value through other comprehensive income. The option precludes equity instruments held for trading. Moreover, with regards to embedded derivatives, if the hybrid contact contains a host that is within the scope of IFRS 9, the embedded derivative shall not be separated and the accounting treatment of the hybrid contact should be based on the above requirements for the classification of the financial instruments.

With regards to the financial liabilities, the main difference is that the change in the fair value of a financial liability initially designated at fair value through profit or loss shall be recognised in profit or loss with the exception of the effect of change in the liability's credit risk which shall be recognised directly in other comprehensive income.

Impairment

Contrary to the existing IAS 39, under which an entity recognizes only incurred credit losses, the new standard requires the recognition of expected credit losses. In particular, on initial recognition of an asset, 12-month expected credit losses are recognized. However, in case the credit risk of the issuers has increased significantly since initial recognition as well as in cases of purchased or originated credit impaired assets lifetime expected credit losses are recognized.

Hedging

The new requirements for hedge accounting are more aligned with the entity's risk management. The main changes in relation to the current requirements of IAS 39 are summarized below:

- more items become eligible for participating in a hedging relationship either as hedging instruments or as hedged items,
- the requirement for hedge effectiveness tests to be within the range of 80%-125% is removed. Hedge effectiveness test is performed progressively only and under certain circumstances a qualitative assessment is considered adequate,
- in case that a hedging relationship ceases to be effective but the objective of risk management regarding the hedging relationship remains the same, the entity shall rebalance the hedging relationship in order to satisfy the hedge effectiveness criteria.

It is noted that the new requirements for hedge accounting do not include those that relate to macro hedging, since they have not been finalized yet.

Except for the aforementioned modifications, the issuance of IFRS 9 has resulted in the amendment to other standards and mainly to IFRS 7 where new disclosures were added.

IFRS 9 Implementation Program

The Bank, in order to ensure proper application of the new standard, has embarked on the IFRS 9 Implementation Program. For the management of the Program two Committees have been established:

a. An Implementation Steering Committee consisting of member of the General Management

b. An Operational Steering Committee consisting of senior management from Finance, Credit Risk and IT.

The Implementation Steering Committee meets on a regular basis to confirm key assumptions, approve decisions and policies as well as to monitor the progress of the implementation work across the Group. The program is organized around two main work streams, the impairment workstream and the classification and measurement work stream. Delivery of implementation of the required changes has been undertaken by the approximately 42 projects that the Bank has identified to ensure compliance with IFRS 9.

In addition, the Board of Directors, the Audit Committee and the Risk Management Committee have assumed an active role, which includes the involvement in the decision making process for key assumptions and decisions of the IFRS 9 Program.

The project organization is relevant for significant Group subsidiaries which have also set up committees for the management of the application at the local level, within the framework of principles and policies set by the Group.

To date, the Program has been directed towards determining the classification of its financial instruments based on the new criteria, developing key methodologies regarding IFRS 9 concepts, designing the operating model and the systems operating model will be maintained and developing risk modeling methodologies for the calculation of impairment.

Classification and measurement work stream

The Group is in the process of assessing the existing and define the new business models, where necessary, that will be compatible with the Group's business strategy. The result of the assessment will be the mapping of Group's financial assets to the new business models.

Additionally, the Group is in the process of assessing its financial assets in order to determine whether the SPPI criterion (i.e. cash flows represent Solely Payments of Principal and Interest) is met. For standardised retail loans, the assessment is based on product characteristics while for non standardised (mainly corporate) loans and debt securities the assessment is based on the characteristics of the individual asset.

Finally, the Group is in the process of updating policies and designing new classification processes that shall be applied for the classification of financial assets from 1.1.2018.

Impairment work stream

The Group will be required to record an allowance for expected losses for all loans and other debt financial assets not held at fair value through profit or loss, together with loan commitments and financial guarantee contracts.

The allowance is based on the expected credit losses associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination, in which case, the allowance is based on the probability of default over the life of the asset.

When determining whether the risk of default has significantly increased since initial recognition, the Group intends to consider reasonable and supportable information, both quantitative and qualitative, that could vary between portfolios.

The Group is currently developing its detailed methodologies for assessing when there is an increase in credit risk.

The key inputs to the measurement of the expected credit loss are the following variables:

- Probability of default
- Loss Given default
- Exposure at default

The Group expects to derive these parameters from internally developed statistical models and other historical data that will be adjusted to reflect forward looking information. The Group intends to develop at least two scenarios to estimate future economic environment.

Finally, the Group is designing the processes and the governance framework for impairment calculations, including the new elements introduced by IFRS 9, with the aim to establish detailed process flow to be implemented in the system for impairment calculations and to update accordingly policy and process manuals.

Hedge accounting

The Group is still examining whether it will exercise the accounting policy choice to continue applying IAS 39 hedge accounting. The current intention is to continue to apply IAS 39.

Transition approach

The classification and measurement and impairment requirements are applied retrospectively by adjusting the opening balance sheet at the date of initial application, with no requirement to restate comparative periods. The current intention of the Group is not to restate comparatives.

Quantitative Impact

It is estimated that until IFRS 9 Implementation Program has progressed to such a degree that important decisions affecting implementation have been taken and incorporated in the models for the calculation of impairment losses there would be no reliable estimate of the impact of IFRS 9, especially with regards to the interaction with regulatory capital requirements. Therefore, no reliable information can be disclosed regarding expected impact on the Group's financial position and regulatory capital.

The Group, however, intends to quantify the potential impact of IFRS 9 once allowed by the degree of Program Implementation and no later than the audited annual financial statements of 31.12.2017.

- **International Financial Reporting Standard 15** "Revenue from Contracts with Customers" (Regulation 2016/1905/22.9.2016)

Effective for annual periods beginning on or after 1.1.2018

IFRS 15 "Revenue from Contracts with Customers" was issued on 28.5.2014 by the International Accounting Standards Board. The new standard is the outcome of a joint project by the IASB and the Financial Accounting Standards Board (FASB) to develop common requirements as far as the revenue recognition principles are concerned.

The new standard shall be applied to all contracts with customers, except those that are in scope of other standards, such as financial leases, insurance contracts and financial instruments.

According to the new standard, an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A new revenue recognition model is introduced, by applying the following five steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The performance obligation notion is new and in effect represents a promise in a contract with a customer to transfer to the customer either: (a) a good or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The new IFRS 15 supersedes:

(a) IAS 11 "Construction Contracts";

(b) IAS 18 "Revenue";

(c) IFRIC 13 "Customer Loyalty Programmes";

(d) IFRIC 15 "Agreements for the Construction of Real Estate";

(e) IFRIC 18 "Transfers of Assets from Customers";and

(f) SIC-31 "Revenue—Barter Transactions Involving Advertising Services".

The Group is examining the impact from the adoption of IFRS 15 on its financial statements.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards as well as IFRIC 22 which have not yet been adopted by the European Union and they have not been early applied by the Group.

- **Amendment to International Financial Reporting Standard 2** "Share-based Payment": Classification and Measurement of Share-based Payment Transactions

Effective for annual periods beginning on or after 1.1.2018

On 20.6.2016 the International Accounting Standards Board issued an amendment to IFRS 2 with which the following were clarified:

- in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions shall follow the same approach as for equity-settled share-based payments,
- where tax law requires an entity to withhold a specified amount of tax (that constitutes a tax obligation of the employee) that relates to share-based payments and shall be remitted to the tax authority, such an arrangement shall be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature,
- if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Financial Reporting Standard 4** "Insurance Contracts": applying IFRS 9 **Financial Instruments** with IFRS 4 **Insurance Contracts**

Effective for annual periods beginning on or after 1.1.2018

On 12.9.2016 the International Accounting Standards Board issued an amendment to IFRS 4 with which:

- It provides insurers, whose activities are predominantly connected with insurance, with a temporary exemption from application of IFRS 9 and
- following full adoption of IFRS 9, it gives all entities with insurance contracts the option to present changes in fair value on qualifying designated financial assets in other comprehensive income instead of profit or loss.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Financial Reporting Standard 10** "Consolidated Financial Statements" and **to International Accounting Standard 28** "Investments in Associates and Joint Ventures": Sale or contribution of assets between an investor and its associate or joint venture

Effective date: To be determined

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent loses control of a subsidiary, which does not contain a business, as defined in IFRS 3, it shall recognise to profit or loss only the part of the gain or loss which is related to the unrelated investor's interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture. In addition, in case the investor retains an investment in the former subsidiary and the former subsidiary is now an associate or joint venture, it recognises the part of the gain or loss resulting from the remeasurement at fair value of the investment retained in that former subsidiary in its profit or loss only to the extent of the unrelated investor's interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary.

In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognised.

On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

- **International Financial Reporting Standard 14** "Regulatory deferral accounts"

Effective for annual periods beginning on or after 1.1.2016

On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.

The above standard does not apply to the financial statements of the Group.

- **Amendment to International Financial Reporting Standard 15** "Revenue from Contracts with Customers": Clarifications to IFRS 15 Revenue from Contracts with Customers

Effective for annual periods beginning on or after 1.1.2018

On 12.4.2016 the International Accounting Standards Board issued an amendment to IFRS 15 with which it clarified mainly the following:

- when a promised good or service is separately identifiable from other promises in a contract, which is part of an entity's assessment of whether a promised good or service is a performance obligation,
- how to apply the principal versus agent application guidance to determine whether the nature of an entity's promise is to provide a promised good or service itself (i.e., the entity is a principal) or to arrange for goods or services to be provided by another party (i.e., the entity is an agent),
- for a licence of intellectual property, which is a factor in determining whether the entity recognises revenue over time or at a point in time.

Finally, two practical expedients to the transition requirements of IFRS 15 were added for completed contracts under full retrospective transition approach as well as for contract modifications at transition.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

- **International Financial Reporting Standard 16** "Leases"

Effective for annual periods beginning on or after 1.1.2019

On 13.1.2016 the International Accounting Standards Board issued IFRS 16 "Leases" which supersedes:

- IAS 17 " Leases"
- IFRIC 4 "Determining whether an arrangement contains a lease"
- SIC 15 "Operating Leases – Incentives" and
- SIC 27 "Evaluating the substance of transactions involving the legal form of a lease".

The new standard significantly differentiates the accounting of leases for lessees while essentially maintaining the existing requirements of IAS 17 for the lessors. In particular, under the new requirements, the classification of leases as either operating or finance is eliminated. A lessee is required to recognize, for all leases with term of more than 12 months, the right-of-use asset as well as the corresponding obligation to pay the lease payments. The above treatment is not required when the asset is of low value.

The Group is examining the impact from the adoption of IFRS 16 on its financial statements.

- **Amendment to International Accounting Standard 7** "Statement of Cash Flows": Disclosure Initiative

Effective for annual periods beginning on or after 1.1.2017

On 29.1.2016 the International Accounting Standards Board issued an amendment to IAS 7 according to which an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities for which cash flows are classified in the statement of cash flows as cash flows from financing activities. The changes that shall be disclosed, which may arise both from cash flows and non-cash changes, include:

- changes from financing cash flows,
- changes arising from obtaining or losing control of subsidiaries or other businesses,
- the effect of changes in foreign exchange rates,
- changes in fair values and
- other changes.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Accounting Standard 12** "Income Taxes": Recognition of Deferred Tax Assets for Unrealised Losses

Effective for annual periods beginning on or after 1.1.2017

On 19.1.2016 the International Accounting Standards Board issued an amendment to IAS 12 with which the following were clarified:

- Unrealised losses on debt instruments measured at fair value for accounting purposes and at cost for tax purposes may give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the asset by sale or by use.
- The recoverability of a deferred tax asset is assessed in combination with other deferred tax assets. However, if tax law offsets specific types of losses only against a particular type of income, the relative deferred tax asset shall be assessed in combination with other deferred tax assets of the same type.
- During the deferred tax asset recoverability assessment, an entity compares the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences.
- The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Accounting Standard 40** "Investment Property": Transfers of Investment Property

Effective for annual periods beginning on or after 1.1.2018

On 8.12.2016 the International Accounting Standards Board issued an amendment to IAS 40 with which it clarified that an entity shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. In addition, the examples of evidence of a change in use were expanded to include assets under construction and not only transfers of completed properties.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

- **Improvements to International Accounting Standards – cycle 2014-2016**

Effective for annual periods beginning on or after 1.1.2017 and 1.1.2018

As part of the annual improvements project, the International Accounting Standards Board issued, on 8.12.2016, non- urgent but necessary amendments to various standards.

The Group is examining the impact from the adoption of the above amendments on its financial statements.

- **IFRIC Interpretation 22** "Foreign Currency Transactions and Advance Consideration"

Effective for annual periods beginning on or after 1.1.2018

On 8.12.2016 the International Accounting Standards Board issued IFRIC 22. The Interpretation covers foreign currency transactions when an entity recognizes a non monetary asset or liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation clarified that the date of the transaction, for the purpose of determination of exchange rate to use on initial recognition of the asset, the income or expense, is the date of initial recognition of the non monetary asset or liability (i.e. advance consideration). Additionally, if there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

The Group is examining the impact from the adoption of the above Interpretation on its financial statements.

1.2 Basis of consolidation

The consolidated financial statements include the parent company Alpha Bank, its subsidiaries, associates and joint ventures. The financial statements used to prepare the consolidated financial statements have been prepared as at 31.12.2016 and the accounting policies applied in their preparation, when necessary, were adjusted to ensure consistency with the Group accounting policies.

a. Subsidiaries

Subsidiaries are entities controlled by the Group.

The Group takes into account the following factors, in assessing control:

- power over the investee,
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect the amount of the investor's return.

Power arises from currently exercisable rights that provide the Group with the current ability to direct the relevant activities of the investee. In a straightforward case, rights that provide power are derived from voting rights granted by equity instruments such as shares. In other cases, power results from contractual arrangements.

The Group's returns are considered variable, when these returns have the potential to vary as a result of the investee's performance. Variability of returns is judged based on the substance of the arrangement, regardless of their legal form.

The Group, in order to evaluate the link between power and returns, assesses whether it exercises its power for its own benefit or on behalf of other parties, thus acting as either a principal or an agent, respectively. If the Group determines that it acts as a principal, then it controls the investee and consolidation is required. Otherwise, control does not exist and there is no requirement to consolidate.

In cases where the power over an investee arises from voting rights, the Group primarily assesses whether it controls the investee through holding more than 50% of the voting rights. However, the Group can have power even if it holds less than 50% of the voting rights of the investee, through:

- a contractual arrangement between the investors and other vote holders,
- rights arising from other contractual arrangements,
- the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders,
- potential voting rights.

In cases of structured entities where the voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements (i.e. securitization vehicles or mutual funds), the Group assesses the existence of control based on the following:

- the purpose of the entity and the contractual rights of the parties involved,

- the risks to which the investee was designed to be exposed, the risks it was designed to pass on to the parties involved with the investee and the degree of exposure of the Group to those risks,
- indications of a special relationship with the entity, which suggests that the Group has more than a passive interest in the investee.

Furthermore, regarding the structured entities that are managed by the Group, the Group assesses if it acts as principal or an agent based on the extent of its decision – making authority over the entity's activities, the rights of third parties and the degree of its exposure to variability of returns due to its involvement with the entity.

The Group, based on the above criteria, controls structured entities established for the securitization of loan portfolios.

The Group reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

The financial statements of subsidiaries are fully consolidated from the date that control commences until the date that control ceases.

The acquisition method is applied when the Group obtains control of other companies or units that meet the definition of a business. Application of the acquisition method requires identifying the acquirer, determining the acquisition date and measuring the consideration transferred, the identifiable assets acquired, the liabilities assumed and any non controlling interest in the acquiree, in order to determine the amount of goodwill or gain arising from the business combination.

The consideration transferred is measured at fair value on acquisition date. Consideration includes also the fair value of any contingent consideration. The obligation to pay contingent consideration is recognized as a liability or as an equity component, in accordance with IAS 32 or other applicable IFRSs. The right to the return of a previously transferred consideration is classified as an asset, if specified conditions are met. Subsequently, and to the extent that changes in the value of the contingent consideration do not constitute measurement period adjustments, contingent consideration is measured as follows:

- In case it has been classified in equity, it is not re-measured.
- In all other cases it is measured at fair value through profit or loss.

The identifiable assets acquired and liabilities assumed are initially recognised on acquisition date at their fair value, except from specific assets or liabilities for which a different measurement basis is required. Any non controlling interests are recognised at either fair value or at their proportionate share in the acquiree's identifiable net assets, as long as they are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Otherwise, they are measured at their acquisition date fair values.

Any difference between:

a. the sum of the consideration transferred, the fair value of any previously held equity interest of the Group in the acquiree and the amount of any non – controlling interests, and
b. the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed,

is recognised as goodwill if the above difference is positive or as a gain in profit or loss if the difference is negative.

During the measurement period, the provisional amounts recognized at the acquisition date are adjusted in order to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. These adjustments affect accordingly the amount of goodwill. The measurement period ends as soon as the information about facts and circumstances existed as of the acquisition date has been obtained. However, the measurement period shall not exceed one year from the acquisition date.

When the Group's interest in a subsidiary increases as a result of an acquisition, the difference between the consideration paid and the share of net assets acquired is recognized directly in retained earnings.

Sales of ownership interests in subsidiaries that do not result in a loss of control for the Group are accounted for as equity transactions and the gain or loss arising from the sale is recognized directly in retained earnings.

Intercompany transactions are eliminated, unless the transaction provides evidence of impairment of the asset transferred, in which case, it is recognized in the consolidated balance sheet.

b. Associates

Associates are entities over which the Group has significant influence but not control. Significant influence is generally presumed to exist when the Group holds, directly or indirectly, more than 20% of the share capital of the company concerned without having control or joint control, unless the ownership of more than 20% does not ensure significant influence, e.g. due to lack of representation of the Group in the company's Board of Directors or due to the Group's non-participation in the policy making process.

Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets of the associate. In case the losses according to the equity method exceed the investment in ordinary shares, they are recognized as a reduction of other elements that are essentially an extension of the investment in the associate.

The Group's share of the associate's profit or loss and other comprehensive income is separately recognized in the income statement and in the statement of comprehensive income, accordingly.

c. Joint ventures

The Group applies IFRS 11 which deals with the accounting treatment of interests in joint arrangements. All joint arrangements in which the Group participates and has joint control are joint ventures, which are accounted for by using the equity method.

A detailed list of all Group subsidiaries, associates and joint ventures, as well as the Group's ownership interest in them, is provided in note 38.

1.3 Operating Segments

Operating segments are determined and measured based on the information provided to the Executive Committee of the Bank, which is the body responsible for the allocation of resourses between the Group's operating segments and the assessment of their performance.

Based on the above, as well as the Group's administrative structure and activities, the following operating segments have been determined:

- Retail Banking
- Corporate Banking
- Asset Management and Insurance
- Investment Banking and Treasury
- South Eastern Europe
- Other

Since the Group operates in various geographical areas, apart from the operating segments identified above, the financial statements contain information based on the below distinction:

- Greece
- Other Countries

It is noted that the methods used to measure operating segments for the purpose of reporting to the Executive Committee are not different from those required by the International Financial Reporting Standards.

Detailed information relating to operating segments is provided in note 40.

1.4 Transactions in foreign currency and translation of foreign operations

a. Transactions in foreign currency

The consolidated financial statements are presented in Euro, which is the functional currency and the currency of the country of incorporation of the parent company Alpha Bank.

Items included in the financial statements of the subsidiaries are measured in the functional currency of each subsidiary which is the currency of the company's country of incorporation or the currency used in the majority of the transactions held.

Transactions in foreign currencies are translated into the functional currency of each subsidiary at the closing exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency at the closing exchange rate at that date. Foreign exchange differences arising on translation are recognized in the income statement.

Non-monetary assets and liabilities are recognized at the exchange rate ruling at initial recognition, except for non-monetary items denominated in foreign currencies that are measured at fair value. The exchange differences relating to these items are part of the change in fair value and they are recognized in the income statement or recorded directly in equity depending on the classification of the non-monetary item.

b. Translation of foreign operations

The financial statements of all group entities that have a functional currency that is different from the presentation currency of the Group financial statements are translated as follows:

i. Assets and liabilities are translated to Euro at the closing rate applicable on the balance sheet date. The comparative figures presented are translated to Euro at the closing rates at the respective date of the comparative balance sheet.

ii. Income and expense items are translated to Euro at average exchange rates applicable for each period presented.

The resulting exchange difference from the retranslation and those arising from other monetary items designated as a part of the net investment in the entity are recorded in equity. When a foreign entity is sold, the exchange differences are reclassified to the income statement as part of the gain or loss on sale.

1.5 Cash and cash equivalents

For the purposes of the consolidated cash flow statement, cash and cash equivalents consists of:

a. Cash on hand

b. Non-restricted placements with Central Banks and

c. Short-term balances due from banks and Reverse Repo agreements

Short-term balances due from banks are amounts that mature within three months of the balance sheet date.

1.6 Classification and measurement of financial instruments

Initial recognition

The Group recognises financial assets or financial liabilities in its statement of financial position when it becomes a party to the contractual provisions of the instrument.

Upon initial recognition the Group measures financial assets and liabilities at fair values. Financial instruments not measured at fair value through profit or loss are initially recognised at fair value plus transaction costs and minus income or fees that are directly attributable to the acquisition or issue of the financial instrument.

Subsequent measurement of financial assets

The Group classifies its financial assets as:

- Loans and receivables
- Held-to-maturity investments
- Financial assets at fair value through profit or loss
- Available-for-sale financial assets

For each of the above categories the following apply:

a) Loans and receivables

Non derivative financial assets, with fixed or determinable payments, that are not quoted in an active market and for which the Group does not expect not to recover substantially its investment other than because of credit deterioration of the issuer, can be classified as loans and receivables. The Group has classified the following as loans and receivables:

i. loans to customers,

ii. amounts paid to acquire a portion or the total of series of bonds that are not quoted in an active market,

iii. all receivables from customers, banks etc.,

iv. bonds with fixed or determinable payments that are not quoted in an active market.

This category is measured at amortized cost using the effective interest rate method and is periodically tested for impairment based on the procedures described in note 1.14.

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the interest income or expense during the relative period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the contractual life of a financial instrument or the next repricing date.

b) Held-to-maturity investments

Non derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold until maturity can be classified as Held-to-maturity investments.

The Group has classified bonds, treasury bills and other debt securities in this category.

Held-to-maturity investments are measured at amortized cost using the effective interest rate method and are tested for impairment at each reporting date. In cases when objective evidence exists that an impairment loss has occurred, the carrying amount of the financial asset is reduced to the recoverable amount, and the difference is recognised in profit or loss.

c) Financial assets at fair value through profit or loss

Financial assets included in this category are:

i. Financial assets which are acquired principally for the purpose of selling in the near term to obtain short term profit (held for trading).

   The Group has included in this category bonds, treasury bills and a limited number of shares.

ii. Financial assets the Group designated, at initial recognition, as at fair value through profit or loss. This classification is used in the following circumstances:

   - When management monitors and manages the financial instruments on a fair value basis in accordance with a documented risk management or investment strategy.
   - When the designation eliminates an accounting mismatch which would otherwise arise from measuring financial assets and liabilities on a different basis (i.e. amortized cost) in relation to another financial asset or liability (i.e. derivatives which are measured at fair value through profit or loss).
   - When a financial instrument contains an embedded derivative that significantly modifies the cash flows, or the separation of these derivatives from the main financial instruments is not prohibited.

   As at the reporting date, the Group had not designated, at initial recognition, any financial assets as at fair value through profit or loss.

d) Available-for-sale

Available-for-sale financial assets are financial assets that have not been classified in any of the previous categories.

The Group has included in this category bonds, treasury bills, debt securities, shares and mutual fund units.

This category is measured at fair value. Changes in fair value are recognized directly in equity until the financial asset is sold, where upon, the cumulative gains and losses previously recognized in equity are recognized in profit or loss.

The financial assets included in this category are reviewed at each balance sheet date to determine whether there is any indication of impairment. For investments in shares, in particular, a significant or prolonged decline in their fair value below their acquisition cost is considered as an objective evidence of impairment. The Group considers as "significant" a decrease of over 20% compared to the cost of the investment. Respectively, "prolonged" is a decrease in the fair value below amortised cost for a continuous period exceeding one year. The above criteria are assessed in conjunction with the general market conditions.

In case of impairment, the cumulative loss already recognised in equity is reclassified in profit or loss. When a subsequent event causes the amount of impairment loss recognised on an available-for-sale bond or debt security to decrease, the impairment loss is reversed through profit or loss, if it can objectively be related to an event occurring after the impairment loss was recognized. However, impairment losses recognised for investments in shares and mutual funds are not reversed through profit or loss.

The measurement principles noted above are not applicable when a specific financial asset is the hedged item in a hedging relationship, in which case the principles set out in note 1.7 apply.

Reclassification of financial assets

Reclassification of non-derivative financial assets is permitted as follows:

i. Reclassification out of the "held-for-trading" category to the "loans and receivables" category, "investments held-to-maturity" category or "available-for-sale" category is permitted only when there are rare circumstances and the financial assets are no longer held for sale in the foreseeable future.

ii. Reclassification out of the "held-for-trading" category to either "loans and receivables" or "available-for-sale" is permitted, even when there are no rare circumstances, only if the financial assets meet the definition of loans and receivables and there is the intention to hold them for the foreseeable future or until maturity.

iii. Reclassification out of the "available-for-sale" category to the "loans and receivables" category is permitted for financial assets that would have met the definition of loans and receivables and the entity has the intent to hold the financial asset for the foreseeable future or until maturity.

iv. Reclassification out of the "available-for-sale" category to the "held-to-maturity" category is permitted for financial assets that meet the relevant characteristics and the entity has the intent and ability to hold them until maturity.

v. Reclassification out of the "held-to-maturity" category to the "available-for-sale" category occurs when the entity has no longer the intention or the ability to hold these instruments until maturity.

It is noted that in case of sale or reclassification of a significant amount of held-to-maturity investments, the remaining investments in this category are mandatorily transferred to the available-for-sale category. This would prohibit the classification of any securities as held for maturity for the current and the following two financial years. Exceptions apply in cases of sales and reclassifications of investments that:

- are so close to maturity or the financial asset's call date that changes in the market rate of interest would not have a significant effect on the financial asset's fair value;
- occur after the Group has collected substantially all of the financial asset's original principal through scheduled payments or prepayments; or
- are attributable to an isolated, nonrecurring event that is beyond the Group's control.

Derecognition of financial assets

The Group derecognizes financial assets when:

- the cash flows from the financial assets expire,
- the contractual right to receive the cash flows of the financial assets is transferred and at the same time both risks and rewards of ownership are transferred,
- loans or investments in securities are no longer recoverable and consequently are written off.

In the case of transactions where despite the transfer of the contractual right to recover the cash flows from financial assets both the risk and rewards remain with the Group, no derecognition of these financial assets occurs. The amount received by the transfer is recognized as a financial liability. The accounting practices followed by the Group in such transactions are discussed further in notes 1.21 and 1.22

In the case of transactions, whereby the Group neither retains nor transfers risks and rewards of the financial assets, but retains control over them, the financial assets are recognized to the extent of the Group's continuing involvement. If the Group does not retain control of the assets then they are derecognised, and in their position the Group recognizes, distinctively, the assets and liabilities which are created or retained during the transfer. No such transactions occurred upon balance sheet date.

Subsequent measurement of financial liabilities

The Group classifies financial liabilities in the following categories for measurement purposes:

a) Financial liabilities measured at fair value through profit or loss

i. This category includes financial liabilities held for trading, that is:
    - financial liabilities acquired or incurred principally with the intention of selling or repurchasing in the near term for short term profit, or
    - derivatives not used for hedging purposes. Liabilities arising from either derivatives held for trading or derivatives used for hedging purposes are presented as

"derivative financial liabilities" and are measured according to the principles set out in note 1.7.

ii. this category also includes financial liabilities which are designated by the Group as at fair value through profit or loss upon initial recognition, according to the principles set out above for financial assets (point cii).

In the context of the acquisition of Emporiki Bank, the Group issued a bond which was classified in the above mentioned category.

b) Financial liabilities carried at amortized cost

The liabilities classified in this category are measured at amortized cost using the effective interest method.

Liabilities to credit institutions and customers, debt securities issued by the Group and other loan liabilities are classified in this category.

In cases when financial liabilities included in this category are designated as the hedged item in a hedge relationship, the accounting principles applied are those set out in note 1.7.

c) Liabilities arising from financial guarantees and commitments to provide loans at a below market interest rate

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment.

The financial guarantee contracts and the commitments to provide loans at a below market interest rate are initially recognized at fair value, and measured subsequently at the higher of:

- the amount of the provision (determined in accordance with IAS 37) when an outflow of resources is considered probable and a reliable estimate of this outflow is possible,
- the amount initially recognised less cumulative amortization.

Derecognition of financial liabilities

The Group derecognizes a financial liability (or part thereof) when its contractual obligations are discharged or cancelled or expire.

In cases that a financial liability is exchanged with another one with substantially different terms, the exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new one. The same applies in cases of a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor). The terms are considered substantially different if the discounted present value of the cash flows under the new terms (including any fees paid net of any fees received), discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability.

In cases of derecognition, the difference between the carrying amount of the financial liability (or part of the financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the balance sheet, only in cases when the Group has both the legal right and the intention to settle them on a net basis, or to realize the asset and settle the liability simultaneously.

1.7 Derivative financial instruments and hedge accounting

Derivative financial instruments

Derivatives are financial instruments that upon inception have a minimal or zero value that subsequently changes in accordance with a particular underlying instrument (foreign exchange, interest rate, index or other variable).

All derivatives are recognized as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives are entered into for either hedging or trading purposes and they are measured at fair value irrespective of the purpose for which they have been transacted.

In the cases when derivatives are embedded in other financial instruments, such as bonds, loans, deposits, borrowed funds etc and the host contract is not itself carried at fair value through profit or loss, then they are accounted for as separate derivatives when the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. These embedded derivatives are measured at fair value and are recognized as derivative assets or liabilities.

In the cases where derivatives are embedded in financial instruments that are measured at fair value through profit or loss, the changes in the fair value of the derivative are included in the fair value change of the combined instrument and recognized in gains less losses on financial transactions.

The Group uses derivatives as a means of exercising Asset-Liability management within the guidelines established by the Asset-Liability Committee (ALCO).

In addition the Group uses derivatives for trading purposes to exploit short-term market fluctuations, within the Group risk level set by the Asset-Liability Committee (ALCO).

Valuation differences arising from these derivatives are recognized in gains less losses on financial transactions.

When the Group uses derivatives for hedging purposes it ensures that appropriate documentation exists on inception of the transaction, and that the effectiveness of the hedge is monitored on an ongoing basis at each balance sheet date.

We emphasize the following:

a. Synthetic Swaps

The parent company (Alpha Bank), in order to increase the return on deposits to selected customers, uses synthetic swaps.

This involves the conversion of a Euro deposit to JPY or other currency with a simultaneous forward purchase of the related currency to cover the foreign exchange exposure.

The result arising from the forward transaction is recognized as interest expense, which is included in deposits' interest expense, foreign exchange differences and other gains less losses on financial transactions.

b. FX Swaps

These types of swaps are entered into primarily to hedge the exposures arising from customer loans and deposits.

As there is no documentation to support hedge accounting they are accounted for as trading instruments.

The result arising from these derivatives is recognized as interest and foreign exchange differences, in order to match with the interest element and foreign exchange differences resulting from the deposits and loans, and as other gains less losses on financial transactions.

Hedge accounting

Hedge accounting establishes the valuation rules to offset the gain or loss of the fair value of a hedging instrument and a hedged item which would not have been possible if the normal measurement principles were applied.

Documentation of the hedging relationship upon inception and of the effectiveness of the hedge on an on-going basis are the basic requirements for the adoption of hedge accounting.

The hedge relationship is documented upon inception and the hedge effectiveness test is carried out upon inception and is repeated at each reporting date.

a. Fair value hedges

A fair value hedge of a financial instrument offsets the change in the fair value of the hedged item in respect of the risks being hedged.

Changes in the fair value of both the hedging instrument and the hedged item, in respect of the specific risk being hedged, are recognized in the income statement.

When the hedging relationship no longer exists, the hedged items continue to be measured based on the classification and valuation principles set out in note 1.6. Specifically any adjustment, due to the fair value change of a hedged item for which the effective interest method is used, up to the point that the hedging relationship ceases to be effective, is amortized to interest income or expense based on a recalculated effective interest rate, over its remaining life.

The Group uses interest rate swaps (IRS's, caps) to hedge risks relating to borrowings, bonds, and loans.

b. Cash flow hedge

A cash flow hedge changes the cash flows of a financial instrument from a variable rate to a fixed rate.

The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, whereas the ineffective portion is recognized in profit or loss. The accounting treatment of the hedged item does not change.

When the hedging relationship is discontinued, the amount recognized in equity remains there separately until the cash flows or the future transaction occur. When the cash flows or the future transaction occur the following apply:

- If the result is the recognition of a financial asset or a financial liability, the amount is reclassified to profit or loss in the same periods during which the hedged forecast cash flows affect profit or loss.
- If the result is the recognition of a non-financial asset or a non-financial liability or a firm commitment for which fair value hedge accounting is applied, the amount recognized in equity either is reclassified to profit or loss in the same periods during which the asset or the liability affect profit or loss or adjusts the carrying amount of the asset or the liability.

If the expected cash flows or the transaction are no longer expected to occur, the amount is reclassified to profit or loss.

The Group applies cash flow hedge accounting for specific groups of term deposits as well as for the currency risk of specific assets. The amount that has been recognized in equity, as a result of revoked cash flow hedging relationships for term deposits, is linearly amortized in the periods during which the hedged cash flows from the aforementioned term deposits affect profit or loss.

c. Hedges of net investment in a foreign operation

The Group uses foreign exchange derivatives or borrowings to hedge foreign exchange risks arising from investment in foreign operations.

Hedge accounting of net investment in a foreign operation is similar to cash flow hedge accounting. The cumulative gain or loss recognized in equity is reversed and recognized in profit or loss, at the time that the disposal of the foreign operation takes place.

1.8 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Group measures the fair value of assets and liabilities traded in active markets based on available quoted market prices. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Especially, for the measurement of securities, the Group uses a particular range of prices, within the bid-ask spread, in order to characterize the prices as prices of an active market.

The fair value of financial instruments that are not traded in an active market is determined by the use of valuation techniques, appropriate in the circumstances, and for which sufficient data to measure fair value are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If observable inputs are not available, other model inputs are used which are based on estimations and assumptions such as the determination of expected future cashflows, discount rates, probability of counterparty default and prepayments. In all cases, the Group uses the assumptions that 'market participants' would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Assets and liabilities which are measured at fair value or for which fair value is disclosed are categorized according to the inputs used to measure their fair value as follows:

- Level 1 inputs: quoted market prices (unadjusted) in active markets
- Level 2 inputs: directly or indirectly observable inputs
- Level 3 inputs: unobservable inputs used by the Group, to the extent that relevant observable inputs are not available

In particular, the Group applies the following:

Financial instruments

For financial instruments the best evidence of fair value at initial recognition is the transaction price, unless the fair value can be derived by other observable market transactions relating to the same instrument, or by a valuation technique using mainly observable inputs. In these cases, if the fair value differs from the transaction price, the difference is recognized in the statement of comprehensive income. In all other cases, fair value is adjusted to defer the difference with the transaction price. After initial recognition, the deferred difference is recognized as a gain or loss only to the extent that it arises from a change in a factor that market participants would take into account when pricing the instrument.

When measuring fair value, the Group takes into consideration the effect of credit risk. Specifically, for derivative contracts, the Group estimates the credit risk of both counterparties (bilateral credit valuation adjustments).

The Group measures fair value for all assets and liabilities separately. Regarding derivative exposures, however, that the Group manages as a group on a counterparty basis and for which it provides information to the key management personnel, the fair value measurement for credit risk is performed based on the net risk exposure per counterparty. Credit valuation adjustments arising from the aforementioned process are allocated to either assets or liabilities, depending on whether the net exposure to the counterparty is long or short respectively.

Furthermore, the fair value of deposit accounts with a demand feature (such as saving deposits) is no less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The principal inputs to the valuation techniques used by the Group are:

- Bond prices - quoted prices available for government bonds and certain corporate securities.
- Credit spreads - these are derived from active market prices, prices of credit default swaps or other credit based instruments, such as debt. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Interest rates - these are principally benchmark interest rates such as the LIBOR, OIS and other quoted interest rates in the swap, bond and futures markets. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Foreign currency exchange rates - observable markets both for spot and forward contracts and futures.
- Equity and equity index prices - quoted prices are generally readily available for equity shares listed on stock exchanges and for major indices on such shares.
- Price volatilities and correlations - Volatility and correlation values are obtained from pricing services or derived from option prices.
- Unlisted equities - financial information specific to the company or industry sector comparables.
- Mutual Funds- for open-ended investments funds listed on a stock exchange the published daily quotations of their net asset values (NAVs).

Non financial assets and liabilities

The most important category of non financial assets for which fair value is estimated is real estate property.

The process, mainly, followed for the determination of the fair value is summarized below:

- Assignment to the engineer - valuer
- Case study- Setting of additional data
- Autopsy - Inspection
- Data processing - Calculations

- Preparation of the valuation report

To derive the fair value of the real estate property, the valuer chooses among the three following valuation techniques:

- Market approach (or sales comparison approach), which measures the fair value by comparing the property to other identical ones for which information on transactions is available.
- Income approach, which capitalizes future cash flows arising from the property using an appropriate discount rate.
- Cost approach, which reflects the amount that would be required currently to replace the asset with another asset with similar specifications, after taking into account the required adjustment for impairment.

Examples of inputs used to determine the fair value of properties and which are analysed to the individual valuations, are the following:

- Commercial property: price per square meter, rent growth per annum, long-term vacancy rate, discount rate, expense rate of return, lease term, rate of non leased properties/units for rent.
- Residential property: Net return, reversionary yield, net rental per square meter, rate of continually non leased properties/units, expected rent value per square meter, discount rate, expense rate of return, lease term etc.
- General assumptions such as the age of the building, residual useful life, square meter per building etc are also included in the analysis of the individual valuation assessments.

It is noted that the fair value measurement of a property takes into account a market's participant ability to generate economic benefits by using the asset in it's highest and best use or by selling it to another market participant that would use the asset in it's highest and best use.

1.9 Property, Plant and Equipment

This caption includes: land, buildings used by branches or for administrative purposes, additions and improvements of leased property and equipment.

Property, plant and equipment are initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit.

Expenditure on repairs and maintenance is recognized in profit or loss as an expense as incurred.

Depreciation is charged on a straight line basis over the estimated useful lives of property, plant and equipment and it is calculated on the asset's cost minus residual value.

The estimated useful lives are as follows:

- Buildings: up to 50 years
- Additions to leased fixed assets and improvements: duration of the lease
- Equipment and vehicles: up to 40 years

Land is not depreciated but it tested for impairment.

The right to use of land for indefinite period that is held by Alpha Real Estate D.O.O. Belgrade, a subsidiary of the Group, is recorded as land and is not depreciated.

The residual value of property and equipment and their useful lives are periodically reviewed and adjusted if necessary at each reporting date.

Property, plant and equipment are reviewed at each reporting date to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss.

Gains and losses from the sale of property and equipment are recognized in profit or loss.

1.10 Investment property

The Group includes in this category buildings or portions of buildings together with their respective portion of land that are held to earn rental income.

Investment property is initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently investment property is measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit. All costs for repairs and maintenance are recognized in profit or loss as incurred.

The estimated useful lives over which depreciation is calculated using the straight line method are the same as those applied to property, plant and equipment.

In case of a change in the Group's intention regarding the use of property, reclassifications to or from the "Investment Property" category occur. In particular, property is reclassified to "Property, plant and equipment" if the Group's intention is to use the asset in its own business operations, whereas in case the Group decides to sell the property, it is reclassified to the "Assets held-for-sale" category, provided that all conditions mentioned in paragraph 1.17 are met. Conversely, property not classified as "Investment Property" is transferred to this category in case a decision for its lease is made.

1.11 Goodwill and other intangible assets

Goodwill

Goodwill represents the difference between the cost of an acquisition as well as the value of non-controlling interests and the fair value of the assets and liabilities of the entity acquired, as at the acquisition date.

Positive goodwill arising from acquisitions after 1/1/2004 is recorded to "Goodwill and other intangible assets", if it relates to the acquisition of a subsidiary, and it is tested for impairment at each balance sheet date. Goodwill on acquisitions of associates or joint ventures is included in "Investment in associates and joint ventures".

Negative goodwill is recognized in profit or loss.

Other intangible assets

The Group has included in this caption:

a) Intangible assets which are recognized from business combinations in accordance with IFRS 3 or which were individually acquired. The intangible assets are carried at cost less accumulated amortization and impairment losses.

Intangible assets include the value attributed to the acquired customer relationships, deposit bases and mutual funds management rights. Their useful life has been determined from 2 to 9 years.

b) Software, which is measured at cost less accumulated amortization and impairment losses. The cost of separately acquired software comprises of its purchase price and any directly attributable cost of preparing the software for its intended use, including employee benefits or professional fees. The cost of internally generated software comprises of expenditure incurred during the development phase, including employee benefits arising from the generation of the software. Amortization is charged over the estimated useful life of the software which the Group has estimated between 1 to 15 years. Expenditure incurred to maintain software programs is recognized in the income statement as incurred. Software that is considered to be an integral part of hardware (hardware cannot operate without the use of the specific software) is classified in property, plant and equipment.

c) Brand names and other rights are measured at cost less accumulated amortization and impairment losses. The amortization is charged over the estimated useful life which the Group has estimated up to 7 years.

Intangible assets are amortized using the straight line method, excluding those with indefinite useful life, which are not amortized. All intangible assets are tested for impairment.

No residual value is estimated for intangible assets.

1.12 Leases

The Group enters into leases either as a lessee or as a lessor.

When the risks and rewards incident to ownership of an asset are transferred to the lessee they are classified as finance leases.

All other lease agreements are classified as operating leases.

The accounting treatment followed depends on the classification of the lease, which is as follows:

a) When the Group is the lessor

i. Finance leases:

For finance leases where the Group is the lessor the aggregate amount of lease payments is recognized as loans and advances.

The difference between the present value (net investment) of lease payments and the aggregate amount of lease payments is recognized as unearned finance income and is deducted from loans and advances.

The lease rentals received decrease the aggregate amount of lease payments and finance income is recognized on an accrual basis.

The finance lease receivables are subject to the same impairment testing as applied to customer loans and advances as described in note 1.14.

ii. Operating leases:

When the Group is a lessor of assets under operating leases, the leased asset is recognized and depreciation is charged over its estimated useful life. Income arising from the leased asset is recognized as other income on an accrual basis.

b) When the Group is the lessee

i. Finance leases:

For finance leases, where the Group is the lessee, the leased asset is recognized as property, plant and equipment and a respective liability is recognized in other liabilities.

At the commencement of the lease the leased asset and liability are recognized at amounts equal to the fair value of leased property or, if lower, the present value of the minimum lease payments. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease or if, this is not available, the Group's borrowing rate for similar financing.

Subsequent to initial recognition, the leased assets are depreciated over their useful lives unless the duration of the lease is less than the useful life of the leased asset and the Group is not expected to obtain ownership at the end of the lease, in which case the asset is depreciated over the term of the lease.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

ii. Operating leases:

For operating leases the Group, as a lessee, does not recognize the leased asset but charges in general administrative expenses the lease payments on an accrual basis.

1.13 Insurance activities

a) Insurance contracts

An insurance contract is a contract with which significant insurance risk is transferred from the policyholder to the insurance company and the insurance company agrees to compensate the policyholder if a specified uncertain future event affects him adversely. Insurance risk is significant if, and only if an event could force the company to pay significant additional benefits. For the Group, insurance risk is significant when the amount paid in the event of insurance risk exceeds 10% of the total benefit arising from the contract.

b) Distinction of insurance products

In accordance with IFRS 4 contracts that do not transfer significant insurance risk are characterized as investment and/or service contracts, and their accounting treatment is covered by IAS 32 and IAS 39 for financial instruments and IAS 18 for revenue.

All types of contracts offered by the Group are classified as insurance life contracts, as they represent individual, traditional insurance contracts that provide earnings participation based on surplus revenue from investment (in relation to the technical interest rate) on the mathematical reserves.

c) Insurance reserves

The insurance reserves are the current estimates of future cash flows arising from insurance life contracts. The reserves consist of:

i. Mathematical reserves

The insurance reserves for the term life contracts (e.g. term, comprehension, investment) are calculated on actuarial principles using the present value of future liabilities less the present value of premiums to be received.

The calculations are based on technical assumptions (mortality tables, interest rates) in accordance with the respective supervisory authorities on the date the contract was signed.

If the carrying amount of the insurance reserves is inadequate, the entire deficiency is provided for.

ii. Outstanding claims reserves

They concern liabilities on claims occurred and reported but not yet paid at the balance sheet date. These claims are determined on a case-by-case basis based on existing information (loss adjustors' reports, court decisions etc) at the balance sheet date.

They include also provisions for claims incurred but not reported at the balance sheet date (IBNR). The calculation of these provisions is based on statistical experience and the estimated average cost of claim.

d) Revenue recognition

Revenue from life insurance contracts is recognized when it becomes payable.

e) Reinsurance

The Group currently does not use reinsurance contracts.

f) Liability adequacy test

In accordance with IFRS 4 an insurer shall assess at each reporting date whether its recognized insurance reserves less deferred acquisition costs are adequate to cover the risk arising from the insurance contracts.

The methodology applied for life insurance products was based on current estimates of all future cash flows from insurance contracts and of related handling costs. These estimates were based on assumptions representing current market conditions and regarding parameters such as mortality, cancellations, future changes and allocation of administrative expenses as well as the discount rate. The guaranteed return included in certain insurance contracts has also been taken into account in estimating cash flows.

If that assessment shows that the carrying amount of its insurance reserves is inadequate, the entire deficiency is recognized against profit or loss.

1.14 Impairment losses on loans and advances

The Group assess at each balance sheet date whether there is evidence of impairment in accordance with the general principles and methodology set out in IAS 39 and the relevant implementation guidance.

Specifically, the steps performed are the following:

a. The criteria of assessment on an individual or collective basis

The Group assesses for impairment on an individual basis the loans that it considers individually significant. Significant are the loans of the wholesale sector as well as specific loans of the retail sector. For the remaining loans impairment test is performed on a collective basis.

The Group has determined the criteria that consist trigger events for the assessment of impairment.

Loans which are individually assessed for impairment and found not impaired are included in groups, based on similar credit risk characteristics, and assessed for impairment collectively.

The Group groups the portfolio into homogenous populations, based on common risk characteristics, and has a strong historical statistical basis, in which it performs an analysis with which it captures and defines impairment testing, by segment population.

In addition, as part of the collective assessment, the Group recognizes impairment for loss events that have been incurred but not reported (IBNR). The calculation of the impairment loss in these cases takes into account the period between the occurance of a specific event and the date it becomes known (Loss Identification Period).

A detailed analysis of the loans that belong to the wholesale and the retail sectors, of the trigger events for impairment as well as of the characteristics used for the determination of the groups for the collective assessment is included in note 41.1.

b. Methodology in determining future cash flows from impaired loans

The Group has accumulated a significant amount of historical data, which includes the loss given default for loans after the completion of forced recovery, or other measures taken to secure collection of loans, including the realization of collaterals.

Based on the above, the amount of the recoverable amount of each loan is determined after taking into account the time value of money. The cash flows are discounted at the loans' original effective interest rate.

An impairment loss is recognized to the extent that the recoverable amount of the loan is less than its carrying amount.

c. Interest income recognition

Interest income on impaired loans is recognized based on the carrying value of the loan net of impairment at the original effective interest rate.

d. Impairment recognition – Write – offs

Amounts of impaired loans are recognized on allowance accounts until the Group decides to write them down/write them off.

The policy of the Group regarding write downs/write offs is presented in detail in note 41.1.

e. Recoveries

If in a subsequent period, after the recognition of the impairment loss, events occur which require the impairment loss to be reduced, or there has been a collection of amounts from loans and advances previously written-off, the recoveries are recognized in impairment losses and provisions to cover credit risk.

1.15 Impairment losses on non-financial assets

The Group assess as at each balance sheet date non-financial assets for impairment, particularly property, plant and equipment, investment property, goodwill and other intangible assets as well as its investment in associates and joint ventures.

In assessing whether there is an indication that an asset may be impaired both external and internal sources of information are considered, of which the following are indicatively mentioned:

- The asset's market value has declined significantly, more than would be expected as a result of the passage of time or normal use.
- Significant changes with an adverse effect have taken place during the period or will take place in the near future, in the technological, economic or legal environment in which the entity operates or in the market to which the asset is dedicated.
- Significant unfavorable changes in foreign exchange rates.
- Market interest rates or other rates of return of investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use.
- The carrying amount of the net assets of the entity is greater than its market capitalization.
- Evidence is available of obsolescence or physical damage of an asset.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Fair value less costs to sell is the amount received from the sale of an asset (less the cost of disposal) in an orderly transaction between market participants.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash –generating unit through their use and not from their disposal. For the valuation of property, plant and equipment, value in use incorporates the value of the asset as well as all the improvements which render the asset perfectly suitable for its use by the Group.

1.16 Income tax

Income tax consists of current and deferred tax.

Current tax for a period includes the expected amount of income tax payable in respect of the taxable profit for the current reporting period, based on the tax rates enacted at the balance sheet date.

Deferred tax is the tax that will be paid or for which relief will be obtained in future periods due to the different period that certain items are recognized for financial reporting purposes and for taxation purposes. It is calculated based on the temporary differences between the tax base of assets and liabilities and their respective carrying amounts in the financial statements.

Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply when the temporary difference reverses, based on the tax rates (and laws) enacted at the balance sheet date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Income tax, both current and deferred, is recognized in profit or loss except when it relates to items recognized directly in equity. In such cases, the respective income tax is also recognized in equity.

1.17 Non-current assets held for sale

Non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, are classified as held-for-sale.

The above classification is used if the asset is available for immediate sale in its present condition and its sale is highly probable. The sale is considered highly probable when it has been decided by Management, an active programme to locate a buyer has been initiated, the asset is actively marketed for sale at a price which is reasonable in relation to its current fair value and the sale is expected to be completed within one year. Non-current assets that are acquired exclusively with a view to their subsequent disposal are classified as held for sale at the acquisition date when the one-year requirement is met and it is highly probable that the remaining criteria will be met within a short period following the acquisition (usually within three months).

Non-current assets held for sale mainly consist of assets acquired through the enforcement of security over customer loans and advances. Before their classification as held for sale, the assets are remeasured in accordance with the respective accounting standard.

Assets held for sale are initially recognised and subsequently remeasured at each balance sheet date at the lower of their carrying amount and fair value less cost to sell. Any loss arising from the above measurement is recorded in profit or loss and can be reversed in the future. When the loss relates to a disposal group it is allocated to assets within the disposal group with the exception of specific assets that are not within the scope of IFRS 5. The impairment loss on a disposal group is first allocated to goodwill and then to the remaining assets and liabilities on a pro-rata basis.

Assets in this category are not depreciated.

Gains or losses from the sale of these assets are recognized in the income statement.

Non - current assets that are acquired through enforcement procedures but are not available for immediate sale or are not expected to be sold within a year are included in Other Assets and are measured at the lower of cost (or carrying amount) and fair value. Non-current assets held for sale, that the Group subsequently decides either to use or to lease, are reclassified to the categories of property, plant and equipment or investment property respectively. During their reclassification, they are measured at the lower of their recoverable amount and their carrying amount before they were classified as held for sale, adjusted for any depreciation, amortization or revaluation that would have been recognized had the assets not been classified as held for sale.

1.18 Employee benefits

The Group has both defined benefit and defined contribution plans.

A defined contribution plan is where the Group pays fixed contributions into a separate entity and the Group has no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in current or prior years. The contributions are recognized as employee benefit expense on an accrual basis. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement which is dependent, among others, on years of service and salary on date of retirement and it is guaranteed by the entity of the Group.

The defined benefit obligation is calculated, separately for each plan, based on an actuarial valuation performed by independent actuaries using the projected unit credit method.

The net liability recognized in the consolidated financial statements is the present value of the defined benefit obligation (which is the expected future payments required to settle the obligation resulting from employee service in the current and prior periods) less the fair value of plan assets. The amount determined by the above comparison may be negative, an asset. The amount of the asset recognised in the financial statements cannot exceed the total of the present value of any economic benefits available to the Group in the form of refunds from the plan or reductions in future contributions to the plan.

The present value of the defined benefit obligation is calculated based on the return of high quality corporate bonds with a corresponding maturity to that of the obligation, or based on the return of government bonds in cases when there in no deep market in corporate bonds.

Interest on the net defined benefit liability (asset), which is recognised in profit or loss, is determined by multiplying the net defined benefit liability (asset) by the discount rate used to discount post-employment benefit obligation, as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset).

Service cost, which is also recognised in profit or loss, consists of:

- Current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period;
- Past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from the introduction or withdrawal of, or changes to, a defined benefit plan or a curtailment (a significant reduction by the entity in the number of employees covered by a plan) and
- Any gain or loss on settlement.

Before determining past service cost or a gain or loss on settlement, the Group remeasures the net defined benefit liability (asset) using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan before its amendment, curtailment or settlement.

Past service cost, in particular, is directly recognized to profit or loss at the earliest of the following dates:

- When the plan amendment or curtailment occurs; and
- When the Group recognizes related restructuring costs (according to IAS 37) or termination benefits.

Likewise, the Group recognizes a gain or loss on the settlement when the settlement occurs.

Remeasurements of the net defined benefit liability (asset) which comprise:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- any change in the effect of the limitation in the asset recognition, excluding amounts included in net interest on the net defined benefit liability (asset),

are recognized directly in other comprehensive income and are not reclassified in profit or loss in a subsequent period.

Finally, when the Group decides to terminate the employment before retirement or the employee accepts the Group's offer of benefits in exchange for termination of employment, the liability and the relative expense for termination benefits are recognized at the earlier of the following dates:

a. when the Group can no longer withdraw the offer of those benefits; and
b. when the Group recognizes restructuring costs which involve the payment of termination benefits.

1.19 Share options granted to employees

The granting of share options to the employees, their exact number, the price and the exercise date are decided by the Board of Directors in accordance with the Shareholders' Meeting approvals and after taking into account the current legal framework.

The fair value calculated at grant date is recognized over the period from the grant date to the exercise date and recorded as an expense in payroll and related costs with an increase of a reserve in equity respectively. The amount paid by the beneficiaries of share options on the exercise date increases the share capital of the Group and the reserve in equity from the previously recognized fair value of the exercised options is transferred to share premium.

1.20 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are, also, recognized in cases of restructuring plans with which management attempts either to change the subject of a corporate activity or the manner in which it is conducted (e.g. close down business locations). The recognition of provision is accompanied with the relevant, authorized by the Management, program and with the suitable actions of disclosure.

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision is equal to the present value of the expenditures expected to settle the obligation.

Amounts paid for the settlement of an obligation are set against the original provisions for these obligations. Provisions are reviewed at the end of each reporting period.

If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Additionally, provisions are not recognized for future operating losses.

Future events that may affect the amount required to settle the obligation, for which a provision has been recognized, are taken into account when sufficient objective evidence exists that they will occur.

Reimbursements from third parties relating to a portion of or all of the estimated cash outflow are recognized as assets, only when it is virtually certain that they will be received. The amount recognized for the reimbursement does exceed the amount of the provision. The expense recognized in profit or loss relating to the provision is presented net of the amount of the reimbursement.

The Group does not recognize in the statement of financial position contingent liabilities which relate to:

- possible obligations resulting from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or
- present obligations resulting from past events for which:
  - it is not probable that an outflow of resources will be required, or
  - the amount of liability cannot be measured reliably.

The Group provides disclosures for contingent liabilities taking into consideration their materiality.

1.21 Sale and repurchase agreements and securities lending

The Group enters into purchases of securities under agreements to resell at a certain date in the future at a fixed price. Securities purchased subject to commitments to resell them at future dates are not recognized as investments.

The amounts paid are recognized in loans and advances to either banks or customers. The difference between the purchase price and the resale price is recognized as interest on an accrual basis.

Securities that are sold under agreements to repurchase continue to be recognized in the consolidated balance sheet and are measured in accordance with the accounting policy of the category that they have been classified in and are presented as investments.

The proceeds from the sale of the securities are reported as liabilities to either banks or customers. The difference between the sales price and the repurchase price is recognized on an accrual basis as interest.

Securities borrowed by the Group under securities lending agreements are not recognized in the consolidated balance sheet except when they have been sold to third parties whereby the liability to deliver the security is recognized and measured at fair value.

1.22 Securitization

The Group securitises financial assets by transferring these assets to special purpose entities, which in turn issue bonds.

In each securitization of financial assets the assessment of control of the special purpose entity is considered, based on the circumstances mentioned in note 1.2, so as to examine whether it should be consolidated. In addition, the contractual terms and the economic substance of transactions are considered, in order to decide whether the Group should proceed with the derecognition of the securitised financial assets, as referred in note 1.6.

1.23 Equity

Distinction between debt and equity

Financial instruments issued by Group companies to obtain funding are classified as equity when, based on the substance of the transaction, the Group does not undertake a contractual obligation to deliver cash or another financial asset or to exchange financial instruments under conditions that are potentially unfavorable to the issuer.

In cases when Group companies are required to issue equity instruments in exchange for the funding obtained, the number of equity instruments must be fixed and determined on the initial contract, in order for the obligation to be classified as equity.

Incremental costs of share capital increase

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from retained earnings.

Share premium

Share premium includes the difference between the nominal value of the shares and the consideration received in the case of a share capital increase.

It also includes the difference between the nominal value of the shares issued and their market value, in cases of exchanges of shares as consideration for the acquisition of a business by the Group.

Treasury shares

The cost of acquiring treasury shares is recognized as a reduction of equity. Subsequent gains or losses from the sale of treasury shares, after deducting all direct costs and taxes, are recognized directly in retained earnings.

Retained earnings

Dividends are deducted from retained earnings and recorded as a liability in the period that the dividend is approved by the Shareholders in General Meeting.

1.24 Interest income and expense

Interest income and expense is recognized in the income statement for all interest bearing financial assets and liabilities.

Interest income and expense is recognised on an accrual basis and measured using the effective interest rate method. Interest on impaired financial assets is determined on their balance after impairment using the effective interest rate.

Borrowing costs that are directly attributable to assets that require a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of the asset. Capitalisation ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

1.25 Fee and commission income

Fee and commission income is recognized in the income statement on an accrual basis when the relevant service has been provided.

Transaction revenues relating to the recognition of a financial instrument not measured at fair value through profit or loss are capitalized and amortised in the income statement using the effective interest rate method over the life of the financial instrument.

1.26 Dividend Income

Dividend income from investments in shares is recognised in the income statement when the dividend distribution is approved by the appropriate body of the company that the Group has invested in.

1.27 Gains less losses on financial transactions

Gains less losses on financial transactions include the fair value changes of financial assets and liabilities, gains or losses on their disposal and the exchange differences arising from the translation of financial instruments denominated in foreign currencies. Impairment losses on bonds, shares and other securities of variable return are also included in gains less losses on financial transactions.

Differences that may arise between the carrying amount of financial liabilities settled or transferred and the consideration paid are also recognised in gains less losses on financial transactions.

1.28 Discontinued operations

A discontinued operation is a component of the Group that either has been disposed of, or has been classified as held for sale and represents:

- a major line of Group's business; or
- a geographical area of operations; or
- a subsidiary acquired exclusively with a view to resale.

The assets and liabilities of discontinued operations are presented separately from other assets and liabilities in the balance sheet and are not offset.

Any cumulative income or expense recognized directly in equity relating to a discontinued operation is presented separately (as a separate line in equity).

The profit or loss after tax from discontinued operations and any losses recognized on the measurement to fair value less costs to sell of the disposal group are presented in a separate line in the face of the income statement after net profit from continuing operations.

The comparative financial statements are restated only for the income statement and the cash flow statement.

1.29 Related parties definition

According to IAS 24, a related party is a person or entity that is related to the entity that is preparing its financial statements. For the Group, in particular, related parties are considered:

a) An entity that constitutes for the Group:

i) a joint venture,

ii) an associate and

iii) a Post-Employment Benefit Plan, in this case the Supplementary Fund of former Alpha Credit Bank's employees,

b) A person or an entity that have control, or joint control, or significant influence over the Group.

This category includes Hellenic Financial Stability Fund and its subsidiaries because, in the context of the L.3864/2010, the HFSF participates in the Board of Directors and in significant committees of the Bank and as a result is considered to have significant influence over the Group.

c) A person and his close family members, if that person is a member of the key management personnel.

The Group considers as key management personnel all the members of the Bank's Board of Directors and of the Bank's Executive Committee while as their close family members it considers their children and spouses or domestic partners and their dependants and the dependants of their spouses or domestic partners.

Moreover, the Group discloses all transactions and outstanding balances with entities which are controlled or jointly controlled by the above mentioned persons. This disclosure concerns participations of the above persons in entities that exceed 20%.

1.30 Comparatives

To the extent considered necessary the comparatives have been adjusted to facilitate changes in presentation of the current year amounts.

1.31 Estimates, decision making criteria and significant sources of uncertainty

The Group, in the context of applying accounting policies and preparing financial statements in accordance with the International Financial Reporting Standards, makes estimates and assumptions that affect the amounts that are recognized as income, expenses, assets or liabilities. The use of estimates and assumptions is an integral part of recognizing amounts in the financial statements that mostly relate to the following:

Fair value of assets and liabilities

For assets and liabilities traded in active markets, the determination of their fair value is based on quoted, market prices. In all other cases the determination of fair value is based on valuation techniques that use observable market data to the greatest extent possible. In cases where there is no observable market data, the fair value is determined using data that are based on internal estimates and assumptions eg. determination of expected cash flows, discount rates, prepayment probabilities or potential counterparty default.

Impairment losses of financial assets

The Group, when performing impairment tests on loans and advances to customers, makes estimates regarding the amount and timing of future cash flows. Given that these estimates are affected by a number of factors such as the financial position of the borrower, the net realizable value of any collateral or the historical loss ratios per portfolio, actual results may differ from those estimated. Similar estimates are used in the assessment of impairment losses of securities classified as available for sale or held to maturity.

Impairment losses of non – financial assets

The Group, at each year end balance sheet date, assesses for impairment non – financial assets, and in particular property, plant and equipment, investment property, goodwill and other intangible assets, as well as its investments in associates and joint ventures. Internal estimates are used to a significant degree to determine the recoverable amount of the assets, i.e. the higher between the fair value less costs to sell and the value in use.

Income Tax

The Group recognizes assets and liabilities for current and deferred tax, as well as the related expenses, based on estimates concerning the amounts expected to be paid to or recovered from tax authorities in the current and future periods. Estimates are affected by factors such as the practical implementation of the relevant legislation, the expectations regarding the existence of future taxable profit and the settlement of disputes that might exist with tax authorities etc. Future tax audits, changes in tax legislation and the amount of taxable profit actually realised may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Group. Any adjustments are recognized within the year that they become final.

Employee defined benefit obligations

Defined benefit obligations are estimated based on actuarial valuations that incorporate assumptions regarding discount rates, future changes in salaries and pensions, as well as the return on any plan assets. Any change in these assumptions will affect the amount of obligations recognized.

Provisions and contingent liabilities

The Group recognises provisions when it estimates that it has a present legal or constructive obligation that can be estimated reliably, and it is almost certain that an outflow of economic benefits will be required to settle the obligation. In contrast, when it is probable that an outflow of resources will be required, or when the amount of liability cannot be measured reliably, the Group does not recognise a provision but it provides disclosures for contingent liabilities, taking into consideration their materiality. The estimation for the probability of the outflow as well as for the amount of the liability are affected by factors which are not controlled by the Group, such as court decisions, the practical implementation of the relevant legislation and the probability of default of the counterparty, for those cases which are related to the exposure to off-balance sheet items.

The estimates and judgments applied by the Group in making decisions and in preparing the financial statements are based on historical information and assumptions which at present are considered appropriate. The estimates and judgments are reviewed on an ongoing basis in order to take into account current conditions, and the effect of any changes is recognized in the period in which the estimates are revised.

1.31.1 Going concern principle

The Group applied the going concern principle for the preparation of the financial statements as at 31.12.2016. For the application of this principle, the Group takes into consideration current economic developments in order to make projections for future economic conditions of the environment in which it operates. The main factors that cause uncertainties regarding the application of this principle relate to the unstable economic environment in Greece and abroad and to the liquidity levels of the Hellenic Republic and the banking system.

Specifically, the high degree of uncertainty that characterizes the internal economic environment in recent years, as a result of the prolonged recession of the Greek economy, led to a significant deterioration in the creditworthiness of corporate and individuals, to an increase of non performing loans and therefore to the recognition of significant impairment losses by the Bank and by the Greek banking system in general. Additionally, during the first semester of 2015, the internal economic environment was adversely affected by the uncertainties that were created during the negotiations of the Hellenic Republic with the European Commission, the European Central Bank and the International Monetary Fund for the financing of the Hellenic Republic, a fact that led to significant outflows of deposits, to the imposition of capital controls and of a bank holiday which was announced on 28.6.2015 and lasted until 19.7.2015. Capital controls remain in place until the date of approval of the financial statements, while the detailed provisions for their application are amended where appropriate by the adoption of a legislative act.

At the same time the liquidity needs of Greek banks continue to be mostly satisfied by the emergency liquidity mechanisms of the Bank of Greece.

The completion, in the third quarter of 2015, of the negotiations of the Hellenic Republic for the coverage of the financing needs of the Greek economy, led to an agreement for new financial support by the European Stability Mechanism. The agreement provided for the coverage of the financing needs of the Hellenic Republic for the medium-term period, under the condition that economic reforms are made, while additionally it provided for the allocation of resources to cover the recapitalization needs of the banks as a result of their assessment by the Single Supervisory Mechanism. With respect to the Bank specifically, a recapitalization of a total amount of €2,563 million took place in the fourth quarter of 2015, exclusively from private funds, as further analyzed in note 42.

In June 2016 the first evaluation of the Hellenic Republic financial support program was completed and the partial disbursement of the second installment of the program, amounting to €10.3 billion, was approved. The first disbursement of €7.5 billion took place in June and covered the short-term public debt servicing needs as well as the clearance of part of amounts overdue by the Hellenic Republic to individuals. The remaining amount of €2.8 billion was disbursed in October 2016 after the completion of the prerequisite actions that had been set. The completion of the first evaluation and the disbursement of installments contributed to the enhancement of the real economy and the improvement of the economic environment. Meanwhile, in the fourth quarter of 2016 the second evaluation of the financial support program begun and is expected to be completed in the near time. The above, combined with the continuation of reforms and the measures described in the Eurogroup statement for the enhancement of the sustainability of the Greek debt (note 1.31.2), are expected to contribute to the gradual improvement of the economic environment in Greece and to the return of the economy to positive growth rates, noting, however, the negative consequences that would have in these sectors any further delay in the completion of the second evaluation of the program.

In parallel to the above, the Bank, in the context of its strategy to address the issue of non performing loans, is taking a series of actions and initiatives, as specifically mentioned in the relevant section of the Board of Director's Annual Management Report of 2016, which, combined with the changes in the legislative framework, are expected to contribute to the effective management of the non performing loans portfolio.

With regards to the liquidity levels and funding costs of the Bank and the banking system in general, they have been positively affected by the reinstatement of Greek government securities in the perimeter of collaterals accepted by the European Central Bank, by the reduction of the haircut applied on eligible collaterals and by the ability to transfer part of the securities issued by the European Financial Stability Fund that the Bank holds to the European Central Bank, as mentioned in note 18 of the financial statements.

Based on the above and taking into account the Group's high capital adequacy and the ability of the Bank to access the liquidity mechanisms of the eurosystem, the Group estimates that the conditions for the application of the going concern principle for the preparation of its financial statements are met.

1.31.2 Estimation of the Group's exposure to the Hellenic Republic

The Group's total exposure to Greek Government securities and loans related to the Hellenic Republic are presented in note 41.1. The main uncertainties regarding the estimations for the recoverability of the Group's total exposure relate to the debt service capacity of the Hellenic Republic, which, in turn, is affected by the development of the macroeconomic environment in Greece and the Eurozone as well as by the levels of liquidity of the Hellenic Republic.

The financing agreement with the European Stability Mechanism, signed on 19.8.2015, is expected to cover the financing needs of the Hellenic Republic and in parallel to contribute to the growth of the Greek economy provided that specific commitments that relate to the achievement of specific financial targets and the implementation of reforms in the Greek economy will be respected. In addition, the completion of the second assessment of the program is expected to be accompanied by measures for Greek debt relief in order to enhance its sustainability.

Pursuant to the above, in the Eurogroup of 9.5.2016 the framework based on which the sustainability of the Greek debt will be assessed was set. In the Eurogroup of 24.5.2016 the measures for the enhancement of the sustainability of the Greek debt were broadly described, separately for the short, the medium and the long term. Based on this framework, under the baseline scenario, gross financing needs of the Hellenic Republic should remain below 15% of GDP during the post programme period for the medium term and below 20%

of GDP thereafter. Out of the above measures for debt relief, only the short-term ones have been specified and come into force. By taking the above measures (short, medium and long term), it is estimated that the service capacity of the Greek debt will be improved.

Based on the above, the Group has not recognized impairment losses on the Greek Government securities that it holds as at 31.12.2016, however, it assesses the developments relating to the Greek Government debt in conjunction with the market conditions and it reviews its estimations for the recoverability of its total exposure at each reporting date.

1.31.3 Recoverability of deferred tax assets

The Group recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized.

The main categories of deferred tax assets which have been recognized by the Group relate to tax losses carried forward, to losses from the Greek government bonds exchange program (PSI) and the December 2012 Greek government bond buyback program and to deductible temporary differences arising from loans' impairment.

Deferred tax assets on tax losses carried forward arise, to their greater extent, from the Bank and they relate to the years 2012-2014. Tax losses can be offset against taxable profits within five years from their formation. The Group recognized the aforementioned assets since, according to the estimated future taxable profits of the Bank, for the coming years until the expiry of the right to set-off tax losses, these are recoverable even after the deduction of the temporary differences that are expected to occur within these years. The estimation of future taxable profits was based on forecasts for the development of the accounting results, as these are reflected in the updated business plan of the Bank, which also includes the strategy plan for non performing loans submitted to the Single Supervisory Mechanism (SSM), as well as the provisions of the law voted on 29.3.2017 (note 50i). The existence of significant tax profits in the last decade, with the exception of the years from 2012 to 2014, because of the unexpected major recession of the Greek economy and the loss from the PSI, was also taken into account.

Deferred tax assets associated with tax losses incurred by the PSI and the participation of the Bank in the December 2012 Greek government bond buyback program were recognized as a "debit difference" according to Law 4046/14.2.2012, Law 4110/23.1.2013 and a respective legal opinion. According to Law 4110/23.1.2013 the "debit difference" is deductible for tax purposes, gradually in equal installments, within 30 years, a fact which, according to the Group's estimation, provides a sufficient time period for its gradual utilization against taxable profits.

Regarding the temporary differences arising from loans' impairment, there are no time constraints concerning their recovery, as it also applies to the other deferred tax assets categories. The Group assessed their recoverability based on estimates for future taxable profits, as these are estimated to be formed on the basis of the aforementioned business plan, after extending the period of estimation for a limited number of years compared to the business plan.

The Group, based on the above, estimates that the total deferred tax assets it has recognized and that has been derived both from temporary differences and from tax losses carried forward is recoverable.

In addition, and regardless of the assessment of the recoverability of deferred tax assets that it is carried out based on what is mentioned above, Law 4303/2014 provides that in case that the after tax accounting result for the period is a loss, deferred tax assets arising from the PSI debit difference and from the accumulated provisions and other general losses due to credit risk are eligible to be converted into a final and settled claim against the Greek State, as described in detail in note 11.

The main uncertainties concerning the estimations for the recoverability of the deferred tax assets relate to the achievement of the goals set in the Bank's business plan, which is affected by the general macroeconomic environment in Greece and internationally. At each balance sheet date, the Group reassesses its estimation regarding the recoverability of deferred tax assets in conjunction with the development of the factors that affect it.

INCOME STATEMENT

2. Net interest income

	From 1 Janury to	
	31.12.2016	31.12.2015
Interest and similar income		
Due from banks	7,525	2,442
Loans and advances to customers	2,015,394	2,205,389
Securitized loans	273,391	302,908
Trading securities	206	269
Available for sale securities	231,876	243,735
Held to maturity securities	2,833	12,791
Loans and receivables securities	6,758	15,964
Derivative financial instruments	117,769	177,334
Other	13,029	11,908
Total	**2,668,781**	**2,972,740**
Interest expense and similar charges		
Due to banks	(274,225)	(299,744)
Due to customers	(195,683)	(340,510)
Debt securities in issue and other borrowed funds	(67,910)	(172,041)
Derivative financial instruments	(123,295)	(174,591)
Other	(83,583)	(88,393)
Total	**(744,696)**	**(1,075,279)**
Net interest income	**1,924,085**	**1,897,461**

During 2016 there was a decrease in interest expense mainly due to the exchange of senior, subordinated and hybrid securities with shares in the context of the Liability Management Exercise (LME) that took place on November of 2015, due to the decrease in the yield of securities guaranteed by Greek Government (Law 3723/2008) following the reduction in the total nominal value of an amount of €8.2 billion and the decrease in borrowing cost. In addition, interest income was decreased mainly due to the decrease in interest income from loans and advances to customers as a result from the significant impairment losses recognized in the previous year (note 10).

3. Net fee and commission income

	From 1 January to	
	31.12.2016	31.12.2015
Loans	39,302	38,618
Letters of guarantee	64,460	71,429
Imports-exports	10,958	11,028
Credit cards	64,235	57,223
Fund Transfers	46,847	47,064
Mutual funds	31,800	37,745
Advisory fees and securities transaction fees	3,144	375
Foreign exchange trades	4,670	6,129
Issuance of securities of Law 3723/2008		(11,509)
Other	52,509	50,539
Total	**317,925**	**308,641**

Net fee and commission income during fiscal year 2016 increased, mainly due to the cancellation in October 2015 of the bonds issued by the Greek Government under the Pillar III of Law 3723/2008 framework and the increase in income from credit cards commission due to the increase in the volume of transactions. Previous year credit cards commissions were restated due to the change in the presentation of the figures related to the bonus cards loyalty program, as mentioned in note 49.

4. Dividend income

	From 1 January to	
	31.12.2016	**31.12.2015**
Available for sale securities	3,178	3,308
Total	**3,178**	3,308

5. Gains less losses on financial transactions

	From 1 January to	
	31.12.2016	**31.12.2015**
Foreign exchange differences	17,622	(20,788)
Trading securities:		
- Bonds	1,122	1,953
- Shares	(96)	(66)
Investment securities:		
- Bonds	54,187	(33,811)
- Shares	72,641	(12,437)
- Other securities	(1,251)	(3,996)
From impairments/sale of holdings	(60,173)	6,902
Derivative financial instruments	(8,249)	87,720
Other financial instruments	9,093	(72,346)
Total	**84,896**	**(46,869)**

Gains less losses on financial transactions were affected from:

- Losses of €19.3 million which are included in the account "From impairments/sales of investments" and concern the valuation of the subsidiary company of the Group APE Fixed Assets and their joint ventures APE Commercial A.E and APE Investment Property A.E, due to their classification as "Held for sale" (note 47).
- Losses of €38.3 million which are also included in the account "From impairments/sales of investments" as a result of the sale of Ionian Hotel Enterprises S.A. (note 47).
- profit of €36.1 million, included in "Bonds" of investment securities, which relates to the sale of bonds issued by the European Financial Stability Facility (note 18c).
- Profit of €5 million from the proceeds of sale of investments in Alpha Bank Romania S.A to Victoria Bank S.A (based in Moldavia) which is included in the account of investment security shares.
- Visa's Europe share's acquisition transaction from Visa Inc, for the shares held by the Bank and Group companies.

On 21.6.2016, Visa Inc. completed the acquisition of Visa Europe. According to the agreement (as amended on 10.5.2016), on the date of completion of the transaction, Visa Inc. purchased from Visa Europe's members the shares they held. The price for this acquisition consists of:

i. The payment of a total amount of €12.25 billion upon completion of the transaction.

ii. The distribution of preferred shares.

iii. The payment of an amount of €1 billion on the third anniversary of the closing of the transaction plus interest.

The transaction price was calculated based on Visa Europe's net revenue contributed by each member for a specific period of time.

Therefore, during the current year, the Group recognized in financial results from shares an amount of €55.6 million which consists of cash received on the closing date of the transaction and from the recognition of the present value of the amount due from collecting the surplus amount on the third anniversary.

In addition, the Group recognized during the year the preference shares of Visa Inc. acquired in connection with the transaction. These shares, which were classified as available for sale portfolio, were recognized at fair value of €16.3 million by crediting gains less losses on financial transactions.

6. Other income

	From 1 January to	
	31.12.2016	**31.12.2015**
Insurance activities	(4,814)	(3,772)
Hotel activities	27,951	29,658
Operating lease income	17,242	13,928
Sale of fixed assets	1,852	902
Other	14,757	17,613
Total	**56,988**	**58,329**

"Hotel activities", includes the figures of Ionian Hotel Enterprises S.A. The amount for 2016 refers to the period until 16.12.2016 when the sale took place, as described in note 47.

The decrease in "Other" compared to the previous year is mainly due to the fact that, the 2015 figure includes a fee from professional employee training programs (LAEK) amounting to €2.8 million that is partly offset by Insurance indemnities for buildings in the current period.

Income from insurance activities is analyzed as follows:

	From 1 January to	
	31.12.2016	**31.12.2015**
Life insurance		
Premiums and other related income	52,279	39,721
Less:		
- Commissions	(3,935)	(3,476)
- Claims from policyholders	(53,158)	(40,017)
Total	**(4,814)**	**(3,772)**

7. Staff costs

	From 1 January to	
	31.12.2016	**31.12.2015**
Wages and salaries	358,889	373,218
Social security contributions	99,988	100,828
Common insurance fund of bank employees	2,490	5,195
Employee defined benefit obligation of Group (note 29)	12,139	8,883
Other charges	34,347	31,502
Total	**507,853**	**519,626**

The total number of employees in the Group as at 31.12.2016 was 12,699 (31.12.2015: 14,779) out of which 8,881 (31.12.2015: 9,678) were employed in Greece and 3,818 (31.12.2015: 5,101) were employed abroad. As at 31.12.2016 the number of employees of Alpha Bank Srbija A.D. was 836. The subsidiary has been characterized as discontinued operations (note 47).

Defined contribution plans

All the employees of the Bank are insured for their main pension plans by the Social Insurance Fund (IKA-ETAM). The Social Insurance Fund (IKA-ETAM) as of 1.1.2017 consists part of the Single Social Security Body (E.F.K.A.), a legal person governed by public law established under the provisions of Law 4387/2016. In addition for the Bank's employees, the following also apply:

a. The supplementary pension plan for employees of the former Ionian and Popular Bank of Greece is T.A.P.I.L.T.A.T., a multi-employer plan. The Bank has obtained legal opinions that indicate that it has no obligation if this fund does not have sufficient assets to pay employee benefits. Therefore the Bank considers that the fund is a defined contribution plan and has accounted for it as such.

b. Employees of former Ioniki and Popular Bank of Greece and former Emporiki Bank are insured for the lump sum benefit in the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) which is a defined contribution plan with contributions paid only by employees. In accordance with article 74 of Law 4387/2016, the Care Sectors of the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) consist part of the "Joint Supplementary Insurance Fund" (E.T.E.A.) which is renamed to "Joint Supplementary Insurance Fund and Lump Sum Benefits" (E.T.E.A.E.P.).

c. All employees of the Bank receive medical benefits from the National Organization of Health Care (EOPYY). On 1.1.2017 EOPYY consists part of E.F.K.A.

d. Employees of former Alpha Credit Bank, which were insured, for supplementary pension in T.A.P. (the Insurance Fund of employees of Alpha Credit Bank), from 1.1.2008, onwards are insured for supplementary pension in E.T.A.T according to article 10, Law 3620/2007. The Bank pays to E.T.A.T. an annual installment of the ten interest bearing installments, that relates to the total cost of joining E.T.A.T. which amounts to €543 million, this was calculated with the reference date being 31.12.2006, in accordance with a special economic study as stipulated by Law 3371/2005. The outstanding balance including accrued interest amounts to €67.3 million as at 31.12.2016, which represent the last installment that will be paid during the first quarter of 2017.

The implementation of Law 3371/2005 for Emporiki Bank was done in accordance with Law 3455/2006. According to this law, the pensioners and members insured by Emporiki Bank, who were also insured for supplementary pension in T.E.A.P.E.T.E. were absorbed by I.K.A- E.T.E.A.M. and E.T.A.T on 31.12.2004. As of 1.1.2017, EOPYY consists part of E.F.K.A. Emporiki Bank S.A. paid a total amount of specific contribution of €786.6 million for the pensioners to the insurance funds I.K.A-E.T.E.A.M and E.T.A.T. in ten annual interest bearing installments. The repayment of the total amount was completed with the payment of the last installment on January 2014. In addition, in accordance with the amendments of Law 3455/2006 for the active insured members, who were hired before 31.12.2004 in Emporiki Bank, additional social contributions are paid for the supplementary pension compared to the respective contributions which are stipulated by the Law of E.T.E.A.M.

When E.T.A.T. was absorbed by E.T.E.A. (Joint Supplementary Insurance Fund):

a) the members of T.E.A.P.E.T.E. and T.A.P. who were insured until 31.12.1992 receive a pre-pension amount from E.T.A.T. (main and supplementary pension until the date of retirement from the Main Pension Fund and E.T.E.A.) and

b) the members of T.E.A.P.E.T.E. who were insured until 31.12.1992 receive the difference between the amount of pensions which arose from the calculation of supplementary pension in accordance with the provisions of Article of Association of E.T.E.A. (former E.T.E.A.M) and T.E.A.P.E.T.E.

Law 4387/2016 provides for the incorporation of both E.T.A.T. and the pre-retirement scheme pensioners of E.T.E.A. to E.F.K.A., as of 1.1.2017. Particularly, EFKA grants pre-pensions and other benefits to the pensioners who were insured by E.T.A.T. until 31.12.1992 and who are entitled to receive respective benefits until 12.5.2016, as well as to the pre-retirement scheme pensioners of E.T.E.A. who, as pensioners of T.E.A.P.E.T.E., joined former I.K.A. – E.T.E.A.M. and currently E.T.E.A. pursuant to Law 3455/2006. The members of E.T.A.T. insured until 31.12.1992 and who are entities to receive a pre-pension amount until 12.5.2016 and have paid higher contributions than the ones provided by E.T.E.A. will obtain an increased supplementary pension from E.T.E.A. in accordance to Law 4387/2016.

e. The Bank, in cooperation with AXA Insurance, has created a savings plan for its employees that were hired and insured for the first time on 1.1.1993 and onwards. The plan's effective date is January 1, 2011 and its aim is to provide a lump sum monetary benefit to retiring employees. The plan assets consist of investment from the fixed monthly contributions of the Bank and its employees in low risk mutual funds. After signing the Collective Labor Agreement for the 3-year period of 2016-2019, the personnel of the Group may be included in the savings plan. For the personnel, except for a certain group that was hired by the Group and were members of under the main pension scheme for the period from 1.1.1993 until 31.12.2004 (Law 2084/1992), are considered as a defined contributions plan as the beneft is paid from a savings fund that was accumulated up to the date they left the plan.

Employee defined benefit obligations

An analysis of liabilities arising from defined benefit plans is included in note 29.

Separation Scheme

The Bank conducted in 2014 a voluntary separation scheme for their employees in Greece, in order to achieve substantial benefits to operating costs as provided in the Restructuring Plan of the Bank approved by the European Competition Committee based on which a total number of 2,193 employees left in 2014 and 15 employees also retired during the first half 2015 with an amount of €200.8 million recognized as cost in income statement.

Moreover, the Bank committed to further reduce its Greek Personnel (including non-financial subsidiaries) in 2015 , in accordance to the framework for implementation of the updated restructuring plan resulting in 9.504 maximum number of employees until 2017.

The reduction of personnel will contribute to the achievement of significant gains in the operational costs, achieving the commitment to reduce the overall cost in Greece in specific level.

Following the above commitments and relevant decisions for their implementation, on 31.12.2015 the Bank recorded provision amounting to €64.3 million. In 2016 €35.3 million from the recorded provision was used resulting to a balance amounting to €29 million for future use.

Finally, during 2016 the program of Redundancy Scheme was devised and completed from Alpha Bank Cyprus as noted in note 31. The total cost of the program amounted to €31.7 million.

8. General administrative expenses

	From 1 January to	
	31.12.2016	31.12.2015
Operating leases for buildings	41,055	44,373
Rent and maintenance of EDP equipment	17,420	17,457
EDP expenses	26,130	41,096
Marketing and advertisement expenses	26,495	24,395
Telecommunications and postage	22,835	25,092
Third party fees	55,641	49,863
Consultants fees	7,806	6,815
Contribution to the Deposit Guarantee Fund - Investment fund and Solvency Fund	56,358	73,703
Insurance	10,678	9,979
Consumables	6,474	7,398
Electricity	11,630	14,996
Thrid party fees for customer attraction	30	38
Taxes (VAT, real estate etc)	84,559	83,651
Services from collection agencies	30,150	18,599
Building and equipment maintenance	9,364	9,423
Security	12,349	12,823
Cleaning fees	5,701	5,709
Other	86,095	94,153
Total	**510,770**	**539,563**

The expenses occurred from the services provided by the collection agencies increased compared to last year, however, the overall amount of General Administrative Expenses have decreased, mainly because 2015 included a payment of the extraordinary contribution for the resolution of a Greek credit institution as well as the merger costs mainly relating to the maintenance of computer applications.

Regarding the regulatory framework governing the resolution of credit institutions, the following are noted:

On 23.7.2015 under Law 4335/2015, European Directive 2014/59 was incorporated in to Greek Law to establish a framework for the recovery and resolution of credit institutions and investment entities. In particular, the Resolution Scheme of Hellenic Deposit and Investment Guarantee Fund (HDIGF) is defined as the National Resolution Fund which within ten years (until 31 December 2024) should gradually, create a reserve equal to at least 1% of the deposits guaranteed by the HDIGF. From 1.1.2016, the Single Resolution Mechanism (SRM) is responsible for the resolution of credit institutions established in country-member states of the Eurozone. It operates in cooperation with the Single Resolution Fund (SRF), which will cover the resolution costs of non-sustainable credit institutions.

According to Law no. 4335/2015 (Article 98), credit institutions authorized to operate in Greece, including branches operating in third countries, should make at least an annual contribution to the Resolution Fund. According to Law 4370/2016 (Article 36), in case a new credit institution is included in the Resolution Fund or it one ceases its participation during the fiscal year, the credit institution is still obliged for its annual contribution in proportion to the time of its operation. In addition with Law 4370/2016, Directive 2014/49 / EU of the European Parliament and the Decision of the Council of 16 April 2014 were incorporated into Greek law which enacts the same rules for all Deposit Guarantee Schemes intended to provide a uniform level of protection to all EU depositors and to ensure the same level of stability as regards the DGS.

The Single Resolution Board, determined that the 2016 contribution for credit institutions may provide irrevocable payment commitments amounting up to 15% of their total obligation which for the Bank amounts to €21 million. These irrevocable payment commitments have to be fully covered by cash collateral. On 20.05.2016, the Bank signed a contract with the Single Resolution Board to provide irrevocable payment commitment and establish the necessary cash collateral for the 2016 contribution.

"Contribution to the Deposit Guarantee Fund – Investment Fund and Solvency Fund" of the comparative fiscal year includes the Bank's proportional contribution to the resolution of a Greek Credit Institution.

9. Other expenses

	From 1 January to	
	31.12.2016	**31.12.2015**
Losses from write-off/impairments on fixed assets	56,010	38,872
Other provisions (note 31)	16,000	1,921
Other	5,742	
Total	**77,752**	**40,793**

Losses from write – off / impairements on fixed assets as at 31.12.2016 include an amount of €49.5 million (31.12.2015: €36.4 million) which arose from the recognition of an impairment loss on the value of investment property, property, plant and equipment and property obtained through auctions by the Group (notes 20, 21, 22 and 24).

Other provisions include provisions of €14.4 million (31.12.2015: €1.6 million) concerning legal cases against the Group (note 31), while the caption "other" includes impairment losses on stock and other assets amounting to €3.2 million.

10. Impairment losses and provisions to cover credit risk

	From 1 January to	
	31.12.2016	**31.12.2015**
Impairment losses on loans and advances to customers (note 17)	1,193,748	3,015,027
Impairment losses with credit institutions (note 14)		2,552
Impairment losses of other receivables	4,191	
Provisions to cover credit risk relating to off balance sheet items (note 31)	(1,357)	(10,806)
Recoveries	(28,629)	(19,127)
Total	**1,167,953**	**2,987,646**

For the preparation of 2015 financial statements, the Group took into consideration the specific conditions that existed in the Greek economy, affecting the macroeconomic environment especially after the end of the second quarter and the imposition of capital controls. As a result, significant impairment losses were recognized due to the adjustments when required of the parameters applied by the Bank when calculating impairments.

The results of fiscal year 2016, were significantly burden by the recognition of impairment losses, which mainly related to:

- corporate groups, for which impairment assessment took into account the conditions existing at the reporting date, the ongoing process and the various scenario prevailing for theit restructuring up to the publication date of the 31.12.2016 Financial Statements and
- the increase in provisions of selected retail portfolios, which contributes to the optimal management of non-performing loans.

11. Income tax

In accordance with Article 1 par 4 of Law 4334/2015 "Urgent prerequisites for the negotiation and conclusion of an agreement with the European Stability Mechanism (ESM)" the corporate income tax rate for legal entities increased from 26% to 29%. The increased rate will apply for profits arising in fiscal years commencing on or after 1 January 2015 on the absence of an explicit definition in the law regarding the retrospective application of income tax rate for profits of fiscal year 2014.

For the Bank' subsidiaries and branches operating in other countries, the applicable nominal tax rates for accounting periods 2015 and 2016 are as follows:

Cyprus	12.5
Bulgaria	10
Serbia	15
Romania	16
FYROM	10
Albania	15
Jersey	10

United Kingdom	20* (from 1.4.2015)
Ireland	12.5

In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (AE), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. This tax certificate is submitted to the entity being audited within the first ten days of the seventh month after the end of the audited financial year, as well as, electronically to the Ministry of Finance, no later than the end of the seventh month after the end of the audited financial year. For fiscal years 2011 up to 2015 the Bank and its local subsidiaries have obtained the relevant tax certificate without any qualifications on the tax issues covered. In accordance with article 56 of Law 4410/03.08.2016 for the fiscal years from 1.1.2016 and onwards, the issuance of tax certificate is optional. However, the Group and its companies intended to continue to obtain the tax certificate.

The income tax in the income statement from continuing operations is analysed in the table below, while the income tax from discontinued operations is analysed in note 23 and 47:

	From 1 January to	
	31.12.2016	**31.12.2015**
Current	14,239	(36,924)
Deferred	(43,453)	(769,890)
Total	**(29,214)**	**(806,814)**

Deferred tax recognized in the income statement is attributable to temporary differences, the effect of which is analyzed in the table below:

	From 1 January to	
	31.12.2016	**31.12.2015**
Debit difference of Law 4046/2012	44,554	(79,891)
Write-offs and depreciation of fixed assets	(5,806)	22,946
Valuation/impairment of loans	(144,477)	(697,915)
Valuation of loans	(840)	(943)
Defined benefit obligation and insurance funds	26,353	8,224
Valuation of derivatives	(6,032)	26,491
Effective interest rate	191	(9,970)
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	3,776	(3,202)
Valuation/impairment of bonds and other securities	(210)	(21,009)
Tax losses carried forward	38,136	(12,020)
Other temporary differences	902	(2,601)
Total	**(43,453)**	**(769,890)**

The table above includes the effect caused by the change in the tax rate for 2015.

The Group has not recognized deferred tax asset as at 31.12.2016 of €124.6 million (31.12.2015: €123.9 million) deriving mainly from tax losses carried forward from subsidiaries, which are reassessed at every reporting date, in the process of the recoverability of deferred tax assets.

A reconciliation between the effective and nominal tax rate is provided below:

* *Until 31.3.2015 the tax rate was 21%.*

	From 1 January to			
	31.12.2016		31.12.2015	
	%		%	
Profit/(loss) before income tax		**(9,678)**		**(2,043,466)**
Income tax (nominal tax rate)	(174.73)	16,910	26.29	(537,241)
Increase/(decrease) due to:				
Additional tax on income from property			(0.01)	273
Non taxable income	46.00	(4,451)	1.47	(30,050)
Non deductible expenses	(84.71)	8,199	(1.86)	37,914
Deferred tax recognition for temporary differences of previous years	821.95	(79,548)		
Non-recognition of deferred tax for temporary differences of the current period	(172.64)	16,708	(2.27)	46,360
Tax losses carried forward	57.61	(5,575)		
Credit balances of reserves			(5.22)	106,659
Other temporary differences	(191.60)	18,543	1.62	(33,021)
Total	**301.86**	**(29,214)**	**20.02**	**(409,106)**
Adjustment tax rates on temporary differences 31.12.2014			19.46	(397,708)
Income tax	**301.86**	**(29,214)**	**39.48**	**(806,814)**

According to article 5 of Law 4303/17.10.2014 "Ratification of the Legislative Act "Emergency legislation to replenish the General Secretary of Revenue upon early termination of office" (A 136) and other provisions", deferred tax assets of legal entities supervised by the Bank of Greece, under article 26 paragraphs 5, 6 and 7 of Law 4172/2013 that have been or will be recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, with respect to existing amounts up to 31 December 2014, are converted into final and settled claims against the State, if, the accounting result for the period, after taxes, is a loss, according to the audited and approved financial statements by the Ordinary Shareholders' General Meeting.

The inclusion in the Law is implemented by the General Meeting of Shareholders, related to tax assets from 2016 and onwards, and refer to tax year 2015 and onwards, whereas it is envisaged the end of inclusion in the Law with the same procedure and after obtaining relevant approval from the Regulatory Authority.

According to article 4 of Law 4340/1.11.2015 "Recapitalization of financial institutions and other provisions of the Ministry of Finance" the above were amended regarding the time of the application which is postponed for a year. In addition the amount of deferred tax asset for credit risk, which is included in the same legislation, is limited to the amount related to provisions for credit risk which were accounted until 30 June 2015.

On 31.12.2016 the amount of deferred tax assets within the scope of the aforementioned Law amounts to €3,341,802 (31.12.2015: €3,417,055).

During 2015, as a result of recent decision by the State Council, the Bank recognized in current tax the recovery of tax that was related to prior year untaxed reserves. These reserves of €367.8 million were netted with tax losses carried forward according to article 72 par 12 and 13 of Law 4172/2013, resulting to the reduction of the related deferred tax assets by €106.7 million.

During 2016, the loss from the sale of the Group's subsidiary Alpha Bank A.D. Skopje was recognized in the current year's taxable finacial results. Moreover, the Bank recognized deferred tax assets of €84.4 million relating to the impairment of the Bank's investment in the Group's subsidiary, Alpha Bank Srbija A.D. and it is included in the caption "Profit/(loss) after income tax, from discontinued operations" of the Consolidated Income Statement. The loss from the sale of the investment in a foreign subsidiary is recognized as deductible from the gross expenses during the year when the transfer is completed, in accordance with article 124 of Law 4446/22.12.2016 "Bankruptcy Code, Administration Justice, Duties-Fees, Voluntary Disclosure of Previous Years' Taxable Income, Online Transactions, Amendments of Law 4270/2014 and other provisions".

Income tax of comprehensive income recognized directly in equity

	From 1 January to					
	31.12.2016			31.12.2015		
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
Amounts that may be reclassified to the Income Statement						
Net change in available for sale securities' reserve	93,239	(19,843)	73,396	217,034	(65,037)	151,997
Net change in cash flow hedge reserve	(55,212)	16,069	(39,143)	52,313	(15,171)	37,142
Foreign exchange differences on translating and hedging the net investment in foreign operations	(2,196)	(2,859)	(5,055)	(18)	(256)	(274)
Change in the share of other comprehensive income of associates and joint ventures				(547)		(547)
Tax rate adjustment (Law 4334/2015)					12,413	12,413
Total	**35,831**	**(6,633)**	**29,198**	**268,782**	**(68,051)**	**200,731**
Amounts that may not be reclassified to the Income Statement						
Change in actuarial gains/(losses) of defined benefit obligations	(10,689)	3,099	(7,590)	941	(74)	867
Tax rate adjustment (Law 4334/2015)					2,175	2,175
Total	**25,142**	**(3,534)**	**21,608**	**269,723**	**(65,950)**	**203,773**

The above analysis includes a credit tax amount of €2 from discontinued operations (31.12.2015: deferred tax asset €25).

During 2016 "Retained earnings" includes deferred tax amounting to €25 which derives from Purchases)/Redemptions/Sales of hybrid securities (2015: €2,122).

During 2016 "Retained earnings" includes a credit tax amounting to €281 resulting from the share capital increase expenses which were recognized in the same account when the share capital increase took place in 2015. The respective amount for 2015 was €17,770.

Furthermore in 2015 "Retained earnings" includes a deferred tax liability of €6,261, referring to the income tax rate adjustment on the share capital increase costs which were recorded in the same account in previous years.

12. Earnings/(losses) per share

a. Basic

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

b. Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding to the presumed conversion amount of all dilutive potential ordinary shares. The Bank does not have any dilutive potential ordinary shares and in addition, based on the issuance terms of the convertible bond loan covered by Credit Agricole S.A., basic and dilutive earnings/(losses) per share should not differ as the issue price of the ordinary shares will not be less than their average market price.

It is noted that on 23.2.2017 the Bank increased its share capital due to the conversion of the total amount of the convertible bond loan, by issuing 6,818,181 new ordinary shares (note 50).

	From 1 January to	
	31.12.2016	**31.12.2015**
Profit/(losses) attributable to equity owners of the Bank	**42,140**	**(1,371,714)**
Weighted average number of outstanding ordinary shares	1,536,881,200	385,286,677
Basic and diluted earnings/(losses) per share (in €)	0.0274	(3.5602)

	From 1 January to	
	31.12.2016	**31.12.2015**
Profit/(losses) from continuing operations attributable to equity owners of the Bank	**19,374**	**(1,236,912)**
Weighted average number of outstanding ordinary shares	1,536,881,200	385,286,677
Basic and diluted earnings/(losses) from continuing operations per share (in €)	0.0126	(3.2104)

	From 1 January to	
	31.12.2016	**31.12.2015**
Profit/(losses) from discontinued operations attributable to equity owners of the Bank	**22,766**	**(134,802)**
Weighted average number of outstanding ordinary shares	1,536,881,200	385,286,677
Basic and diluted earnings/(losses) from discontinued operations per share (in €)	0.0148	(0.3499)

The weighted average number of ordinary shares as at 31.12.2015, has been retrospectively restated from the beginning of the year, after the decrease of the total number of shares due to the merger in proportion of 50 voting common shares of old nominal value to 1 voting common share of new nominal value which took place on November 2015.

ASSETS

13. Cash and balances with Central Banks

	31.12.2016	31.12.2015
Cash	346,322	402,402
Cheques receivable	4,853	6,801
Placements with European Central Bank	10,500	
Balances with Central Banks	1,152,932	1,321,124
Total	**1,514,607**	**1,730,327**
Less: Deposits pledged to Central Banks	(1,016,213)	(1,130,662)
Balance	**498,394**	**599,665**

The Bank is required to maintain a current account with the Bank of Greece (Central Bank) in order to facilitate interbank transactions with the Central Bank and other financial institutions through the Trans European – Automated Real Time Gross Settlement Express Transfer System (TARGET).

The Bank of Greece also requires, that all financial institutions established in Greece to maintain reserve deposits with the Central Bank equal to 1% of customer deposits.

These deposits are interest bearing based on the refinancing rate set by the European Central Bank which as at 31.12.2016 was 0% (31.12.2015: 0.05%).

The subsidiaries that operate abroad and offer banking services, maintain pledged deposits in accordance with the rules set by the respective Central Banks in their countries.

Cash and cash equivalents (as presented in the Statement of cash flows)

	31.12.2016	31.12.2015
Cash and balances with Central Banks	498,394	599,665
Short-term placements with other banks	430,820	682,808
Cash and cash equivalents from discontinued operations	45,674	45,660
Total	**974,888**	**1,328,133**

14. Due from banks

	31.12.2016	31.12.2015
Placements with other banks	812,337	912,933
Guarantees for coverage of derivative securities and sale and repurchase agreement (note 37e)	1,148,368	1,067,405
Sale and repurchase agreements (Reverse Repos)	50,475	
Loans to credit institutions	62	4,900
Less:		
Allowance for impairment losses	(41,961)	(8,965)
Total	**1,969,281**	**1,976,273**

In 2016, the Group transferred from Investment portfolio securities to Due from banks an amount of €32,996 concerning a bond issued by a foreign Credit Institution that matured. The bond has been fully impaired in prior years.

In 2015, the Group proceeded in the impairment and write off of €2,552 for a loan to a foreign credit institution (note 10).

15. Trading securities

	31.12.2016	31.12.2015
Bonds		
Greek Government	2,256	1,888
Shares		
Listed	2,445	891
Total	**4,701**	**2,779**

16. Derivative financial instruments (assets and liabilities)

	31.12.2016		
	Contractual Nominal amount	Fair value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	272,162	2,409	7,074
Foreign exchange swaps	1,158,359	6,362	2,723
Cross currency swaps	1,646,562	74,107	141,036
Currency options	68,547	227	491
Currency options embedded in customer products	8,991	69	108
Total non-listed	**3,154,621**	**83,174**	**151,432**
Futures			
Total listed	**-**	**-**	**-**
b. Interest rate derivatives			
Interest rate swaps	7,285,341	465,554	528,852
Interest rate options (caps and floors)	240,395	15,204	4,275
Total non-listed	**7,525,736**	**480,758**	**533,127**
Futures			
Total listed	**-**	**-**	**-**
c. Commodity derivatives			
Commodity swaps	126,458	8,341	7,841
Commodity options	1,413	422	419
Total non-listed	**127,871**	**8,763**	**8,260**
d. Index derivatives			
OTC options	49,312	75	75
Total non-listed	**49,312**	**75**	**75**
Futures	48		
Total listed	**48**	**-**	**-**
e. Other derivatives			
GDP linked security	1,663,143	4,224	
Total listed	**1,663,143**	**4,224**	**-**
Derivatives for hedging purposes			
a. Foreign exchange derivatives			
FX swaps	24,826	304	
Cross currency swaps	360,603		12,786
Total non-listed	**385,429**	**304**	**12,786**
b. Interest rate derivatives			
Interest rate swaps	1,046,541	57,025	630,547
Total non-listed	**1,046,541**	**57,025**	**630,547**
Grand total	**13,952,701**	**634,323**	**1,336,227**

As part of the daily settlement and providing guarantee for derivatives with credit institutions as counterparties, the Bank has pledged as collateral an amount of €1.1 billion on 31.12.2016 (31.12.2015: €1 billion). The respective net fair value of derivatives with credit institutions amounted to €1.1 billion on 31.12.2016 (31.12.2015: €0.9 billion).

	31.12.2015		
	Contractual Nominal amount	Fair value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	177,192	719	4,162
Foreign exchange swaps	499,899	5,681	2,334
Cross currency swaps	3,723,496	248,200	394,746
Currency options	113,833	1,078	1,174
Currency options embedded in customer products	1,534	4	51
Total non-listed	**4,515,954**	**255,682**	**402,467**
Futures			
Total listed	**-**	**-**	**-**
b. Interest rate derivatives			
Interest rate swaps	7,925,948	451,484	506,190
Interest rate options (caps and floors)	462,883	19,538	4,655
Total non-listed	**8,388,831**	**471,022**	**510,845**
Futures			
Total listed	**-**	**-**	**-**
c. Commodity derivatives			
Commodity swaps	142,415	17,106	16,605
Total non-listed	**142,415**	**17,106**	**16,605**
d. Index derivatives			
OTC options	49,000	176	176
Total non-listed	**49,000**	**176**	**176**
Futures	105	5	22
Total listed	**105**	**5**	**22**
e. Other derivatives			
GDP linked security	1,665,055	6,660	
Total listed	**1,665,055**	**6,660**	**-**
Derivatives for hedging purposes			
a. Foreign exchange derivatives			
Cross currency swaps	357,872		46,052
Total non-listed	**357,872**	**-**	**46,052**
b. Interest rate derivatives			
Interest rate swaps	1,153,639	42,364	574,362
Interest rate options (caps and floors)			
Total non-listed	**1,153,639**	**42,364**	**574,362**
Grand Total	**16,272,871**	**793,015**	**1,550,529**

17. Loans and advances to customers

	31.12.2016	31.12.2015
Individuals		
Mortgages:	19,670,133	20,171,969
Consumer:		
- Non-securitized	4,041,109	4,063,792
- Securitized	1,272,572	1,299,934
Credit cards:		
- Non-securitized	718,425	720,016
- Securitized	540,376	565,583
Other	705	2,601
Total	**26,243,320**	**26,823,895**
Companies:		
Corporate loans		
- Non-securitized	26,595,645	27,547,074
- Securitized	2,514,014	2,126,179
Leasing		
- Non-securitized	347,810	245,981
- Securitized	324,773	447,618
Factoring	528,618	599,387
Total	**30,310,860**	**30,966,239**
Other receivables	412,833	417,737
	56,967,013	**58,207,871**
Less:		
Allowance for impairment losses *	(12,558,253)	(12,021,755)
Total	**44,408,760**	**46,186,116**

The Bank and Alpha Leasing A.E. have proceeded in securitization of consumer, corporate loans, credit cards and leasing through special purpose entities controlled by them.

In addition, in 2016, the Bank proceeded in securitizing corporate (SME) loans by transferring the loans to the special purpose entity, Alpha Proodos Designated Activity Company.

Based on the contractual terms and structure of the above transactions (e.g. allowance of guarantees or/and credit enhancement or due to the Bank owing the bonds issued by the special purpose entities) the Bank and Alpha Leasing A.E. retained in all cases the risks and rewards deriving from securitized portfolios.

The Bank has proceeded on 8.7.2015 in the cancellation of amount €3.75 billion of covered that were issued, secured by mortgage loans. On 31.12.2016, the balance of the covered bonds amounted to €5 million (note 27). The value of mortgage loans provided as coverage for these bonds amounted to €15.5 million.

* *In addition to the allowance of impairment losses regarding loans and advances to customers, a provision of €3,195 (31.12.2015: €4,713) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to €12,561,448 (31.12.2015: €12,026,468).*

Allowance for impairment losses

Balance 1.1.2015	**8,830,277**
Changes for the period 1.1 - 31.12.2015	
Impairment losses for the year from continuing operations (note 10)	3,015,027
Impairment losses for the year from discontinued operations	32,814
Transfer of accumulated provisions to assets held for sale	(111,912)
Change in present value of the impairment losses from continuing operations	547,996
Change in present value of the impairment losses from discontinued operations	1,435
Foreign exchange differences	54,781
Loans written-off during the year	(348,663)
Balance 31.12.2015	**12,021,755**
Changes for the period 1.1 - 31.12.2016	
Impairment losses for the year from continuing operations (note 10)	1,193,748
Transfer of accumulated provisions to assets held for sale	(171,580)
Utilization of accumulated provisions for other movements	(16,425)
Sales of impaired loans	(17,795)
Change in present value of the impairment losses from continuing operations	413,835
Foreign exchange differences	7,893
Loans written-off during the year	(873,178)
Balance 31.12.2016	**12,558,253**

The finance lease receivables by duration are as follows:

	31.12.2016	31.12.2015
Up to 1 year	324,206	396,490
From 1 year to 5 years	202,472	136,893
Over 5 years	237,799	265,009
	764,477	**798,392**
Non accrued finance lease income	(91,894)	(104,793)
Total	**672,583**	**693,599**

The net amount of finance lease receivables by duration is analyzed as follows:

	31.12.2016	31.12.2015
Up to 1 year	309,997	380,421
From 1 year to 5 years	165,083	91,614
Over 5 years	197,503	221,564
Total	**672,583**	**693,599**

18. Investment securities

a. Available for sale

	31.12.2016	31.12.2015
Greek Government:		
- Bonds	2,078,924	1,787,958
- Treasury bills	1,510,796	2,142,123
Other Government:		
- Bonds	273,171	319,117
- Treasury bills	254,654	239,621
Other issuers:		
- Listed	921,473	1,074,750
- Non-listed	9,863	8,947
Shares		
- Listed	78,748	149,482
- Non-listed	54,571	37,670
Other variable yield securities	34,853	34,816
Total	**5,217,053**	**5,794,484**

During 2016 the Group has recognized impairment losses amounting to €3,279 which is analyzed to €1,784 that relates to shares, €1,495 that relates to other variable yield securities.

During 2015 the Group has recognized impairment losses amounting to €16,374 which is analyzed as €9,197 that relates to shares, €4,227 that relates to other variable yield securities and an amount of €2,950 which relates to bonds of other issuers.

These impairment amounts are included in "Gains less losses on financial transactions".

b. Held to maturity

	31.12.2016	31.12.2015
Other countries:		
- Bonds	15,430	18,983
Other issuers:		
- Listed	29,569	60,726
Total	**44,999**	**79,709**

The variation between the comparative years is mainly attributed to the maturity of bonds with a carrying amount of €6.1 million and the sale of a bond close to its maturity with a book value amounting to €28.6 million.

c. Loans and receivables

Loans and receivables include bonds issued by the European Financial Stability Facility (E.F.S.F.) with a nominal value of €3,960,544 received by the Bank as a result of the share capital increase which was completed on 6.6.2013 and a nominal value of €284,628 which were transferred to the Bank from the Hellenic Financial Stability Fund for the undertaking of customer deposits from the former Cooperative Banks of West Macedonia, Evia and Dodecanese in December 2013.

These bonds under the original agreement could only be used as collateral to obtain liquidity from the Eurosystem or from interbank counterparties in the form of repos.

In April 2016 the subscription agreement between the European Financial Stability Facility (EFSF), the Hellenic Financial Stability Fund (HFSF) and the Bank was revised. The revision refers to the terms of use of the above bonds. The revision states that the Bank may participate with the EFSF bonds in the purchase programme for the bonds issued by central governments, special bodies-securities issuers and European supranational institutions of the Eurozone (Public Sector Purchase Programme - PSPP) conducted by ECB. According to the ECB's decision, a total up to 50% of each EFSF issue can be purchased until the completion of the program in March 2017. During 2016, the Bank conducted sale transactions of EFSF securities at a nominal value of €1,583 million, and within 2017 (until 23.1.2017) at a nominal value of €140 million. The total book value of these bonds on 31.12.2016 was €2,682,655 (31.12.2015: €4,289,482).

In the context of the implementation of short-term measures for public debt relief, the European Stability Mechanism (ESM), the European Financial Stability Facility (EFSF), the Hellenic Financial Stability Fund (HFSF), the Greek State and the four Greek systemic banks signed a bond exchange agreement in March 2017. Under this contract, floating rate bonds issued by EFSF and held by the Banks are gradually exchanged with long-term fixed rate bonds issued by EFSF with equal nominal value, which will be repurchased within one month from EFSF against cash. For the use of long-term fixed rate bonds the same restrictions apply to these of floating-rate bonds, i.e. they consist eligible instruments for providing financing from the Eurosystem and the participation of the ECB's bond purchase program (PSPP) and can be pledged as collateral under repurchase transactions with interbank counterparties.

19. Investments in associates and joint ventures

	31.12.2016	31.12.2015
Opening balance	45,771	46,383
New associates/joint ventures	18,439	
Debt capitalization and share capital increase	168	9,756
Transfer to assets held for sale	(39,244)	
Share of profit/(loss) and other comprehensive income	(3,342)	(10,368)
Total	**21,792**	**45,771**

During 2016, the new investments in associates and joint ventures are "Aktua Hellas Holdings S.A." and "AEP Elaionas A.E.".

The "Transfer due to reclassification to assets held for sale" relates to the joint ventures APE Commercial Property A.E. and APE Investment Property A.E., which were classified as Assets Held for Sale on 30.6.2016, as described in detail in note 47.

During 2015, the debt capitalization and share capital increase relates to the joint ventures "Alpha TANEO A.K.E.S." and "APE Investment Property A.E.".

The associates and joint ventures of the Group are the following:

		Group's ownership interest %	
Name	**Country**	**31.12.2016**	**31.12.2015**
a. Associates			
AEDEP Thessalias and Stereas Ellados	Greece	50	50
A.L.C Novelle Investments Ltd	Cyprus	33.33	33.33
Olganos A.E.	Greece	30.44	30.44
Bank Information Systems AE	Greece	23.77	23.77
Propindex A.E.D.A	Greece	35.58	35.58
Alpha Investment Property Elaionas A.E.	Greece	50	
Selonda A.E.G.E.	Greece	21.97	23.01
Nireus S.A.	Greece	20.65	20.72
b. Joint Ventures			
APE Commercial Property A.E	Greece	72.2	72.2
APE Investment Property A.E.*	Greece	72.8	72.8
Alpha TANEO A.K.E.S.	Greece	51	51
Rosequeens Properties Ltd*	Cyprus	33.33	33.33
Aktua Hellas Holdings A.E.*	Greece	45	

The Bank participates in companies "Selonda A.E.G.E." and "Nireus S.A." as a consequence of their restructuring agreements of loan liabilities. The Bank intends to transfer these companies in the near future. As a result these companies were classified in assets held for sale at their fair value, which was determined in the amount of €1.

* *Companies are parent group entities as mentioned in note 38.*

The Group's share in equity and profit/(loss) of each associate and joint venture is set out below:

	Group's share on equity		**Share of profit/(loss)**		**Share of other comprehensive income in equity**	
	From 1 January to		**From 1 January to**		**From 1 January to**	
Name	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**	**31.12.2016**	**31.12.2015**
a. Associates						
AEDEP Thessalias and Stereas Ellados	74	74				
A.L.C. Novelle Investments Ltd	1,012	1,020	(8)	510		(470)
Olganos A.E.				(25)		
Bank Information Systems A.E.	267	480	(213)	179		
Propindex A.E.D.A	86	86		(2)		
Alpha Investment Property Elaionas A.E.	11,344		(555)			
Total (a)	**12,783**	**1,660**	**(776)**	**662**		**(470)**
b. Joint ventures						
APE Commercial Property A.E.		40,844	(1,600)	(1,071)		(77)
Alpha TANEO A.K.E.S.	3,213	3,267	(195)	(173)		
APE Investment Property A.E.				(9,239)		
Rosequeens Properties Ltd	12		(15)			
Aktua Hellas Holdings A.E.	5,784		(756)			
Total (b)	**9,009**	**44,111**	**(2,566)**	**(10,483)**		**(77)**
Total (a) + (b)	**21,792**	**45,771**	**(3,342)**	**(9,821)**		**(547)**

Investments in material associates and joint ventures

The Group considers as material the associate companies and joint ventures that it participates in, by taking into consideration the activities of strategic importance carried out, but also the book value of the Group's investments as well as the loans and receivables that consist part of the Group's net investment in the companies, if any.

On the basis of the above, the associate company AEP Elaionas A.E. and the joint ventures APE Commercial Property A.E. and APE Investment Property A.E. are considered material.

AEP Elaionas mainly carries out activities relating to building construction and real estate exploitation in general. APE Commercial Property A.E. carries out activities mainly relating to the management and exploitation of real estate activities, as well as the acquisition and management of shareholding, while APE Investment Property A.E. activities relating to the acquisition of securities and any kind of assets in general. The last two are classified as joint ventures, since, under a contractual agreement, the exercise of control requires a consensus decision of the shareholders.

All the above mentioned companies are established in Greece, are not listed on a regulated market and therefore there is no official reference regarding their fair value.

Condensed financial information about AEP Elaionas A.E., which is accounted for under the equity method, as presented below. For APE Commercial Property A.E. and APE Investment Property A.E. that have been classified as Held for Sale on 30.6.2016, the applicable disclosures of IFRS 5 are provided in note 47.

Condensed Total Comprehensive Income

	31.12.2016
Other expenses	(1,110)
Profit/(losses) before income tax, from continuing operations	**(1,110)**
Income tax	-
Profit/(losses) after income tax, from continuing operations	**(1,110)**
Other comprehensive income recognized directly in Equity:	
Total comprehensive income for the year, after income tax	**(1,110)**
Amount attributed to the participation of the Group to profits/(losses) of the joint venture	(555)
Amount attributed to the participation of the Group to other comprehensive income recorded directly in the equity	-

No dividends have been received from the joint venture in 2016.

	31.12.2016
ASSETS	
Cash and cash equivalents	326
Other current assets	489
Total current assets	**815**
Non current assets	**104,940**
Short-term liabilities	262
Total Short-term liabilities	**262**
Long-term liabilities	101,687
Total Long-term liabilities	**101,687**
Total Equity	**3,806**
Group participation (%)	50
Equity share	1,903
Goodwill from the acquisition	9,441
Carrying amount of participation	**11,344**
Loan that is part of the net investment	51,196
Net investment	**62,540**

The Group does not participate in joint operations.

Other information for associates and joint ventures and significant restrictions

Apart from the associated companies and the joint ventures that have been classified as Assets Held for Sale and are accounded for in accordance with the provisions of IFRS 5, the rest of the associates and the joint ventures are accounted for using the equity method.

No cases exist where the Group has stopped recognizing its share in the losses of associates and joint ventures because its participation has been fully impaired.

The Group has no contingent liabilities regarding its participation in associates or joint ventures. The Bank has undertaken the obligation to participate in additional investments in the joint venture Alpha TANEO AKES amounting up to €0.3 million. Further to this, there are no other unrecognized commitments of the Group relating with its participation in joint ventures which could result in future cash or other outflows.

No significant restrictions exist on associates or joint ventures to transfer capital in the entity either as dividends or to repay loans that have been financed by the Group apart from the restrictions imposed by Codified Law 2190/1920 on Greek companies according to the minimum share capital required, equity and distribution of dividend. Moreover, restrictions imposed by the adoption of Legislative Act within 2015 exist which refer to cash withdrawals and free capital flows as well as any ministerial or other decision issued, which apply to all companies operating in Greece.

20. Investment property

	Land – Buildings
Balance 1.1.2015	
Cost	693,486
Accumulated depreciation and impairment losses	(126,274)
1.1.2015 - 31.12.2015	
Net book value 1.1.2015	567,212
Additions	21,543
Additions from companies consolidated for the first time in 2015	90,941
Reclassifications to "Other assets"	(108)
Reclassifications from "Property, plant and equipment"	4,145
Reclassification to "Assets held for sale"	(939)
Reclassification of discontinued operations assets to "Assets held for sale"	(1,277)
Foreign exchange differences	(771)
Disposals/Write-offs	(13,836)
Depreciation charge for the year from continuing operations	(10,802)
Depreciation charge for the year from discontinued operations	(162)
Impairment losses	(32,284)
Net book value 31.12.2015	**623,662**
Balance 31.12.2015	
Cost	800,910
Accumulated depreciation and impairment losses	(177,248)
1.1.2016 - 31.12.2016	
Net book value 1.1.2016	623,662
Additions	76,069
Additions from companies consolidated for the first time in 2016	11,907
Reclassification to "Assets held for sale"	(40,233)
Reclassification from/to «Property, plant and equipment »	25,312
Reclassification of discontinued operations assets to "Assets held for sale"	(6,374)
Foreign exchange differences	(539)
Disposals/Write-offs	(30,584)
Depreciation charge for the year from continuing operations	(12,937)
Impairment losses	(32,191)
Net book value 31.12.2016	**614,092**
Balance 31.12.2016	
Cost	800,527
Accumulated depreciation and impairment losses	(186,435)

In 2016, an impairment loss amounting to €32.2 million, in order for the carrying amount of investment property not to exceed their recoverable amount as at 31.12.2016, as estimated by certified appraisers. In 2015, an impairment loss amounted to €32.3 million. The recoverable amount of investment property which was impaired during the current year amounted to €110.2 million (31.12.2015: €100.1 million) and was calculated as the fair value less costs of disposal. The fair value of investment property as at 31.12.2016 amounts to €616.1 million (31.12.2015: €667 million). The fair value of investment property is calculated in accordance with the methods mentioned in note 1.8 and are classified, in terms of fair value hierarchy, in Level 3, since they have made use of research inputs, assumptions and inputs relating to properties of relevant characteristics and encompass a wide range of non-observable market inputs. The capitalization rate used ranges between 7.0% and 8.5%.

The additions from companies consolidated for the first time in 2016 and 2015 relate to investment property which were obtained as collateral for loans and acquired by the Group in the context of its credit risk management.

21. Property, plant and equipment

	Land and buildings	Leasehold improvements	Equipment	Total
Balance 1.1.2015				
Cost	1,417,632	4,302	518,133	1,940,067
Accumulated depreciation and impairment losses	(411,831)	(3,152)	(441,736)	(856,719)
1.1.2015 - 31.12.2015				
Net book value 1.1.2015	1,005,801	1,150	76,397	1,083,348
Foreign exchange differences	(19)	(1)	138	118
Additions	7,659	102	17,460	25,221
Additions from companies consolidated for the first time in 2015			949	949
Disposals/Write-offs	(3,711)	(7)	(127)	(3,845)
Reclassification to "Investment property"	(4,145)			(4,145)
Reclassification of discontinued operations assets to "Assets held for sale"	(5,345)		(3,131)	(8,476)
Reclassification to "Assets held for sale"	(164,166)		(3,088)	(167,254)
Reclassification internally to Property, plant and equipment	49	615	(664)	-
Reclassification to "Other assets"	(14,102)	(18)	(540)	(14,660)
Depreciation charge from continuing operations	(26,011)	(400)	(19,660)	(46,071)
Depreciation charge from discontinued operations	(1,454)		(577)	(2,031)
Impairment losses	(1,929)		(324)	(2,253)
Net book value 31.12.2015	**792,627**	**1,441**	**66,833**	**860,901**
Balance 31.12.2015				
Cost	1,169,294	4,090	472,059	1,645,443
Accumulated depreciation and impairment losses	(376,667)	(2,649)	(405,226)	(784,542)
1.1.2016 - 31.12.2016				
Net book value 1.1.2016	792,627	1,441	66,833	860,901
Foreign exchange differences	(286)	(1)	(37)	(324)
Additions	10,074	71	20,414	30,559
Additions from companies consolidated for the first time in 2016			278	278
Disposals/Write-offs	(3,040)	(3)	(86)	(3,129)
Reclassification from/to "Investment property"	(25,312)			(25,312)
Reclassification of discontinued operations assets to "Assets held for sale"	(400)			(400)
Reclassification to "Assets held for sale"	(19,579)		(1,387)	(20,966)
Reclassification internally to Property, plant and equipment	(77)	(471)	548	-
Reclassification to "Other assets"	(4,035)			(4,035)
Depreciation charge from continuing operations	(20,604)	(316)	(18,745)	(39,665)
Impairment losses	(3,818)		(121)	(3,939)
Net book value 31.12.2016	**725,550**	**721**	**67,697**	**793,968**
Balance 31.12.2016				
Cost	1,097,399	3,389	462,904	1,563,692
Accumulated depreciation and impairment losses	(371,849)	(2,668)	(395,207)	(769,724)

In 2016, an impairment loss of €3.9 million (2015: €2.3 million) was recognized in "Other Expenses". The recoverable amount of the owned fixed assets that were impaired during the year amounted to €23,023 (2015: €9,828). During the impairment test of property, plant and equipment, the estimation is based on the value in use incorporating the carrying amount of an asset and all the improvements which render it absolutely suitable for use from the Group.

The carrying amount of owned land and buildings included in the above balances amounts to €675,797 as at 31.12.2016 (31.12.2015: €718,699).

22. Goodwill and other intangible assets

	Goodwill	Software	Other intangible	Total
Balance 1.1.2015				
Cost		488,347	155,103	643,450
Accumulated amortization and impairment loss		(278,559)	(33,467)	(312,026)
1.1.2015 - 31.12.2015				
Net book value 1.1.2015		209,788	121,636	331,424
Additions		60,855	72	60,927
Additions from companies consolidated for the first time in 2015	2,900			2,900
Reclassification of discontinued operations assets to "Assets held for sale"		(4,384)	(1)	(4,385)
Reclassification to "Assets held for sale"		22		22
Foreign exchange differences		198		198
Depreciation charge from continuing operations		(22,804)	(22,910)	(45,714)
Depreciation charge from discontinued opearations		(221)		(221)
Net book value 31.12.2015	**2,900**	**243,454**	**98,797**	**345,151**
Balance 31.12.2015				
Cost	2,900	544,009	152,363	699,272
Accumulated amortization and impairment loss		(300,555)	(53,566)	(354,121)
1.1.2016 - 31.12.2016				
Net book value 1.1.2016	2,900	243,454	98,797	345,151
Additions		79,420		79,420
Reclassification of discontinued operations assets to "Assets held for sale"		(2)		(2)
Reclassification to "Assets held for sale"		(1,461)		(1,461)
Foreign exchange differences		(46)		(46)
Disposals/Write-offs		(170)		(170)
Depreciation charge from continuing operations		(26,531)	(18,292)	(44,823)
Impairment losses	(2,900)	(3,855)		(6,755)
Net book value 31.12.2016	**-**	**290,809**	**80,505**	**371,314**
Balance 31.12.2016				
Cost		617,620	140,128	757,748
Accumulated amortization and impairment loss		(326,811)	(59,623)	(386,434)

The additions of year 2016 mainly concern acquisitions of user rights for computer applications. In 2015 the goodwill amounting to €2.9 million relates to the acquired company Asmita Gardens S.R.L., following the completion of valuation of its assets (note 49). In 2016 the above goodwill was fully impaired.

23. Deferred tax assets and liabilities

	31.12.2016	31.12.2015
Assets	4,519,046	4,398,176
Liabilities	(21,219)	(20,852)
Total	**4,497,827**	**4,377,324**

Deferred tax assets and liabilities are analyzed as follows:

	1.1 - 31.12.2016						
		Recognized in					
	Balance 1.1.2016	Income Statement from continuing operations	Income Statement from discontinued operations	Equity	Transferred to Held for Sale	Foreign exchange differences	Balance 31.12.2016
Debit difference of Law 4046/2012	1,158,424	(44,554)					1,113,870
Write-offs, depreciation, and impairment of fixed assets	32,883	5,806					38,689
Valuation/Impairment of loans	2,334,547	144,477					2,479,024
Valuation of loans due to hedging	(1,154)	840					(314)
Employee defined benefit and insurance funds	69,580	(26,353)		3,099			46,326
Valuation of derivatives	150,183	6,032		16,069			172,284
Effective interest rate	11,909	(191)					11,718
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(50,491)	(3,776)					(54,267)
Valuation/impairment of bonds and other securities	78,185	210	84,438	(19,843)			142,991
Tax losses carried forward	488,502	(38,136)		281			450,647
Other temporary differences	101,398	(902)		(25)	(4,432)	322	96,363
Exchange differences from translating and hedging of foreign operations	3,358			(2,859)			499
Total	**4,377,324**	**43,453**	**84,438**	**(3,278)**	**(4,432)**	**322**	**4,497,827**

	1.1 - 31.12.2015						
		Recognized in					
	Balance 1.1.2015	Income Statement from continuing operations	Income Statement from discontinued operations	Equity	Transferred to Held for Sale	Foreign exchange differences	Balance 31.12.2015
Debit difference of Law 4046/2012	1,078,533	79,891					1,158,424
Write-offs, depreciation, and impairment of fixed assets	60,041	(22,946)		6,261	(10,473)		32,883
Valuation/Impairment of loans	1,636,632	697,915					2,334,547
Valuation of loans due to hedging	(2,097)	943					(1,154)
Employee defined benefit and insurance funds	76,352	(8,224)		2,101	(649)		69,580
Valuation of derivatives	184,269	(26,491)		(7,595)			150,183
Effective interest rate	1,939	9,970					11,909
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(53,693)	3,202					(50,491)
Valuation/impairment of bonds and other securities	119,498	21,009		(62,322)			78,185
Tax losses carried forward	461,046	12,020		17,770	(2,334)		488,502
Other temporary differences	97,810	2,601	533		402	52	101,398
Exchange differences from translating and hedging of foreign operations	3,614			(256)			3,358
Total	**3,663,944**	**769,890**	**533**	**(44,041)**	**(13,054)**	**52**	**4,377,324**

The amount of €17,770 which is recognized in Equity in the category "Tax losses carried forward" relates to Bank's share capital increase expenses which according to Law 4308/14 (Greek Accounting Standards) are recognized in the tax results of the year.

24. Other assets

	31.12.2016	31.12.2015
Tax advances and withholding taxes	431,164	468,016
Deposit and Investment Guarantee Fund	625,417	613,377
Assets obtained from auctions	191,227	197,904
Prepaid expenses	20,550	42,693
Accrued income	3,831	4,129
Other	178,270	182,514
Total	**1,450,459**	**1,508,633**

Hellenic Deposit and Investment Guarantee Fund included in other assets relates to the Bank's participation in assets of investment and deposit cover scheme. The above figure consists of:

1. the amount contributed relating to investment cover scheme and
2. the difference between the regular annual contribution of credit institutions resulting from the application of article 6 of Law 3714/2008 "Borrowers protection and other regulations", which raised the amount of deposits covered from Deposit Guarantee scheme from € 20 thousands to €100 thousands per each depositor.

   The above difference is included according to Law 4370/ 7.3.2016 Deposit Gurantee Scheme (incorporating Directive 2014/49/EE), Deposit and Investment Guarantee Fund and other regulations in a special group of assets, whose elements are owned in common by the participant credit institutions, according to the participation percentage of each one.

On 31.12.2016 the Group measured its fixed assets classified in other assets at the lowest value between the carrying amount and its fair value. In cases where the fair value was less than the carrying amount, an impairment loss was recognized which amounted to €6.6 million in total and is included in "Other expenses" of the Income Statement. On 31.12.2015 the relevant impairment loss amounted to €1.8 million. The fair value of fixed assets is calculated in accordance with the methods mentioned in note 1.8 and are classified in terms of fair value hierarchy in Level 3, since they have made use of research inputs, assumptions and inputs relating to properties of relevant characteristics and therefore encompass a wide range of non-observable market inputs. The capitalization rate used was between 7.0% and 8.5%.

The account balance "Other" of the comparative period has been restated due to the completion of the valuation of the acquired subsidiary company (note 49).

LIABILITIES

25. Due to banks

	31.12.2016	31.12.2015
Deposits:		
- Current accounts	35,304	112,482
- Term deposits		
Central Banks	18,331,086	24,404,828
Other credit institutions	21,053	17,408
Cash collateral for derivative margin account and repurchase agreements	25,465	56,960
Sale and repurchase agreements (Repos)	411,914	269,292
Borrowing funds	277,404	252,123
Deposits on demand:		
- Other credit institutions	3,351	2,270
Total	**19,105,577**	**25,115,363**

Eurosystem funding decreased by €6.1 billion mainly due to the sale of EFSF bonds through the PSPP programme (note 18), new repurchase agreements (Repos) and the increase in customer deposits.

In June 2016, the European Central Bank carried out a new program of targeted long term refinancing operations (TLTRO-II) with a four year duration. The Bank participates in this program with an amount of €1.5 billion.

26. Due to customers (including debt securities in issue)

	31.12.2016	31.12.2015
Deposits:		
- Current accounts	9,046,299	8,336,028
- Saving accounts	9,447,093	9,911,144
- Term deposits	14,217,085	12,952,678
Debt securities in issue	78,675	94,155
Sale and repurchase agreements (Repos)	46,112	46,140
Deposits on demand	32,687	28,773
	32,867,951	**31,368,918**
Cheques payable	78,165	65,348
Total	**32,946,116**	**31,434,266**

27. Debt securities in issue and other borrowed funds

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

Under the programme for the enhancement of the Greek's economy liquidity, according to Law 3723/2008, during 2016, the Bank proceeded to the issuance of senior debt securities guaranteed by the Greek Government amounting to €6.15 billion while the maturities/redemptions for the same period amounted to €14.37 billion.

The total balance of senior debt securities guaranteed by the Greek Government on 31.12.2016 amounts to €1 billion (31.12.2015: €9.22 billion).

These securities are not included in the "Debt securities in issue and other borrowed funds", as they are held by the Group.

ii. Covered bonds *

Covered bonds are not included in caption "Debt securities in issue and other borrowed funds" as these securities are held by the Group.

The total balance of covered bonds on 31.12.2016 amounts to €5 million.

iii. Senior debt securities

Balance 1.1.2016	**29,742**
Changes for the period 1.1 - 31.12.2016	
Maturities/Repayments	(4,128)
Fair value change	38
Accrued interest	1,262
Foreign exchange differences	(80)
Balance 31.12.2016	**26,834**

This variation is mainly due to an early redemption of senior debt security of a nominal value of USD 3 million that took place on 23.5.2016.

iv. Liabilities from the securitization of shipping loans

Balance 1.1.2016	**340,272**
Changes for the period 1.1 - 31.12.2016	
Maturities/Repayments	(95,195)
Accrued interest	8,507
Foreign exchange differences	(1,264)
Balance 31.12.2016	**252,320**

The Bank proceeded in a shipping loan securitization transaction, transferring them to the fully consolidated Special Purpose Entity, Alpha Shipping Finance Ltd which in turn raised funding from third parties. The liability of the Group to third parties on 31.12.2016, amounts to €252.3 million.

v. Liabilities from the securitization of corporate loans (SMEs)

Balance 1.1.2016	**-**
Changes for the period 1.1 - 31.12.2016	
New issues	319,899
Accrued interest	154
Balance 31.12.2016	**320,053**

During the year, the Bank proceeded with the securitization of SME's loans, transferring the aforementioned loans to the fully consolidated special purpose entity, Alpha Proodos Designated Activity Company (D.A.C), which in turn raised funding from third parties. The liability of the Group to third parties on 31.12.2016 amounts to €320 million.

vi. Liabilities from the securitization of other loans

Liabilities arising from the securitization of consumer loans, corporate loans and credit cards are not included in "Debt securities in issue and other borrowed funds" since these securities of nominal value €4.2 billion have been issued by special purpose entities and held by the Bank.

* *Financial disclosures regarding covered bonds issues, as determined by the 2620/28.8.2009 directive of Bank of Greece are published at the Bank's website.*

vii. Subordinated debt

1. Subordinated loans (Lower Tier II, Upper Tier II)

Balance 1.1.2016	**100,270**
Changes for the period 1.1 - 31.12.2016	
(Repurchases)/sales	(17,552)
Maturities/repayments	(367)
Accrued interest	(13)
Balance 31.12.2016	**82,338**

2. Convertible bond loan

Balance 1.1.2016	**24,600**
Changes for the period 1.1 - 31.12.2016	
Fair value change	(10,605)
Balance 31.12.2016	**13,995**

The convertible bond concerns bond issuance with nominal value €150 million issued by the Bank on 1.2.2013 under an agreement with Credit Agricole SA for the acquisition of former Emporiki Bank. The decrease in the liability from the convertible bond at the amount of €10.6 million was recognized in Gains less losses on financial transactions.

The convertible bond matured on 1.2.2017 (note 50).

Total of debt securities in issue and other borrowed funds	**695,540**

Of the above debt securities in issue amounting to €695,540 an amount of €78,675 (31.12.2015: €94,155) held by Group customers has been reclassified to "Due to customer". Therefore, the balance of "Debt securities in issue held by institutional investors and other borrowed funds" on 31.12.2016, amounts to €616,865 (31.12.2015: €400,729).

28. Liabilities for current income tax and other taxes

	31.12.2016	**31.12.2015**
Current income tax	9,328	10,492
Other taxes	24,450	27,700
Total	**33,778**	**38,192**

29. Employee defined benefit obligations

The total amounts recognized in the financial statements for defined benefit obligations are presented in the table below:

	Balance Sheet - Liabilities	
	31.12.2016	**31.12.2015**
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	78,597	70,643
TAP – Lump sum benefit	0	27,445
Savings program guarantee	4,225	2,556
Plans for Diners (pension and health care)	6,305	5,172
Group employees in Greece indemnity provision due to retirement in accordance with Law 2112/1920	2,701	2,519
Alpha Bank Srbija employee's indemnity provision due to retirement	0	215
Total Liabilities	**91,828**	**108,550**

	Income statement Expenses/(Income) From 1 January to	
	31.12.2016	31.12.2015
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	7,118	4,068
TAP – Lump sum benefit	3,972	3,987
Savings program guarantee	206	41
Plans for Diners (pension and health care)	141	118
Group employees in Greece indemnity provision due to retirement in accordance with Law 2112/1920	702	669
Total	**12,139**	**8,883**

Balance Sheet item and Income Statement amounts are analyzed per fund and type of benefit as follows:

i. Bank

a. Employee indemnity due to retirement in accordance with Law 2112/1920

The employment contracts of the employees are considered open term employee contracts and when cancelled, the provisions of Law 2112/1920 and Law 3198/1955 apply, as amended by Law 4093/2012, which provide a lump sum benefit payment.

The amounts recognized in the balance sheet are as follows:

	31.12.2016	31.12.2015
Present value of defined obligations	78,597	70,643
Liability/(Asset)	**78,597**	**70,643**

The amounts recognized in the income statement are as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Current service cost	2,082	1,965
Net interest cost resulted from net asset/liability	1,760	1,295
Past service cost	2,343	
Settlement/Curtailment/Termination (gain)/loss	933	808
Total (included in staff costs)	**7,118**	**4,068**

The movement in the present value of the defined benefit obligation is as follows:

	2016	2015
Opening balance	**70,643**	**65,023**
Current service cost	2,082	1,965
Interest cost	1,760	1,295
Benefits paid	(7,225)	(1,600)
Settlement/Curtailment/Termination (gain)/loss	933	808
Past service cost	2,343	
Actuarial (gain)/loss – financial assumptions	8,690	3,576
Actuarial (gain)/loss – experience assumptions	(629)	(424)
Closing balance	**78,597**	**70,643**

The amounts recognized directly in equity during the year are analyzed as follows:

	31.12.2016	31.12.2015
Change in liability gain/(loss) due to changes in financial and demographic assumptions	(8,690)	(3,576)
Change in liability gain/(loss) due to experience adjustments	629	424
Total actuarial gain/(loss) recognized in Equity	**(8,061)**	**(3,152)**

The movement in the obligation in the balance sheet is as follows:

	2016	2015
Opening balance	70,643	65,023
Benefits paid	(7,225)	(1,600)
Loss /(Gain) recognized in Income Statement	7,118	4,068
Loss/(Gain) recognized in equity	8,061	3,152
Closing balance	**78,597**	**70,643**

b. Supplementary Pension Fund (TAP) of former Alpha Credit Bank Employees

The obligation to the Supplementary Pension Fund (TAP) of former Alpha Credit Bank employees, after it was absorbed by the Common Insurance Fund of Bank Employees for the supplementary pension (Article 10, Law 3620/2007) is restricted to paying a lump sum benefit to retiring employees, which is guaranteed by the Bank. On 18.11.2013 the Bank signed a new operational agreement with the Association of Personnel, whereby the amount paid by the Supplementary Pension Fund, will not exceed the difference between the amount corresponding to the overall lump sum provision, according to the statute of the Supplementary Pension Fund (TAP), and the amount of compensation that the Bank must pay, according to the current labor legislation, on the termination of employment contracts. This adjustment is not affected by a potential reduction of the compensation amount in the future.

On 20.05.2016 the General Meeting of the representatives of TAP members decided the liquidation of TAP under the terms of the agreement signed on 21.04.2016 between the Bank, the staff association and TAP. Based on the decision, contribution from TAP were returned to its members along with their returns according to the articles of association. This resulted in the settlement of the respective obligation.

The amounts included in the balance sheet are as follows:

	31.12.2016	31.12.2015
Present value of defined obligation		62,947
Fair value of plan assets		(35,502)
Liability/(asset)	**-**	**27,445**

The amounts included in the income statement are as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Current service cost	1,155	2,651
Net interest cost resulted from net asset/liability	284	354
General expenses	2	5
Total of current service cost	**1,441**	**3,010**
Settlement/Curtailment/Termination (gain)/loss	2,531	977
Total (included in staff costs)	**3,972**	**3,987**

The movement in the present value of the defined benefit obligation is as follows:

	2016	2015
Opening balance	**62,947**	**82,475**
Current service cost	1,155	2,651
Interest cost	654	1,179
Employee contributions	124	366
Benefits paid	(72,125)	(26,357)
Contributions paid directly by the Fund	-	(230)
Settlement/curtailment/termination loss/(gain)	2,531	977
Actuarial (gain)/loss - financial assumptions	-	1,983
Actuarial (gain)/loss – experience adjustments	4,714	(97)
Closing balance	**-**	**62,947**

The movement in the fair value of plan assets is as follows:

	2016	2015
Opening balance	**35,502**	**53,245**
Expected return	370	825
Employee contributions	124	366
Bank's contributions	31,417	
Benefits paid	(72,125)	(26,357)
Expenses	(2)	(5)
Actuarial (losses) / gains	4,714	7,428
Closing balance	**-**	**35,502**

The amounts recognized directly in equity during the year are analyzed as follows:

	2016	2015
Change in liability gain/(loss) due to changes in financial and demographic assumptions		(1,983)
Change in liability gain/(loss) due to experience adjustments	(4,714)	97
Return on plan assets excluding amounts included in income statement	4,714	7,428
Total actuarial gain/(loss) recognized in equity	**-**	**5,542**

The movement of the liability/(asset) in the balance sheet is as follows:

	2016	2015
Opening balance	**27,445**	**29,230**
Benefits paid directly by the Bank		(230)
Bank's contributions	(31,417)	
Loss/(Gain) recognized in Income Statement	3,972	3,987
Loss/(Gain) recognized in Equity		(5,542)
Closing balance	**-**	**27,445**

c. Guarantee of the minimum benefit for newly insured employees (after 1993) that were hired up to 31.12.2004 and joined the new Bank's savings plan

For employees hired by the Bank and insured from 1.1.1993 until 31.12.2004 the final amount to be received upon retirement has, according to the provisions of the insurance plan, as minimum limit the benefit as defined in Law 2084/1992 and the Cabinet Act 2/39350/0022/2.3.99.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2016	31.12.2015
Present value of defined obligation	4,225	2,556
Liability/(asset)	**4,225**	**2,556**

The amounts included in the income statement are analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Current service cost	142	30
Net interest cost resulted from the net asset/liability	64	11
Total (included in staff costs)	**206**	**41**

The movement in the present value of liability is as follows:

	2015	2015
Opening balance	**2,556**	**547**
Current service cost	142	30
Interest cost	64	11
Actuarial (gain)/loss - financial assumptions	1,631	1,947
Actuarial (gain)/loss – experience adjustments	(168)	21
Closing balance	**4,225**	**2,556**

The amounts recognized directly in equity during the year are analyzed as follows:

	2016	2015
Change in liability gain/(loss) due to changes in assumptions	(1,631)	(1,947)
Change in liability gain/(loss) due to experience adjustments	168	(21)
Total actuarial gain/(loss) recognized in Equity	**(1,463)**	**(1,968)**

The movement in the obligation is as follows:

	2016	2015
Opening balance	2,556	547
Loss/(Gain) recognized in income statement	206	41
Loss/(Gain) recognized in equity	1,463	1,968
Closing balance	**4,225**	**2,556**

d. Supplementary Pension Fund and Health Care of Diners

The Bank guarantees from 30.9.2014, date of acquisition of Diners Club Hellas S.A. the Supplementary Pension Fund and Health Care Plan of the company, which is managed by an independent insurance company. On 2.6.2015, the merger via absorption of the company was completed. These plans cover the pensioners and those who have retired and have the right to receive suplementary penion in the future.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2016	31.12.2015
Present value of defined obligation	9,727	8,941
Fair value of plan assets	(3,422)	(3,769)
Liability/(asset)	**6,305**	**5,172**

The amounts included in the income statement are analyzed as follows:

	From 1 January to	
	31.12.2016	**31.12.2015**
Net interest cost resulted from the net asset/liability	130	113
General expenses	11	5
Total (included in staff costs)	**141**	**118**

The movement in the present value of benefits is as follows:

	2016	2015
Opening balance	**8,941**	**9,766**
Interest cost	220	192
Benefits paid directly by the Bank	(13)	(11)
Benefits paid	(336)	(329)
Actuarial (gain)/loss - financial assumptions	1,000	(825)
Actuarial (gain)/loss – experience adjustments	(85)	148
Closing balance	**9,727**	**8,941**

The movement in the fair value of plan assets is as follows:

	2016	2015
Opening balance	**3,769**	**4,099**
Expected return	90	79
Benefits paid	(336)	(329)
Expenses	(11)	(5)
Actuarial losses	(90)	(75)
Closing balance	**3,422**	**3,769**

The amounts recognized directly in equity during the year are analyzed as follows:

	2016	2015
Change in liability gain/(loss) due to financial and demographic assumptions	(1,000)	825
Change in liability gain/(loss) due to experience adjustments	85	(148)
Return on plan assets excluding amounts included in income statement – gain / (loss)	(90)	(75)
Total actuarial gain/(loss) recognized in equity	**(1,005)**	**602**

The movement of the liability/(asset) in the balance sheet is as follows:

	2016	2015
Opening balance	5,172	5,667
Benefits paid directly by the Bank	(13)	(11)
(Gain)/loss recognized in Income Statement	141	118
(Gain)/loss recognized in Equity	1,005	(602)
Closing balance	**6,305**	**5,172**

The results of the abovementioned valuations are based on the assumptions of the actuarial studies.

The principal actuarial assumptions used for the above mentioned defined benefit plans are as follows:

	31.12.2016	31.12.2015
Discount rate	1.8%	2.5%
Inflation rate	1.5%	1.8%
Return on plan assets	2.0%	2.5%
Future salary growth	1.8%	1.8%
Future pension growth	0%	0%

The discount rate was based on the iBoxx Euro Corporate AA+ adopted to the characteristics of the programs.

The average duration per program is depicted in the table below:

	31.12.2016	31.12.2015
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	17.7	17.9
TAP – Lump sum benefit	-	13.0
Saving program guarantee	19.5	20.0
Plans for Diners (pension and health care)	16.3	17.1

The table below presents the sensitivity of the obligations of the above programs on the financial assumptions:

	Percentage variation in liability (%)
Increase in discount rate by 0.5%	(8.2)
Decrease in discount rate by 0.5%	9.1
Increase in future salary growth rate by 0.5%	9.0
Decrease in future salary growth rate by 0.5%	(8.3)

ii. Group companies

The employees of the Greek subsidiaries with open ended employment contracts receive a lump sum payment on retirement, which is defined by Law 2112/1920 as modified by Law 4093/2012. For subsidiary Alpha Bank Srbija A.D., the employees receive a lump sum payment on retirement, which equals two salaries of the Serbian Government from 2014 compared to three salaries applied in prior year as a result of the change of the respective law.

The total amounts recognized in the financial statements regarding the defined benefit obligations are analyzed as follows:

	Balance Sheet - Liabilities	
	31.12.2016	31.12.2015
Bank's employees indemnity of greek subsidiaries due to retirement in accordance with Law 2112/1920	2,701	2,519
Alpha Bank Srbija employees indemnity provision due to retirement		215
Total Liabilities	**2,701**	**2,734**

	Income Statement Expenses/(Income) From 1 January to	
	31.12.2016	31.12.2015
Bank's employees indemnity of greek subsidiaries due to retirement in accordance with Law 2112/1920	702	669
Total	**702**	**669**

The liability on 31.12.2016 which concerns Alpha Bank Srbija employee's indemnity has been transferred to the liabilities related to assets held for sale, while the respective results of 2016 and 2015 have been incorporated in profit/(loss) from discontinued operations (note 47).

The amount of actuarial gain/losses that was recognized in equity for the defined benefit programs of the Group companies' amounts to €160 loss for 2016 against €83 loss for 2015.

30. Other liabilities

	31.12.2016	31.12.2015
Liabilities to third parties	80,732	70,209
Liabilities to Insurance Funds	67,281	131,911
Brokerage services	9,387	28,140
Deferred income	5,410	8,594
Accrued expenses	60,172	61,215
Liabilities to merchants from credit cards	271,339	285,042
Other	384,864	325,512
Total	**879,185**	**910,623**

The account balance "Other" of the comparative year have been restated due to the completion of the valuation of the acquired subsidiary company (note 49).

31. Provisions

	31.12.2016	31.12.2015
Insurance	219,530	168,818
Provisions to cover credit risk and other provisions	102,174	129,640
Total	**321,704**	**298,458**

a. Insurance

	31.12.2016	31.12.2015
Life insurance		
Unearned premiums	218,996	168,629
Outstanding claim reserves	534	189
Total	**219,530**	**168,818**

b. Provisions to cover credit risk and other provisions

Balance 1.1.2015	**80,501**
Changes for the period 1.1 - 31.12.2015	
Reclassification of provision from Bulgaria branch and Ionian Hotel Enterpises to "Liabilities related assets held for sale"	(834)
Provisions to cover credit risk relating to off-balance sheet items from continuing operations (note 10)	(10,806)
Provisions to cover credit risk relating to off-balance sheet items from discontinued operations	98
Provisions from pending legal cases and other contingent liabilities of continuing operations (Note 9)	1,921
Provisions from pending legal cases and other discontinued operations	179
Other provisions for companies consolidated for the first time	2,444
Other provisions used during the year	(8,063)
Provision for voluntary separation scheme of Alpha Bank AE	64,300
Foreign exchange differences	(100)
Balance 31.12.2015	**129,640**
Changes for the period 1.1 - 31.12.2016	
Reclassification of provision from Alpha Bank Srbija A.D. to "Liabilities related assets held for sale"	(1,139)
Provisions to cover credit risk relating to off-balance sheet items (note 10)	(1,357)
Used provision for Alpha Bank A.E. separation scheme	(35,262)
Provisions from legal cases and other contingent liabilities (note 9)	16,000
Other provisions	785
Other provisions used for companies consolidated for the first time in 2015	(2,444)
Other provisions used during the year	(4,092)
Foreign exchange differences	43
Balance 31.12.2016	**102,174**

The amounts of the provisions from pending legal cases and other contingent liabilities are included in "Other Expenses" of the income statement.

On 31.12.2016 the balance of provisions to cover credit risk relating to off-balance sheet items amounts to €3.2 million (31.12.2015: €4.7 million) and other provisions to €99 million (31.12.2015:€124.9 million) out of which:

- an amount of €38.6 million relates to pending legal cases (31.12.2015: €29 million).
- an amount of €29 million relates to the balance of provision for voluntary separation scheme of Alpha Bank A.E., that had been accounted on 31.12.2015 at the amount of €64.3 million. Alpha Bank A.E. recorded that provision within the context of the implementation of the updated restructuring plan and its relevant commitments. During 2016, it was decided to utilize a part of the relevant provision in the context of a consensual separation scheme.

During the year, Alpah Bank Cyprus performed a voluntary separation scheme, aiming to achieve substantial benefit in operational costs. The Group recognized during the first quarter a provision of amount €31 million for the expected cost, which has been used during the second quarter for the compensations. The final cost amounted to €31.7 million.

Finally, the prior year balance was restated, due to the recognition of the relevant provision related to the valuation of the acquired subsidiary's net assets as mentioned in note 49. This provision has been fully considered during the current year.

EQUITY

32. Share capital

The Bank's share capital on 31.12.2015 and 31.12.2016 is analysed as follows:

	Opening balance of shares as at 1.1.2015	Changes for the period from 1.1.2015 to 31.12.2015 (units)				Balance of shares as at 31.12.2015/ 31.12.2016	Paid-in capital as at 31.12.2015/ 31.12.2016
		Reverse split	Capitalization of special reserve	Share capital increase in cash	Share capital increase through capitalization of money claims		
a. Ordinary shares							
Number of ordinary shares	12,769,059,858.00	(12,513,678,660.84)	2.84			255,381,200.00	76,614
Share capital increase				776,084,586.00	505,415,414.00	1,281,500,000.00	384,450
Total	**12,769,059,858.00**	**(12,513,678,660.84)**	**2.84**	**776,084,586.00**	**505,415,414.00**	**1,536,881,200.00**	**461,064**

On 24.11.2015 the following took place:

a) increase the nominal value of each ordinary, registered, with voting rights, non-paper share issued by the Bank from €0.30 to €15.00,by reverse split, with a respective decrease of the total number of shares at a ratio of 50 old shares to 1 new ordinary, with voting rights share,

b) increase of share capital of the Bank, with capitalization of part of special reserve of the Bank with an amount of €42.6 by the virtue of the paragraph 4a of the article 4 of the Codified Law 2190/1920, in order to create an integer number of shares,

c) decrease, by the virtue of the paragraph 4a of the article 4 of the Codified Law 2190/1920, of the share capital of the Bank by an amount of €3,754,103,640 as a result of the decrease of the nominal value of each ordinary, non-paper , registered, with voting rights share issued by the Bank from €15.00 to €0.30 with a respective increase of special reserve of the Bank, by virtue of the paragraph 4a of the article 4 of the Codified Law 2190/1920, and

d) increase of the share capital of the Bank for an amount €1,010,830,828.00 through capitalization of the monetary claims in the context of the voluntary exchange of securities that participated in the liability management exercise and payment in cash of an amount of €1,552,169,172.00 via a private placement.

The increase of the share capital aimed to the coverage in full of its total recapitalization requirement under the adverse scenario of the Single Supervisory Mechanism comprehensive assessment

Following the above, the Bank's share capital as at 31.12.2015 amounts to €461,064,360.00 divided to 1,536,881,200 ordinary, registered, with voting rights shares with nominal value of €0.30 and a share premium of €10,790,869,872.46. The number of the ordinary shares that the Hellenic Financial Stability Fund (HFSF) held at 31.12.2015 was 169,175,146.

There was no change in the Bank's share capital during 2016.

Finally, with the decision of the Board of Directors on 23.2.2017, the Bank proceeded with a share capital increase due to a bond's conversion as mentioned in note 50.

Regarding the process of warrant's exercise on the shares of Hellenic Financial Stability Fund, held on 15.6.2015, 13,800 warrants were exercised by the common shareholders which corresponded to 102,239 ordinary shares. The exercise of warrants did not affect the Bank's share capital but the number of shares owned by the Hellenic Financial Stability Fund. During 2016 no warrants on the shares of Hellenic Financial Stability Fund were exercised.

33. Share premium

Opening balance 1.1.2015	**4,858,216**
Decrease of nominal value of common shares from €15 to €0.30	3,754,104
Share capital increase - share premium on issuance of ordinary shares	2,178,550
Balance 31.12.2015 / 31.12.2016	**10,790,870**

On 24.11.2015 following the share capital increase and the issuance of 1,281,500,000 new ordinary shares with a nominal amount of €0.30 and an offer price of €2, the total difference of €2,178.5 million between the nominal value and the shares' offer price increased the caption "Share Premium".

34. Reserves

Reserves are analyzed as follows:

a. Statutory reserve

	31.12.2016	31.12.2015
Statutory reserve	529,700	535,767

According to the Bank's article of association (article 26), the Bank is required to transfer 5% of its annual profit after tax to a statutory reserve, until this reserve amounts to one third of its share capital. This reserve can only be used to offset losses according to article 44 of Codified Law 2190/1920.

For the remaining companies of the Group the statutory reserve is established according to local regulations.

b. Available for sale securities reserve

	2016		2015	
Opening balance 1.1		**30,705**		**(126,104)**
Changes for the period 1.1 - 31.12				
Net change in fair value of available for sale securities, after income tax	109,691		17,875	
Fair value of available for sale securities transferred to profit and loss	(36,199)		138,934	
Reclassification to reserves relating to assets held for sale	(1,559)			
Total		**71,933**		**156,809**
Balance 31.12		**102,638**		**30,705**

c. Other reserves

	2016	2015
Balance 1.1	**(142,179)**	**(186,897)**
Change in cash flow hedge reserve after income tax	(39,198)	44,718
Balance 31.12	**(181,377)**	**(142,179)**

d. Exchange differences on translating and hedging the net investment in foreign operations

	2016	2015
Balance 1.1	**(115,179)**	**(114,871)**
Change in exchange differences on translating and hedging the net investment in foreign operations	(5,046)	(268)
Reclassification to reserves relating to assets held for sale	70,016	(40)
Balance 31.12	**(50,209)**	**(115,179)**

e. Share of other comprehensive income of associates and joint ventures

	2016	2015
Balance 1.1	**(234)**	**313**
Change in the share of other comprehensive income of associates and joint ventures		(547)
Reclassification to reserves relating to assets held for sale	122	
Balance 31.12	**(112)**	**(234)**

Total reserves (a+b+c+d+e)	**400,640**	**308,880**

Reserves relating to assets held for sale

	2016		2015	
Opening balance 1.1		**40**		**-**
Changes for the period 1.1 - 31.12				
Exchange differences on translating and hedging the net investment in foreing operations	(70,016)		40	
Available for sale securities reserve	1,559			
Share of other comprehensive income of associates and joint ventures	(122)			
Transfer in comprehensive income available for sale securities reserve	(40)			
Total		**(68,619)**		**40**
Balance 31.12		**(68,579)**		**40**

35. Retained earnings

a. Due to the accumulated losses for the year 2015 and after taking into account article 44a of Codified Law 2190/1920, the Ordinary General Meeting of Shareholders on 30.6.2016 decided the non distribution of dividend to ordinary shareholders of the Bank.

b. Since the above are valid for 2016 the Bank's Board of Directors will suggest to the non distribution of dividend to the Ordinary General Meeting of the shareholders of the Bank.

c. "Retained Earnings" as of 31.12.2016 includes expenses concerning the share capital increase, amounting to €0.7 million net of income tax (31.12.2015: €43.5 million.).

36. Hybrid securities

	31.12.2016	31.12.2015
Perpetual with 1st call option on 18.2.2015 and per year	15,232	15,232
Securities held by Group companies	(100)	
Total	**15,132**	**15,232**

ADDITIONAL INFORMATION

37. Contingent liabilities and commitments

a) Legal issues

The Group, in the ordinary course of business, is a defendant in claims from customers and other legal proceedings. In the context of managing the operational risk events and on the basis of the accounting principles followed, the Group records all the filed lawsuits or similar actions performed by third parties against the Group and considers any possibility of their success, as well as the possible outcome.

For cases where there is a significant probability of a negative outcome, and the result may be sufficiently estimated, the Group creates a provision that is included in the Balance Sheet under the caption "Provisions". On 31.12.2016 the amount of the provision stood at € 38.6 million.

For cases where according to their progress and the evaluation of the Legal department on December 31, 2016, a negative outcome is not probable or the potential outflow cannot be estimated reliably due to the complexity of the cases, the time period they will last and the uncertainty of their outcome, the Group has not recognized a provision. As of 31.12.2016 the legal claims against the Bank for the above cases amounts to € 270.3 million.

According to the estimations of the legal department, the ultimate settlement of these matters is not expected to have a material effect on the financial position or the operations of the Group.

b. Tax issues

Alpha Bank has been audited by the tax authorities for the years up to and including 2009. For 2010, a tax audit is currently in progress. For 2011 up to 2015 a tax certificate with no qualifications has been issued. Former Emporiki Bank has been audited by the tax authorities for the years up to and including 2008. For the years 2011 up to 2013 a tax certificate with no qualifications.

Alpha Bank's branches in London and Bulgaria have been audited by the tax authorities for 2013 and 2015 respectively. For the Bulgaria Branch, a tax audit for the year 2016 is in progress. The branch of former Emporiki Bank in Cyprus has not been audited by the tax authorities since the commencement of its operations (year 2011) until its deletion from the department of Registrar of companies of Cyprus (August 2015), meanwhile it has ceased its operations since September of 2014.

On 30.9.2014, the acquisition of the Retail Banking operations of Citibank International Plc (CIP) in Greece was completed. The acquisition does not affect the tax liabilities of the Bank since any obligations against the State until the date of acquisition remain with CIP.

On 2.6.2015, the merges via absorption of Diners Club of Greece A.E.P.P was completed. Diners Club of Greece A.E.P.P. has been audited by the tax authorities for the years up to and including 2010. The years 2011, 2012, 2013 a tax certificate with no qualifications was issued.

Additional taxes and penalties may be imposed for the unaudited years due to the fact that some expenses may not be recognized as deductible by the tax authorities.

The Group's subsidiaries have been audited by the tax authorities up to and including the year indicated in the table below:

Name	Year
Banks	
1. Alpha Bank London Ltd (voluntary settlement of tax obligation)	2014
2. Alpha Bank Cyprus Ltd (tax audit is in progress for years from 2008 – 2011)	2007
3. Alpha Bank Romania S.A.	2006
4. Alpha Bank A.D. Skopje (the company was transferred on 10.5.2016)	2009
5. Alpha Bank Srbija A.D.	2004
6. Alpha Bank Albania SH.A.	2011
Leasing Companies	
1. Alpha Leasing A.E. **	2010
2. Alpha Leasing Romania IFN S.A.	2007
3. ABC Factors A.E.** (tax audit is in progress for year 2010)	2009
Investment Banking	
1. Alpha Finance A.E.P.E.Y. **/***	2009
2. SSIF Alpha Finance Romania S.A.	2002

** *These companies received tax certificate for the years 2011 until 2015 without any qualification (note 11).*

*** *These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.*

Name	Year
3. Alpha A.E. Investment Holdings **/***	2009
4. Alpha A.E. Ventures Capital Management - AKES **/***	2009
5. Emporiki Ventures Capital Developed Markets Ltd	2007
6. Emporiki Ventures Capital Emerging Markets Ltd	2008
Asset Management	
1. Alpha Asset Management A.E.D.A.K. **/***	2009
2. ABL Independent Financial Advisers Ltd (voluntary settlement of tax obligation)	2014
Insurance	
1. Alpha Insurance Agents A.E. **/***	2009
2. Alpha Insurance Brokers S.R.L.	2005
3. Alphalife A.A.E.Z. **/*** (tax audit is in progress for 2010)	2009
Real Estate and Hotel	
1. Alpha Astika Akinita A.E.** (tax audit is in progress for 2010)	2009
2. Ionian Hotel Enterprises A.E.** (the company was transferred on 16.12.2016 and tax audit is in progress for 2011)	2010
3. Oceanos A.T.O.E.E. **/***	2009
4. Emporiki Development and Real Estate Management A.E.	2008
5. Alpha Real Estate D.O.O. Beograd	2008
6. Alpha Astika Akinita D.O.O.E.L. Skopje (the company was transferred on 21.10.2016)	2005
7. Alpha Real Estate Bulgaria E.O.O.D. (commencement of operation 2007)	*
8. Chardash Trading E.O.O.D. (commencement of operation 2006)	*
9. Alpha Real Estate Services S.R.L. (commencement of operation 1998)	*
10 Alpha Investment Property Chalandriou A.E. (commencement of operation 2012)	* *
11. Alpha Investment Property Attikis A.E. (commencement of operation 2012)	* *
12. Alpha Investment Property Attikis II A.E. (commencement of operation 2012)	* *
13. Alpha Investment Property Amaroussion I A.E. (commencement of operation 2012)	* *
14. Alpha Investment Property Amaroussion II A.E. (commencement of operation 2012)	* *
15. AGI-RRE Participations 1 S.R.L. (commencement of operation 2010)	*
16. AGI-BRE Participations 1 E.O.O.D. (commencement of operation 2012)	*
17. Stockfort Ltd (commencement of operation 2010)	*
18. Romfelt Real Estate SA (commencement of operation 1991)	*
19. AGI-RRE Zeus S.R.L. (commencement of operation 2012)	*
20. AGI-RRE Athena S.R.L. (commencement of operation 2012)	*
21. AGI-RRE Poseidon S.R.L. (commencement of operation 2012)	*
22. AGI-RRE Hera S.R.L. (commencement of operation 2012)	*
23. AGI-BRE Participations 2 E.O.O.D. (commencement of operation 2012)	*
24. AGI-BRE Participations 2BG E.O.O.D. (commencement of operation 2012)	*
25. AGI-BRE Participations 3 E.O.O.D. (commencement of operation 2012)	*
26. AGI-BRE Participations 4 E.O.O.D. (commencement of operation 2012)	*
27. APE Fixed Assets A.E.**/***	2009
28. SC Cordia Residence S.R.L.	2013
29. HT-1 E.O.O.D (commencement of operation 2013)	*
30. AGI-RRE Venus S.R.L. (commencement of operation 2014)	*
31. AGI-RRE Cleopatra S.R.L. (commencement of operation 2014)	*
32. AGI-RRE Hermes S.R.L. (commencement of operation 2014)	*
33. SC Carmel Residential S.R.L. (commencement of operation 2013)	*
34. Alpha Investment Property Neas Kifisias A.E. (commencement of operation 2014)	*
35. Alpha Investment Property Kalirois A.E. (commencement of operation 2014)	*
36. Alpha Investment Property Livadias A.E. (commencement of operation 2014)	*
37. AGI-SRE Ariadni DOO (commencement of operation 2015)	*
38. Alpha Investment Property Kefalariou A.E. (commencement of operation 2015)	*
39. Alpha Investment Property Neas Erythraias A.E. (commencement of operation 2015)	*
40. Alpha Investment Property Chanion A.E. (former Anaplasi Plagias A.E.) (commencement of operation 2011)	*
41. Asmita Gardens S.R.L.	2010
42. Ashtrom Residents S.R.L. (commencement of operation 2006)	*
43. Cubic Center Development S.A. (commencement of operation 2010)	*
44. AGI-BRE Participations 5 EOOD (commencement of operation 2015)	*
45. AGI-SRE Participations 1 DOO (commencement of operation 2016)	*

* *These companies have not been audited by the tax authorities since the commencement of their operations.*

** *These companies received tax certificate for the years 2011 until 2015 without any qualification (note 11).*

*** *These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.*

Name	Year
Special purpose and holding entities	
1. Alpha Credit Group Plc (voluntary settlement of tax obligation)	2014
2. Alpha Group Jersey Ltd	****
3. Alpha Group Investments Ltd (commencement of operation 2006)	*
4. Ionian Holdings A.E.**/*** (tax audit is in progress for 2010)	2009
5. Ionian Equity Participations Ltd (commencement of operation 2006)	*
6. Emporiki Group Finance Plc (voluntary settlement of tax obligation)	2014
7. AGI-BRE Participations 1 Ltd (commencement of operation 2009)	*
8. AGI-RRE Participations 1 Ltd (commencement of operation 2009)	*
9. Alpha Group Ltd (commencement of operation 2012)	*
10. Katanalotika Plc (voluntary settlement of tax obligation)	2014
11. Epihiro Plc (voluntary settlement of tax obligation)	2014
12. Irida Plc (voluntary settlement of tax obligation)	2014
13. Pisti 2010-1 Plc (voluntary settlement of tax obligation)	2014
14. Alpha Shipping Finance Ltd (commencement of operation 2014)	*
15. Alpha Proodos DAC (commencement of operation 2016)	*
16. AGI-RRE Athena Ltd (commencement of operation 2011)	*
17. AGI-RRE Poseidon Ltd (commencement of operation 2012)	*
18. AGI-RRE Hera Ltd (commencement of operation 2012)	*
19. Umera Ltd (commencement of operation 2012)	*
20. AGI-BRE Participations 2 Ltd (commencement of operation 2011)	*
21. AGI-BRE Participations 3 Ltd (commencement of operation 2011)	*
22. AGI-BRE Participations 4 Ltd (commencement of operation 2010)	*
23. Alpha Real Estate Services Ltd (commencement of operation 2010)	*
24. AGI-RRE Ares Ltd (commencement of operation 2010)	*
25. AGI-RRE Venus Ltd (commencement of operation 2012)	*
26. AGI-RRE Artemis Ltd (commencement of operation 2012)	*
27. AGI-BRE Participations 5 Ltd (commencement of operation 2012)	*
28. AGI-RRE Cleopatra Ltd (commencement of operation 2013)	*
29. AGI-RRE Hermes Ltd (commencement of operation 2013)	*
30. AGI-Cypre Arsinoe Ltd (commencement of operation 2013)	*
31. AGI-SRE Ariadni Ltd (commencement of operation 2014)	*
32. Zerelda Ltd (commencement of operation 2012)	*
33. AGI-Cypre Alaminos Ltd (commencement of operation 2014)	*
34. AGI-Cypre Tochni Ltd (commencement of operation 2014)	*
35. AGI-Cypre Evagoras Ltd (commencement of operation 2014)	*
36. AGI-Cypre Tersefanou Ltd (commencement of operation 2014)	*
37. AGI-Cypre Mazotos Ltd (commencement of operation 2014)	*
38. AGI-Cypre Ermis Ltd (commencement of operation 2014)	*
39. AGI-SRE Participations 1 Ltd (commencement of operation 2016)	*
Other companies	
1. Alpha Bank London Nominees Ltd	****
2. Alpha Trustees Ltd (commencement of operation 2002)	*
3. Flagbright Ltd	****
4. Kafe Alpha A.E.**/***	2009
5. Alpha Supporting Services A.E.**/*** (tax audit is in progress for 2012)	2009
6. Real Car Rental A.E.**/***	2009
7. Evisak A.E.**/***	2009
8. Emporiki Management A.E.***	2009
9. Alpha Bank Notification Services A.E. (commencement of operation 2015)	*

c) Operating leases

The minimum future lease payments are:

	31.12.2016	31.12.2015
- Less than one year	41,708	43,930
- Between one and five years	104,517	112,402
- Over five years	146,383	164,421
Total	**292,608**	**320,753**

* *These companies have not been audited by the tax authorities since the commencement of their operations.*

** *These companies received tax certificate for the years 2011 until 2015 without any qualification (note 11).*

*** *These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.*

**** *These companies are not subject to tax audit.*

The minimum future lease fees are:

	31.12.2016	31.12.2015
- Less than one year	13,419	10,423
- Between one and five years	43,754	41,694
- Over five years	48,527	46,474
Total	**105,700**	**98,591**

d) Off balance sheet commitments

The Group as part to its normal operations, is bound by contractual commitments, that in the future may result to changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee, undrawn credit facilities and credit limits.

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

The outstanding balances are as follows:

	31.12.2016	31.12.2015
Letters of credit	47,993	35,159
Letters of guarantee and other guarantees	3,519,793	3,940,146

In addition, contingent liabilities for the Group arise from undrawn loan agreements and credit limits that may not be fulfilled immediately or may be partly fulfilled as long as the agreed upon requirements are fulfilled by counterparties.

Committed limits that can not be recalled in case where counterparties fail to meet their contractual obligations as at 31.12.2016 amounts to €494.7 million (31.12.2015: €278.9 million) and are included in the calculation of risk weighted assets.

e) Assets pledged

Assets pledged, as at 31.12.2016 are analyzed as follows:

- Deposits pledged amounting to €1.1 billion concerning the Group's obligation to maintain deposits in Central Banks according to percentages determined by the respective country.
- Deposits pledged amounting to €0.2 billion concerning guarantees provided on behalf of the Greek Government.
- Deposits pledged to credit institutions amounting to €1.1 billion which have been provided as guarantee for derivative transactions.
- Deposits pledged to credit institutions amounting to €0.07 billion which have been provided for Letter of Credit or Guarantee Letters that the Bank issue for facilitating customer imports.
- Pledged deposits of €3 million have been provided to the Resolution Fund as irrevocable payment commitment, as part of the 2016 contribution. This commitment must be fully covered by collateral as decided by Single Resolution Board.
- Due from banks of an amount of €10.5 million has been pledged to Central Banks in order to participate in main financing operations.
- Due from customers:
  - i. amount of €21.4 billion pledged to central banks for liquidity purposes.
  - ii. a carrying amount of €3.1 billion which relates to corporate, consumer loans and credit cards has been securitized for the issuance of Special Purpose Entities' corporate bond of a nominal value of €4.2 billion, which are held by the Bank and pledged to central banks for liquidity purposes.
  - iii. a carrying amount of €0.6 billion, which is related to the shipping loans and they have been entitled from third parties through a Special Purpose Entitiy, which amounts to €0.3 billion on 31.12.2016.
  - iv. a carrying amount of €0.6 billion which relates to corporate loans and have been entitled from third parties through a special purpose entity which amounts to €0.3 billion on 31.12.2016.
  - v. amount of nominal value €0.2 billion has been given as collateral in terms of other acts of lending.
- Securities held for trading and investment securities portfolio out of which:
  - i. A nominal value of €3.92 billion of Greek Government securities out of which a nominal amount of €3.53 bil-

lion has been pledged to Central Banks for liquidity purposes, an amount of €0.03 billion have been pledged as collateral for other lending transactions, while an amount of €0.36 billion have been pledged as collateral for repo agreements.

In addition, amount of €0.06 billion refers to Greek Government securities received as collateral for reverse repos and have been pledged to Central Banks for liquidity purposes.

ii. An amount of nominal value €2.66 billion relates to securities issued by the European Financial Stability Facility (EFSF), that the Bank received by the HFSF in the context of: a) its participation to the share capital increase that was completed on 6.6.2013 and b) due to the coverage of the difference between the values of assets and liabilities transferred from Cooperative Banks and the amount of €2.46 billion has been pledged to Central Banks for participation in main refinancing operations.

iii. An amount to €0.3 billion has been given as collateral for repurchase agreements (repo).

iv. An amount of €11 million of other government bond has been pledged as a collateral for repo agreements.

In addition an amount of nominal value of €1 billion that relates to securities issued with the guarantee of the Greek Government in accordance with Law 3723/2008 and are held by the Bank, are pledged to Central Banks for liquidity purposes.

38. Group Consolidated Companies

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

a. Subsidiaries

		Group's ownership interest %	
Name	**Country**	**31.12.2016**	**31.12.2015**
Banks			
1. Alpha Bank London Ltd	United Kingdom	100.00	100.00
2. Alpha Bank Cyprus Ltd	Cyprus	100.00	100.00
3. Alpha Bank Romania S.A.	Romania	99.92	99.92
4. Alpha Bank AD Skopje (48i)	FYROM		100.00
5. Alpha Bank Srbija A.D. (48y, 50d)	Serbia	100.00	100.00
6. Alpha Bank Albania SH.A.	Albania	100.00	100.00
Leasing Companies			
1. Alpha Leasing A.E.	Greece	100.00	100.00
2. Alpha Leasing Romania IFN S.A.	Romania	100.00	100.00
3. ABC Factors A.E.	Greece	100.00	100.00
Investment Banking			
1. Alpha Finance A.E.P.E.Y.	Greece	100.00	100.00
2. SSIF Alpha Finance Romania S.A.	Romania	100.00	100.00
3. Alpha A.E. Ventures	Greece	100.00	100.00
4. Alpha A.E. Ventures Capital Management - AKES	Greece	100.00	100.00
5. Emporiki Ventures Capital Developed Markets Ltd	Cyprus	100.00	100.00
6. Emporiki Ventures Capital Emerging Markets Ltd	Cyprus	100.00	100.00
Asset Management			
1. Alpha Asset Management A.E.D.A.K.	Greece	100.00	100.00
2. ABL Independent Financial Advisers Ltd	United Kingdom	100.00	100.00
Insurance			
1. Alpha Insurance Agents A.E.	Greece	100.00	100.00
2. Alpha Insurance Brokers S.R.L.	Romania	100.00	100.00
3. Alphalife A.A.E.Z. (50b)	Greece	100.00	100.00
Real estate and hotel			
1. Alpha Astika Akinita A.E. (48v, 48z)	Greece	93.17	93.17
2. Ionian Hotel Enterprises A.E. (48u, 48bb)	Greece		97.27
3. Oceanos A.T.O.E.E. (48u)	Greece	100.00	100.00
4. Emporiki Development and Real Estate Management A.E.	Greece	100.00	100.00

		Group's ownership interest %	
Name	**Country**	**31.12.2016**	**31.12.2015**
5. Alpha Real Estate D.O.O. Beograd	Serbia	93.17	93.17
6. Alpha Astika Akinita D.O.O.E.L. Skopje (48z)	FYROM		93.17
7. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	93.17	93.17
8. Chardash Trading E.O.O.D.	Bulgaria	93.17	93.17
9. Alpha Real Estate Services S.R.L.	Romania	93.17	93.17
10. Alpha Investment Property Chalandriou A.E. (48d)	Greece	100.00	100.00
11. Alpha Investment Property Attikis A.E. (48aa)	Greece	100.00	100.00
12. Alpha Investment Property Attikis II A.E. (48aa)	Greece	100.00	100.00
13. Alpha Investment Property Amaroussion I A.E. (48d)	Greece	100.00	100.00
14. Alpha Investment Property Amaroussion II A.E. (48d)	Greece	100.00	100.00
15. AGI-RRE Participations 1 S.R.L.	Romania	100.00	100.00
16. AGI-BRE Participations 1 E.O.O.D.	Bulgaria	100.00	100.00
17. Stockfort Ltd	Cyprus	100.00	100.00
18. Romfelt Real Estate S.A.	Romania	98.86	98.86
19. AGI-RRE Zeus S.R.L.	Romania	100.00	100.00
20. AGI – RRE Athena S.R.L.	Romania	100.00	100.00
21. AGI – RRE Poseidon S.R.L. (48dd)	Romania	100.00	100.00
22. AGI – RRE Hera S.R.L.	Romania	100.00	100.00
23. AGI-BRE Participations 2 E.O.O.D.	Bulgaria	100.00	100.00
24. AGI-BRE Participations 2BG E.O.O.D. (48ee)	Bulgaria	100.00	100.00
25. AGI-BRE Participations 3 E.O.O.D.	Bulgaria	100.00	100.00
26. AGI-BRE Participations 4 E.O.O.D.	Bulgaria	100.00	100.00
27. APE Fixed Assets A.E. (48w)	Greece	72.20	72.20
28. SC Cordia Residence S.R.L.	Romania	100.00	100.00
29. HT-1 E.O.O.D.	Bulgaria	100.00	100.00
30. AGI-RRE Venus S.R.L. *	Romania	100.00	100.00
31. AGI-RRE Cleopatra S.R.L.	Romania	100.00	100.00
32. AGI-RRE Hermes S.R.L. *	Romania	100.00	100.00
33. SC Carmel Residential S.R.L.	Romania	100.00	100.00
34. Alpha Investment Property Neas Kifissias A.E. (48d)	Greece	100.00	100.00
35. Alpha Investment Property Kalirois A.E. (48d)	Greece	100.00	100.00
36. Alpha Investment Property Livadias A.E. (48aa)	Greece	100.00	100.00
37. AGI-SRE Ariadni DOO	Serbia	100.00	100.00
38. Asmita Gardens SRL (48l)	Romania	100.00	100.00
39. Alpha Investment Property Kefalariou A.E. (50a, 50e)	Greece	100.00	100.00
40. Ashtrom Residents S.R.L.	Romania	100.00	100.00
41. AGI-BRE Participations 5 E.O.O.D.	Bulgaria	100.00	100.00
42. Cubic Center Development S.A.	Romania	100.00	100.00
43. Alpha Investment Property Neas Erythraias A.E.	Greece	100.00	100.00
44. Alpha Investment Property Chanion A.E. (former Anaplasi Plagias A.E.) (48x)	Greece	100.00	100.00
45. AGI-SRE Participations 1 DOO (48m)	Serbia	100.00	
Special purpose and holding entities			
1. Alpha Credit Group Plc	United Kingdom	100.00	100.00
2. Alpha Group Jersey Ltd	Jersey	100.00	100.00
3. Alpha Group Investments Ltd (48c, 48d, 48h, 48j, 48s, 48u, 48v, 48x, 48aa, 48cc, 50a, 50e)	Cyprus	100.00	100.00
4. Ionian Holdings A.E. (48u)	Greece	100.00	100.00
5. Ionian Equity Participations Ltd (48u)	Cyprus	100.00	100.00
6. Emporiki Group Finance Plc	United Kingdom	100.00	100.00
7. AGI – BRE Participations 1 Ltd	Cyprus	100.00	100.00
8. AGI – RRE Participations 1 Ltd (48l)	Cyprus	100.00	100.00
9. Alpha Group Ltd	Cyprus	100.00	100.00
10. Katanalotika Plc	United Kingdom		

* *The companies are inactive.*

Name	Country	Group's ownership interest % 31.12.2016	31.12.2015
Special purpose and holding entities			
11. Epihiro Plc	United Kingdom		
12. Irida Plc	United Kingdom		
11. Epihiro Plc	United Kingdom		
12. Irida Plc	United Kingdom		
13. Pisti 2010-1 Plc	United Kingdom		
14. Alpha Shipping Finance Ltd	United Kingdom		
15. Alpha Proodos DAC	Ireland		
16. AGI – RRE Athena Ltd	Cyprus	100.00	100.00
17. AGI – RRE Poseidon Ltd (48cc, 48dd)	Cyprus	100.00	100.00
18. AGI – RRE Hera Ltd	Cyprus	100.00	100.00
19. Umera Ltd	Cyprus	100.00	100.00
20. AGI-BRE Participations 2 Ltd (48cc, 48ee)	Cyprus	100.00	100.00
21. AGI-BRE Participations 3 Ltd	Cyprus	100.00	100.00
22. AGI-BRE Participations 4 Ltd	Cyprus	100.00	100.00
23. Alpha Real Estate Services LLC (48v)	Cyprus	93.17	100.00
24. AGI-RRE Ares Ltd	Cyprus	100.00	100.00
25. AGI-RRE Venus Ltd	Cyprus	100.00	100.00
26. AGI-RRE Artemis Ltd	Cyprus	100.00	100.00
27. AGI-BRE Participations 5 Ltd	Cyprus	100.00	100.00
28. AGI-RRE Cleopatra Ltd	Cyprus	100.00	100.00
29. AGI-RRE Hermes Ltd	Cyprus	100.00	100.00
30. AGI-RRE Arsinoe Ltd	Cyprus	100.00	100.00
31. AGI-SRE Ariadni Ltd	Cyprus	100.00	100.00
32. Zerelda Ltd	Cyprus	100.00	100.00
33. AGI-Cypre Alaminos Ltd (48n)	Cyprus	100.00	100.00
34. AGI-Cypre Tochni Ltd (48p)	Cyprus	100.00	100.00
35. AGI-Cypre Evagoras Ltd	Cyprus	100.00	100.00
36. AGI-Cypre Tersefanou Ltd	Cyprus	100.00	100.00
37. AGI-Cypre Mazotos Ltd (48o)	Cyprus	100.00	100.00
38. AGI-Cypre Ermis Ltd (48n, 48o, 48p)	Cyprus	100.00	100.00
39. AGI-SRE Participations 1 Ltd (48h, 48m)	Cyprus	100.00	
Other companies			
1. Alpha Bank London Nominees Ltd	United Kingdom	100.00	100.00
2. Alpha Trustees Ltd	Cyprus	100.00	100.00
3. Kafe Alpha A.E.	Greece	100.00	100.00
4. Alpha Supporting Services A.E. (48u)	Greece	100.00	100.00
5. Real Car Rental A.E.	Greece	100.00	100.00
6. Evisak A.E.	Greece	85.71	85.71
7. Emporiki Management A.E.	Greece	100.00	100.00
8. Alpha Bank Notification Services A.E.	Greece	100.00	100.00

b. Joint ventures

1. APE Commercial Property A.E.	Greece	72.20	72.20
2. APE Investment Property A.E.	Greece	72.80	72.80
3. Alpha TANEO A.K.E.S. (48b, 48t)	Greece	51.00	51.00
4. Rosequeens Properties Ltd.	Cyprus	33.33	33.33
5. Aktua Hellas Holdings A.E (48a, 48e, 48g, 48r, 50c)	Greece	45.00	

APE Investment Property constitutes the parent company of the group of companies, in which the subsidiaries SYMET A.E., Astakos Terminal A.E., Akaport A.E. and NA.VI.PE A.E. are included. Furthemore, Rosequeens Properties Ltd. and Aktua Hellas Holdings A.E. are the parent companies of the groups companies with subsidiaries the companies Rosequeens S.R.L. and Aktua Greece Financial Solutions A.E. respectively. The Group accounts for the above groups of companies under the equity method based on the consolidated financial statements.

c. Associates

Name	Country	Group's ownership interest % 31.12.2016	Group's ownership interest % 31.12.2015
1. AEDEP Thessalias and Stereas Ellados	Greece	50.00	50.00
2. A.L.C. Novelle Investments Ltd	Cyprus	33.33	33.33
3. Bank Information Systems A.E.	Greece	23.77	23.77
4. Propindex A.E.D.A.	Greece	35.58	35.58
5. Olganos A.E.	Greece	30.44	30.44
6. Alpha Investment Property Eleona A.E. (48s)	Greece	50.00	
7. Selonda A.E.G.E. (48q)	Greece	21.97	23.01
8. Nireus S.A.	Greece	20.65	20.72

Consolidated financial statements do not include the Commercial Bank of London Ltd which is a dormant company and Smelter Medical Systems AEBE, Aris-Diomidis Emporiki SA, Metek SA, Flagbird Ltd which have been fully impaired and are in the process of liquidation.

The Group hedges the foreign exchange risk arising from the net investment in subsidiaries through the use of derivatives in their functional currency.

Group subsidiaries with non controlling interests

The table below presents information concerning the Group's subsidiaries with non controlling interests.

Name	Country	Non controlling interests % 31.12.2016	Non controlling interests % 31.12.2015	Profit/(loss) attributable to non controlling interests 1.1.2016 - 31.12.2016	Profit/(loss) attributable to non controlling interests 1.1.2015 - 31.12.2015	Other comprehensive income recognized directly in Equity for non controlling interests 1.1.2016 - 31.12.2016	Other comprehensive income recognized directly in Equity for non controlling interests 1.1.2015 - 31.12.2015	Non controlling interests 31.12.2016	Non controlling interests 31.12.2015
1. APE Fixed Assets A.E.	Greece	27.8	27.8	(72)	(75)			10,953	11,025
2. Evisak A.E.	Greece	14.29	14.29	8	9	(1)		531	524
3. Ionian Hotel Enterprises A.E.	Greece		2.73	17	59		(1)		3,116
4. Alpha Astika Akinita A.E.	Greece	6.83	6.83	194	204	(1)	(1)	9,095	8,902
5. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	6.83	6.83	7	9			22	16
6. Chardash Trading E.O.O.D.	Bulgaria	6.83	6.83	(61)	31			30	91
7. Alpha Bank Romania S.A.	Romania	0.08	0.08	21	(5)	(8)	22	275	262
8. Romfelt Real Estate S.A.	Romania	1.14	1.14	(17)	(27)	1		(137)	(121)
9.Alpha Astika Akinita Romania S.R.L.	Romania	6.83	6.83	10	10	1		47	36
10.Alpha Real Estate D.O.O. Beograd	Serbia	6.83	6.83	55	43	(4)	(5)	181	130
11.Alpha Astika Akinita D.O.O.E.L. Skopje	FYROM		6.83		2				17
12. Alpha Real Estate Services Ltd	Cyprus	6.83							
Total				**162**	**260**	**(12)**	**15**	**20,997**	**23,998**

The percentage of voting rights of non controlling interests in subsidiaries does not differ from their participation in the share capital.

From the subsidiaries presented above, Alpha Astika Akinita A.E. and APE Fixed Assets A.E. have material non- controlling interests. APE fixed Assets haven been classified as assets held for sale since 30.6.2016 (note 47).

Condensed financial information for Alpha Astika Akinita is presented below. Their respective data is based on amounts before the elimination of intercompany transactions.

Condensed Statement of Comprehensive Income

	Alpha Astika Akinita A.E. 1.1-31.12.2016	Alpha Astika Akinita A.E. 1.1-31.12.2015
Total income	10,919	11,125
Total expenses	(6,890)	(6,961)
Profit/(loss) for the year after income tax	**2,838**	**2,989**
Total comprehensive income for the year, after income tax	**2,838**	**2,981**

Condensed Balance Sheet

	Alpha Astika Akinita A.E.	
	31.12.2016	31.12.2015
Total non-current assets	76,130	77,269
Total current assets	61,527	57,554
Total short-term liabilities	2,773	2,903
Total long-term liabilities	2,054	1,914
Total Equity	132,830	130,006

Condensed Statement of Cash Flows

	Alpha Astika Akinita A.E.	
	1.1-31.12.2016	1.1-31.12.2015
Total inflows/(outflows) from operating activities	1,637	4,131
Total inflows/(outflows) from investing activities	1,297	890
Total inflows/(outflows) from financing activities	(12)	(12)
Total inflows/(outflows) for the year	**2,922**	**5,009**
Cash and cash equivalents at the beginning of the year	**54,760**	**49,751**
Cash and cash equivalents at the end of the year	**57,682**	**54,760**

Alpha Astika Akinita A.E. did not pay any dividends for 2016 and 2015.

Significant Restrictions

Group's significant restrictions regarding the use of assets or the settlement of obligations, are those imposed by the regulatory framework in which subsidiaries supervised for their capital adequacy, mainly operate. In particular, the regulatory authorities request, where appropriate and depending on the nature of the company, the compliance with specific thresholds, as in example the maintenance of a specific level of capital buffers and liquid assets, the limitation of exposure to other Group companies and the compliance with specific ratios. The total assets and liabilities of the subsidiaries operating in the banking, insurance and other mainly financial sectors with significant restrictions amount to €9,534 million (31.12.2015 €9,877 million) και €8,093 million (31.12.2015 €8,406 million) respectively. In addition, all subsidiaries are subject to the restrictions imposed by the regulatory framework (Codified Law 2190/1920 or a more specific legislation depending on the nature of activities) regarding the minimum threshold of the share capital and equity as well as the potential dividend distribution.

Moreover apart from the cash withdrawals and free capital flows restrictions imposed by Legislative Act within 2015, and any ministerial or other decision issued, impose restrictions to Greek subsidiaries of the Group, to move capitals out of Greece.

There are no protective rights for non controlling interest, which could restrict the Group's ability to use assets or settle Group's obligations.

Consolidated structured entities

The Group consolidates six structured entities which were established to accommodate transactions related to securitized loans issued by Group companies. Securitization transactions aim to raise liquidity by issuing bonds or other legal form of borrowing. In all cases, the Group has concluded that it controls these companies since it has the power over their activities and has a significant exposure to their returns.

Bonds and other financial instruments which are issued by the consolidated structured companies are fully -owned by the Bank with the exception of shipping and corporate (SME) loans securitization transaction through the company Alpha Shipping Finance Ltd and Alpha Proodos DAC, where all the high-priority payment debt is held by third parties outside the Group.

Depending on the criteria required for each securitized portfolio, the Group, without having any relevant contractual obligation, proceeds in ad hoc repurchases of securitized loans. In addition, for the securitization transactions that are in replacement period the Group proceeds with new securitization of loan portfolios transferring them to those companies, in order to meet specific quantitative criteria related to the amount of debt securities. The intention of the Group is to continue this practice. The table below presents the balances of debt securities or other form of debt issued per consolidated special structure entity that constitute tools of raising liquidity.

Entity	Nominal value 31.12.2016	Nominal value 31.12.2015
Epihiro Plc	1,593,400	1,593,400
Katanalotika Plc	1,520,000	1,520,000
Pisti 2010-1 Plc	586,200	586,200
Irida Plc	474,800	474,800
Alpha Shipping Finance Ltd	254,194	342,516
Alpha Proodos DAC	640,000	-

Furthermore, on 31.12.2016, the Group had granted subordinated loans amounting to €380.3 million (31.12.2015: €344.8 million) to the structured entities for credit enhancement purposes of the securitization transactions. Further to the above loans, the Group has no contractual obligation to grant additional funding to the companies, except for Alpha Proodos DAC and Alpha Shipping Finance Ltd to which the Group is required, if needed to grant additional subordinated loan.

Changes of ownership interest in subsidiaries which did not result in loss of control

The transactions with minority interests shareholders (in which the Group retained the control) are presented below.

On 14.9.2016 the subsidiary of the Group, Alpha Astika Akinita A.E. (93.17%), proceeded to the acquisition from the 100% subsidiary Alpha Group Investments Ltd of the total number of shares of Alpha Real Estate Services LLC for the amount of €11 thousand. The above transaction resulted in a change in the percentage of the Group's participation from 100% to 93.17%.

On 7.5.2015 the subsidiary company of the group, AGI-RRE Poseidon Ltd bought the 2.96% of the minor shareholder, Romfelt Real Estate S.A. and therefore the Group owns the 98.86%.

The effect from the changes in subsidiary participation in total equity attributed to the shareholders of the company during the years 2016 and 2015 is presented in the following tables:

	Change in ownership interest 1.1.2016 - 31.12.2016
	Alpha Real Estate Sevices Ltd
Carrying amount of allocated non-controlling interest	-
Contribution paid to a company of the Group	11
Amount attributable to Bank's shareholders	-

	Change in ownership interest 1.1.2015 - 31.12.2015
	Romfelt Real Estate S.A.
Carrying amount of acquired non controlling interest	(457)
Contribution paid	-
Amount attributable to Bank's shareholders	(457)

Loss of control in subsidiary due to sale

On 10.5.2016 the sale of all shares of the Bank's subsidiary, Alpha Bank A.D. Skopje was completed (note 47).

On 21.10.2016, the subsidiary of the Group, Alpha Astika Akinita A.E. sold all the shares of the company Alpha Astika Akinita D.O.O.E.L. Skopje for the amount of €775 thousand. The transaction burdened the Group's financial results by €122 thousand.

On 16.12.2016 the sale of the Bank's entire participation (approximately 97.3%) to the share capital of the company Ionian Hotel Enterprises A.E. for an amount of €76.1 million was completed (note 47).

On 16.1.2015 the sale of the total number of shares of subsidiary company in Cyprus Alpha Insurance Ltd was completed.

Exposure to non-consolidated structured entities

The Group, through its subsidiary Alpha Asset Management AEDAK, manages 27 (31.12.2015: 27) mutual funds which meet the definition of structured entities and on each reporting date, it assesses whether it exercises any control on these entities according the provisions of IFRS 10.

The Group, as the manager of the mutual funds has the ability to direct the activities which significantly affect their rate of return through selecting the investments made by the funds, always within the framework of permitted investments as described in the regulation of each fund. As result, the Group has power over the mutual funds under management but within a clearly defined decision making framework. Moreover the Group is exposed to variable returns, through its involvement in the mutual funds as it receives fees for the disposal, redemption and management of the funds under normal market levels for similar services. The Group also holds direct investments in some of the funds under management, the level of which does not lead to a significant variability in the return compared to the respective total rate of return variability for the mutual fund. Due to these factors, the Group assesses that for all mutual funds under management, it exercises, for the benefit of unit holders, the decision making rights assigned to it acting as an agent without controlling the mutual funds.

The following table presents the figures of the mutual funds under Group's management, grouped by type of investments held. The amounts shown include the total assets of the funds at the balance sheet date and the income recognized in the Group's income statement during the year from the funds under management concerning fees for the disposal, redemption and management services.

	Total Assets		Commission income	
Category of Mutual Funds	**31.12.2016**	**31.12.2015**	**1.1-31.12.2016**	**1.1-31.12.2015**
Total Bond Funds	343,282	326,415	3,946	3,271
Total Money Market Funds	229,997	157,123	1,075	891
Total Equity Funds	264,031	271,711	6,074	7,334
Total Balanced Funds	200,307	186,551	3,012	3,255
Total Fund of Funds	119,094	131,071	2,245	2,799
Total	**1,156,711**	**1,072,871**	**16,352**	**17,550**

The Group's direct investment in mutual funds under management, has been recognized in Available for sale portfolio. The carrying amount of shares held by the Group amounts to €34.9 million (31.12.2015: €34.8 million). The Group has also entered into derivative transactions with the mutual funds that it manages as a counterparty. The carrying amount of assets and liabilities of these derivative financial instruments amounts to €41 (31.12.2015: €5) and €1,026 (31.12.2015: €1,185), respectively. It is noted that the Group has fully hedged its position in these derivatives. During 2016 an amount of €1.5 million (2015: €4.2 million) was recognized in the Group's income statement as impairment losses over the mutual funds of the available for sale portfolio that it manages.

It should be noted that there is no contractual obligation for the Group to provide financial support to any of the mutual funds under management nor does it guarantee their rate of return.

In addition, the Group manages Alpha TANEO Ventures Capital Management Mutual Fund through its subsidiary Alpha A.E. Venture Capital Management -AKES. The unit holders of this mutual fund are the Bank owning 51% and the New Economy Development Fund S.A owning 49%. Both parties mutually control the mutual fund and as a result the Group's investment in Alpha TANEO A.K.E.S is measured under the equity method.

The carrying amount of the Group's investment on 31.12.2016 amounts to €3.2 million (31.12.2015: €3.3 million) and is included in Associates and Joint Ventures. The Group's share of Alpha TANEO AKES profit or loss is presented in note 19. Company's total assets amounted to €6.5 million as at 31.12.2016 (31.12.2015: €6.3 million). The Group's commission income for the management of the mutual fund for 2016 amounted to €163 (2015: €517). The Bank has undertaken the obligation to participate in additional investments in the Mutual Fund amounting up to €0.3 million. This commitment along with participation's carrying amount represent the maximum exposure of the Group to Alpha TANEO AKES.

The Group also participates in other structured entities through investment in private equity mutual funds which are not managed by it, as well as in companies whose operation involves the issuance of asset-backed securities through its investment in their securities. The following table presents the abovementioned Group's investments. As indication of the size of the structured entities the total assets of the private equity mutual funds according to the most recent available financial statements and the total nominal value of the issue of asset backed securities are given.

	31.12.2016		31.12.2015	
Category of Structured Entity	**Carrying Value**	**Total Assets/ Value of issue**	**Carrying Value**	**Total Assets/ Value of issue**
Investment securities available for sale				
Private Equity Mutual Funds	28,622	470,398	31,910	511,588
Asset- backed securities	7,185	1,090,928	7,323	1,192,257
Investment securities held to maturity				
Asset- backed securities	319	3,816	337	4,040
Investments in associates and joint ventures				
Private Equity Mutual Funds	1,012	3,050	1,020	3,545

The Group has committed to participate in further investments of these mutual funds up to the amount of €2 million (31.12.2015: €2.7 million) This commitment and the carrying amount of the investment, consist the maximum Group's exposure to these investments. During 2016, an amount of €0,3 million was recognized in Group results as impairment losses from the above mutual funds of the available for sale portfolio (2015: €2.6 million).

From its investment in asset-backed securities the Group recognized during 2016 interest income amounting to €294 (2015: €412) and profits amounting to €137 (2015: losses €7 million) in gains on financial transactions. There is no contractual obligation of providing financial support to the companies which have issued these securities by the Group. The maximum exposure of the Group to losses from the asset-backed securities is not different from their carrying value.

39. Disclosures of Law 4261/5.5.2014

Article 81 of Law 4261/5.5.2014 incorporated into Greek legislation the Article 89 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, according to which, it is adopted for the first time the obligation to disclose information on a consolidated basis by Member State and third country in which the Group has headquarters and specified as follows: name or names, nature of business, geographic location, turnover, results before tax, taxes on results, public subsidies received and number of full time employees.

The required information is listed below:

Greece

Income in Greece on 31.12.2016 amounted to €3,150,896 thousand, results before tax amounted to profit €138,516 thousand taxes on results amounted to €123,529 thousand and the number of employees was 8,918 for the following companies that included:

Banks

1. Alpha Bank A.E.
(Bank's branches in Bulgaria and United Kingdom are included)

Investment Banking

1. Alpha Finance A.E.P.E.Y.
2. Alpha Ventures
3. Alpha A.E. Ventures Capital Management -AKES
4. Emporiki Management A.E.

Financing Companies

1. Alpha Leasing A.E.
2. ABC Factors A.E.

Asset Management

1. Alpha Asset Management A.E.D.A.K.

Insurance

1. Alpha Insurance Agents A.E.
2. Alphalife A.A.E.Z.

Real estate and hotel

1. Alpha Astika Akinita A.E.
2. Ionian Hotel Enterprises A.E.
3. Oceanos A.T.O.E.E.
4. Emporiki Development and Real Estate Management A.E.
5. Alpha Investment Property Chalandriou A.E.
6. Alpha Investment Property Attikis A.E.
7. Alpha Investment Property Attikis II A.E.
8. Alpha Investment Property Amarousion I A.E.
9. Alpha Investment Property Amarousion II A.E.
10. APE Fixed Assets A.E.
11. Alpha Investment Property Neas Kifisias A.E.
12. Alpha Investment Property Kalirois A.E.
13. Alpha Investment Property Levadias A.E..
14. Alpha Investment Property Kefalariou A.E.
15. Alpha Investment Property Neas Erythraias A.E.
16. Alpha Investment Property Chanion A.E.

Special purpose and holding entities
1. Ionian Holdings A.E.

Other companies
1. Kafe Alpha A.E.
2. Alpha Supporting Services A.E.
3. Real Car Rental A.E.
4. Evisak A.E.
5. Alpha Bank Notification Services A.E.

Cyprus

Income in Cyprus on 31.12.2016 amounted to €232,317 thousand, results before tax amounted to losses €(90,680) thousand, taxes on results amounted to €1,793 thousand, the number of employees was 656 and the following companies were included:

Banks
1. Alpha Bank Cyprus Ltd

Investment Banking
1. Emporiki Ventures Capital Developed Markets Ltd
2. Emporiki Ventures Capital Emerging Markets Ltd

Real Estate and Hotel
1. Stockfort Ltd

Special purpose and holding entities
1. Alpha Group Investments Ltd
2. Ionian Equity Participations Ltd
3. AGI-BRE Participations 1 Ltd
4. AGI-RRE Participations 1 Ltd
5. Alpha Group Ltd
6. AGI-RRE Athena Ltd
7. AGI-RRE Poseidon Ltd
8. AGI-RRE Hera Ltd
9. Umera Ltd
10. AGI-BRE Participations 2 Ltd
11. AGI-BRE Participations 3 Ltd
12. AGI-BRE Participations 4 Ltd
13. Alpha Real Estate Services LLC
14. AGI-RRE Ares Ltd
15. AGI-RRE Venus Ltd
16. AGI-RRE Artemis Ltd
17. AGI-BRE Participations 5 Ltd
18. AGI-RRE Cleopatra Ltd
19. AGI-RRE Hermes Ltd
20. AGI-Cypre Arsinoe Ltd
21. AGI-SRE Ariadni Ltd
22. AGI-Cypre Alaminos Ltd
23. AGI-Cypre Tochini Ltd
24. AGI-Cypre Evagoras Ltd
25. AGI-Cypre Tersefanou Ltd
26. AGI-Cypre Mazotos Ltd
27. AGI-Cypre Ermis Ltd
28. AGI-SRE Participations 1 Ltd

Other companies
1. Alpha Trustees Ltd
2. Zerelda Ltd

United Kingdom

Income in United Kingdom on 31.12.2016 amounted to €27,451 thousand, results before tax amounted to gains €3,761 thousand, taxes on results amounted to €(794) thousand, the number of employees was 42 and the following companies were included:

Banks
1. Alpha Bank London Ltd

Asset Management
1. ABL Independent Financial Advisers Ltd

Special purpose and holding entities
1. Alpha Credit Group Plc
2. Emporiki Group Finance Plc
3. Alpha Finance Shipping LTD

Other companies
1. Alpha Bank London Nominees Ltd
2. Flagbright Ltd

Bulgaria

Income in Bulgaria on 31.12.2016 amounted to €2,614 thousand, results before tax amounted to losses €(2,384) thousand, taxes on results amounted to €(42) thousand and the following companies were included:

Real Estate and Hotel
1. Alpha Real Estate Bulgaria E.O.O.D.
2. Chardash Trading E.O.O.D.
3. AGI-BRE Participations 1 E.O.O.D.
4. AGI-BRE Participations 2 E.O.O.D.
5. AGI-BRE Participations 2BG E.O.O.D.
6. AGI-BRE Participations 3 E.O.O.D.
7. AGI-BRE Participations 4 E.O.O.D.
8. HT-1 E.O.O.D
9. AGI-BRE Participations 5 E.O.O.D..

Jersey

Income in Jersey on 31.12.2016 amounted to €454 thousand and the results before tax amounted to losses €(79) thousand.

Special purpose and holding entities
1. Alpha Group Jersey Ltd

Serbia

Income in Serbia on 31.12.2016 amounted to €41,037 thousand, results before tax amounted to profit €6,037 thousand, tax on results amounted to €(32) thousand, the number of employees was 836 and the following companies were included:

Banks
1. Alpha Bank Srbija A.D.

Real Estate and Hotel
1. Alpha Real Estate D.O.O. Beograd

Special purpose and holding entities
1. AGI-SRE Ariadni DOO

Ireland

Income in Ireland on 31.12.2016 amounted to €383 thousand.

Special purpose and holding entities
1. Alpha Proodos D.A.C.

Romania

Income in Romania on 31.12.2016 amounted to €159,666 thousand, results before tax amounted to profit €20,286 thousand, taxes on results amounted to €(4,533) thousand, the number of employees was 1,882 and the following companies were included:

Banks
1. Alpha Bank Romania S.A.

Leasing companies
1. Alpha Leasing Romania IFN S.A.

Investment Banking
1. SSIF Alpha Finance Romania S.A.

Insurance
1. Alpha Insurance Brokers S.R.L.

Real Estate and Hotel
1. Alpha Astika Akinita Romania S.R.L.
2. AGI-RRE Participations 1 S.R.L.
3. Romfelt Real Estate S.A.
4. AGI-RRE Zeus S.R.L.
5. AGI – RRE Athena S.R.L.
6. AGI – RRE Poseidon S.R.L.
7. AGI – RRE Hera S.R.L.
8. AGI-RRE Venus S.R.L.
9. AGI-RRE Cleopatra S.R.L.
10. AGI-RRE Hermes S.R.L.
11. SC Cordia Residence S.R.L.
12. SC Carmel Residential S.R.L.

13. Asmita Gardens S.R.L.
14. Ashtrom Residents S.R.L.
15. Cubic Center Development S.A.

Albania

Income in Albania on 31.12.2016 amounted to €22,924 thousand, results before tax amounted to losses €(10,238) thousand, tax on results amounted to €(92) thousand the number of employees was 415 and the following companies were included:

Banks

1. Alpha Bank Albania SH.A.

FYROM

Income in FYROM on 31.12.2016 amounted to €2,090 thousand, results before tax amounted to losses €(991) thousand, tax on results amounted to €21 thousand.

Banks

1. Alpha Bank AD Skopje

Real Estate and Hotel

1. Alpha Astika Akinita D.O.O.E.L. Skopje

Neither the Bank nor the Group companies have received any public subsidies. According to article 82 of Law 4261/5.5.2014 with which incorporated into Greek legislation the article 90 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 is established the requirement to disclose the total return on assets.

The overall performance of the assets of the Group* for the year of 2016 amounted to 0.1% (31.12.2015: (1.9)%).

* *In accordance with the guidance of European Securities and Markets Authority (ESMA), the definition and the detailed calculation of the ratio is included in the appendix of the Annual Financial Statements.*

40. Operating segments

a. Analysis by operating segment

(in millions of Euro)

	1.1-31.12.2016						
	Retail	**Corporate Banking**	**Asset Management/ Insurance**	**Investment Banking/ Treasury**	**South-Eastern Europe**	**Other**	**Group**
Net interest income	1,001.7	684.8	14.7	(38.3)	257.8	3.4	1,924.1
Net fee and commission income	111.3	136.3	35.6	8.3	25.0	1.4	317.9
Other income	6.9	12.6	(1.5)	66.5	39.1	18.2	141.8
Total income	**1,119.9**	**833.7**	**48.8**	**36.5**	**321.9**	**23.0**	**2,383.8**
Total expenses*	**(664.3)**	**(153.5)**	**(26.7)**	**(29.7)**	**(182.2)**	**(137.4)**	**(1,193.8)**
Impairment losses	(352.2)	(536.4)	-	-	(273.8)	(5.6)	(1,168.0)
Cost for Voluntary Separation Scheme					(31.7)		(31.7)
Profit/(losses) before income tax	**103.4**	**143.8**	**22.1**	**6.8**	**(165.8)**	**(120.0)**	**(9.7)**
Income tax							29.2
Profit/(losses) after income tax from continuing operations							**19.5**
Profit/(losses) from discontinued operations					22.8		22.8
Profit/(losses) after income tax							**42.3**
Assets 31.12.2016	24,887.3	15,379.1	380.7	10,436.6	8,813.3	4,975.3	64,872.3
Liabilities 31.12.2016	22,459.0	5,809.3	1,658.7	19,634.3	6,125.6	72.0	55,758.9
Capital expenditure	74.0	73.9	1.9	1.3	25.0	9.9	186.0
Depreciation and Amortization	(53.4)	(20.2)	(1.6)	(2.1)	(10.3)	(9.8)	(97.4)

(in millions of Euro)

	1.1-31.12.2015						
	Retail	**Corporate Banking**	**Asset Management/ Insurance**	**Investment Banking/ Treasury**	**South-Eastern Europe**	**Other**	**Group**
Net interest income	1,027.2	728.4	16.4	(147.2)	272.1	0.6	1,897.5
Net fee and commission income	106.8	133.9	43.5	(3.2)	26.2	1.4	308.6
Other income	3.1	12.3	1.0	82.1	(4.4)	(89.2)	4.9
Total income	**1,137.1**	**874.6**	**60.9**	**(68.3)**	**293.3**	**(87.2)**	**2,211.0**
Total expenses*	**(669.7)**	**(148.3)**	**(30.4)**	**(31.4)**	**(182.1)**	**(140.7)**	**(1,202.6)**
Impairment losses	(1,328.4)	(1,334.6)	-	(2.6)	(320.9)	(1.1)	(2,987.6)
Provision for Voluntary Separation Scheme						(64.3)	(64.3)
Profit/(losses) before income tax	**(861.0)**	**(608.3)**	**30.5**	**(102.3)**	**(209.1)**	**(293.3)**	**(2,043.5)**
Income tax							806.8
Profit/(losses) after income tax from continuing operations							**(1,236.7)**
Profit/(losses) from discontinued operations					(134.8)		(134.8)
Profit/(losses) after income tax							**(1,371.5)**
Assets 31.12.2015	25,189.1	16,711.1	483.5	11,943.3	9,808.8	5,161.7	69,297.5
Liabilities 31.12.2015	22,417.8	4,827.8	1,359.0	25,038.3	6,309.0	292.4	60,244.3
Capital expenditure	58.6	30.5	1.4	0.9	9.4	6.8	107.6
Depreciation and Amortization	(54.5)	(19.3)	(2.1)	(2.2)	(9.1)	(15.4)	(102.6)

* *Excluding the cost/provision for separation schemes.*

i. Retail Banking

It includes all individuals (retail banking customers), professionals, small and very small companies operating in Greece and on abroad, except from South-Eastern Europe countries.

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

ii. Corporate Banking

It includes all medium-sized and large companies, with international activities, corporations with international business activities, entrerprises which cooperate with the Corporate Banking Division, as well as shipping corporations operating in Greece and on abroad except from South Eastern European countries. The Group offers working capital facilities, corporate loans, and letters of guarantee of the abovementioned corporations. This sector also includes leasing products which are provided by Alpha Leasing A.E. as well as factoring services which are provided by the subsidiary company ABC Factors A.E.

iii. Asset Management/Insurance

It consists of a wide range of asset management services offered through Group's private banking units and its subsidiary, Alpha Asset Management A.E.D.A.K. In addition, it includes income received from the sale of a wide range of insurance products to individuals and companies through either AXA insurance, which is the corporate successor of the subsidiary Alpha Insurance A.E. or the subsidiary Alphalife A.A.E.Z.

iv. Investment Banking/Treasury

It includes stock exchange, advisory and brokerage services related to capital markets, and also investment banking facilities, which are offered either by the Bank or specialized subsidiaries (Alpha Finance A.E.P.E.Y., Alpha Ventures S.A.). It also includes the activities of the Dealing Room in the interbank market (FX Swaps, Bonds, Futures, IRS, Interbank placements Loans etc.).

v. South-Eastern Europe

It consists of the Group's subsidiaries, which operate in South Eastern Europe. It is noted that Bulgaria's Branch and Alpha Bank's subsidiary Alpha Bank AD Skopje, as well as Alpha Bank Srbija, are not included anymore in the results of the continuing activities in this sector anymore. Their financial result is included in caption "Profit/Loss from discontinued operations".

vi. Other

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

The assets of the operating segments "Retail" and "Corporate Banking" include the following figures of the Bank's loans, which are being managed by the non performing loans retail and wholesale banking units, based on Bank's internal procedures. The relevant figures for the foreign subsidiaries are included in the operating segment South-Eastern Europe.

	31.12.2016			31.12.2015		
	Total Gross Amount	**Allowance for impairment losses**	**Total Net Amount**	**Total Gross Amount**	**Allowance for impairment losses**	**Total Net Amount**
Mortgages	7,655,203	2,032,511	5,622,692	7,637,046	2,176,285	5,460,761
Consumer Credit Division	4,336,599	2,394,214	1,942,385	4,100,482	2,412,186	1,688,296
Corporate Loans	14,030,221	7,785,885	6,244,336	13,192,810	7,568,345	5,624,465
Total	**26,022,023**	**12,212,610**	**13,809,413**	**24,930,338**	**12,156,816**	**12,773,522**

b. Analysis by geographical sector

(in millions of Euro)

	1.1 - 31.12.2016		
	Greece	Other countries	Total
Net interest income	1,648.5	275.6	1,924.1
Net fee and commission income	289.2	28.7	317.9
Other income	99.8	42.0	141.8
Total income	**2,037.5**	**346.3**	**2,383.8**
Total expenses*	**(996.0)**	**(197.8)**	**(1,193.8)**
Impairment losses	(894.2)	(273.8)	(1,168.0)
Cost for voluntary separation scheme		(31.7)	(31.7)
Profit/(losses) before incomem tax	**147.3**	**(157.0)**	**(9.7)**
Income tax			29.2
Profit/(losses) after income tax from continuing operations			**19.5**
Profit/losses from discontinued operations		22.8	22.8
Profit/(losses) after income tax			**42.3**
Total Assets 31.12.2016	55,796.4	9,075.9	64,872.3

(in millions of Euro)

	1.1 - 31.12.2015		
	Greece	Other countries	Total
Net interest income	1,605.9	291.6	1,897.5
Net fee and commission income	278.4	30.2	308.6
Other income	6.7	(1.8)	4.9
Total income	**1,891.0**	**320.0**	**2,211.0**
Total expenses*	**(1,000.4)**	**(202.2)**	**(1,202.6)**
Impairment losses	(2,666.6)	(321.0)	(2,987.6)
Provision for voluntary separation scheme	(64.3)		(64.3)
Profit/(losses) before income tax	**(1,840.3)**	**(203.2)**	**(2,043.5)**
Income tax			806.8
Profit/(losses) after income tax from continuing operations			**(1,236.7)**
Profit/losses from discontinued operations		(134.8)	(134.8)
Profit/(losses) after income tax			**(1,371.5)**
Total Assets 31.12.2015	59,110.7	10,186.8	69,297.5

* *Excluding the cost/provision for separation schemes.*

41. Risk Management

Alpha Group has established a thorough and prudent risk management framework which is being built on the best supervisory practices and based on the common European legislation and banking system rules, principles and standards and is evolved over time and implemented in a coherent and effective manner on the bank's conduct of the day-to-day business to strengthen its sound corporate governance under a challenging macroeconomic and financial environment.

The Group's critical focus in 2016 was to maintain the highest operating standards, ensure compliance with regulatory risk rules and retain confidence in the conduct of its business activities through sound and robust provision of financial services.

41.1 Credit Risk Management

RISK MANAGEMENT ORGANIZATION

Board of Directors

The Board of Directors supervises the overall operations of the Risk Management Unit. Regarding Risk Management, the Board of Directors is supported by the Risk Management Committee. The Risk Management Committee through monthly meetings reports to the Board of Directors issues regarding the Group's risk-taking strategy and capital management. It is responsible for the implementation and monitoring compliance with the risk management policies.

The Group re-assesses the effectiveness of the risk management framework on a regular basis in order to ensure compliance with International best practices.

For a more comprehensive and effective identification and monitoring of all risk types, Management Committees have been established (Assets and Liabilities Committee, Operational Risk Committee and Credit Risk Committee).

Risk Management Committee

The General Manager and Group Chief Risk Officer supervise the Risk Management Unit and report on a regular basis and ad hoc to the Management Committees, the Risk Management Committee and to the Board of Directors. As far as credit risk is concerned the reporting to the above mentioned committees covers the following areas:

- The portfolio risk profile by rating grade.
- The transition among rating grades (migration matrix).
- The estimation of the relevant risk parameters by rating grade, group of clients, etc.
- The trends of basic rating criteria.
- The changes in the rating process, the criteria or in each specific parameter.
- The concentration risk (by risk type, sector, country, collateral and portfolio etc.).

Organizational Structure of Risk Management Divisions

Under the supervision of the General Manager and Group Chief Risk Officer the following Risk Management Divisions operate within the Group and have been assigned with the responsibility of implementing the risk management framework, according to the directions of the Risk Management Committee.

- Market and Operational Risk Division
- Credit Risk Data and Analysis Division
  - Credit Risk Data Management Division
  - Credit Risk Analysis Division
- Credit Control Division
  - Credit Risk Policy and Control Division
  - Credit Risk Methodologies Division
- Wholesale Credit Division – Greece
- Wholesale Credit Division – International
- Retail Credit Division

For credit risk management purposes, facilities are separated into Wholesale and Retail.

WHOLESALE BANKING PORTFOLIO

Wholesale Banking credit facilities

Wholesale Banking credit facilities are included in each of the following categories subject to the characteristics of the credit facility and the obligor, as shown in the table below:

	Portfolio	Characteristics
Obligors under the competence of Wholesale Banking	Corporate	Companies with turnover > Euro 75 million Includes financing in shipping companies, as well as, obligors under the management of the Investment Banking Division
	SME	Euro 2.5 million < Companies with turnover < Euro 75 million or companies with credit limit > Euro 1 million

1. Credit Risk Approval Process

The limits of the Wholesale Banking Credit Committees are determined in accordance to **Total Credit Exposure**, defined as the sum of all credit facilities of the obligor (single company or group of associated companies) which can be approved by the Group and include the following:

- Total credit requested exposure
- Working Capital limits

- Withdrawal limits from unclear deposits
- Letters of Credit/Letters of Guarantee limits
- Factoring limits
- Derivative transaction limits
- Corporate Cards limits
- Medium and long-term loans (current outstanding/exposure for facilities that have been fully drawn or limit amount of undrawn facilities).
- Leasing Facilities (current outstanding/exposure for leasing facilities that have been fully drawn or limit amount for undrawn/unused facilities).
- Special credit limits or loans, or any form of personal financing to the company's business owners (mortgage loans, consumer loans, shares' purchase, credit cards etc.).

Credit Approval Limits Wholesale Banking Credit Committees

Credit Committees Structure:

- General Management Credit Committee
- Wholesale Banking Credit Committees
  - Under the General Managers
  - Under the Divisions Managers
  - Under the Divisions Assistant Managers
  - Commercial Centers Credit Committee

Credit Limit Expiry/Renewal date:

The credit limits' expiry/renewal date is determined by the relevant Wholesale Banking Credit Committees. The basic factor for the determination of the credit limit expiry is the client's credit rating, which is not a standalone approval or rejection criterion, but the basis for determining the minimum security/collateral required and the respective pricing. As a rule, for obligors that have been rated in the Low, Medium and Acceptable credit risk zones, reviews are carried out on an **annual basis**, for Watch List clients, on a **semi-annual basis** while obligors that have been rated in the High Risk zone are reviewed on a **quarterly basis**. Deviations from the above rule are not allowed, except when the request by the responsible Business Units is approved by the competent Credit Committees.

2. Credit Risk Measurement and Internal Ratings

The assessment of the borrowers' creditworthiness and their rating in credit risk scales is established through rating systems.

The rating of the Group's borrowers with the use of credit risk rating systems constitutes a basic tool for:

- The decision-making process of Credit Committees for the approval/ renewal of credit limits and the implementation of the appropriate pricing policy (interest rate spreads etc.).
- The estimation of the future behavior of borrowers which belong to a group with similar characteristics.
- The early recognition of potential troubled facilities (early alert mechanism) and the prompt, effective action for the minimization of the expected loss for the Group.
- The assessment of the quality of the Group's loan portfolio and the credit risk undertaken.

The aim of the credit risk rating systems is the estimation of the probability that the borrowers will not meet their contractual obligations to the Group.

The rating systems employed by the Group are the Alpha Bank Rating System (ABRS) and the Moody's Risk Advisor (MRA) which incorporate different credit rating models.

All current and future clients of the Group are assessed based on the appropriate credit risk rating model and within prespecified time frames.

For the estimation of the probability of default of the obligors of the Group the credit risk rating models evaluate a series of parameters, which can be grouped as follows:

- Obligor's Financial Ability (liquidity's ratios, debt to income, etc.)
- Peers' Analysis: Obligor's comparative position in the market in which it operates mostly compared to its peers.
- Behavioral status and history of the obligor with the Group and with third parties (debt in arrears, adverse transaction records, etc).
- Obligor's qualitative characteristics (solid and healthy administration, management succession, appropriate infrastructure and equipment etc.).

The credit rating models which are currently employed by the Group are differentiated according to:

- The turnover of the company.
- The level of the total credit risk exposure.
- The credit facility's specific characteristics.
- The available information for the obligor's assessment. Specifically, for the financial analysis the differentiation relates to the type of the local accounting standards and the International Financial Reporting Standards.

For each of the credit rating models, different parameters may be used, each of which contributes in a specific manner to the relevant assessment.

The statistical validation of the credit risk rating models is reviewed regularly in order to ensure the maximum predictive ability according to the best international practices.

Obligors Rating Scale

Borrowers are rated in the following rating scales:

AA, A+, A, A-, BB+, BB, BB-,B+, B, B-, CC+, CC, CC-, C, D, D0, D1, D2, E

For presentation purposes of the table "Analysis of neither past due nor impaired Loans and Advances to customers", the "strong" rating includes the rating scales AA, A+, A, A- and BB+, "satisfactory" rating includes the rating scales BB, BB-, B+, B, B-, CC+ and CC and "under close monitoring" (higher risk) includes the rating scales CC- and lower than CC-.

Facility Rating Model

In the context of the alignment with the current Basel II supervisory requirements and the reinforcement of credit risk management processes, the Bank has developed a risk rating model that incorporates the transaction characteristics (facility rating), in case of a customer's default.

The model is complementary to the existing models of credit risk assessment, calibrating separately each credit facility based on the collateral. The specific assessments of existing and proposed credit facilities are weighted, yielding the final classification of the expected loss at the level of the overall credit risk exposure of the borrower.

The grading scales of the facility rating system consist of 6 grades for covered credit facilities plus 1 grade for the uncovered credit facilities: 1, 2, 3, 4, 5, 6, 7.

3. Impairment Policy

The Group has defined as 'significant for individual assessment' customers loans that are managed by the Wholesale Banking Unit.

The assessment for impairment is performed on a quarterly basis, as follows:

The Group assesses whether objective evidence for individual assessment for impairment exists. The process for identifying loans for impairment and estimating their impairment allowance consists of the following steps:

1. Identification of loans which will be individually assessed and for which events exist which constitute objective evidence that an impairment loss has occurred.
2. Impairment calculation on an individual basis for the loans identified in the previous step, as the difference between the recoverable amount and the carrying amount of the loan.
3. In cases where the impairment allowance under individual assessment was zero, these loans will be assessed for impairment on a collective basis, based on similar credit risk characteristics. For example, groups of loans are created per collateral coverage, days in arrears, credit rating etc, where the corresponding impairment factor will be applied.

The individual assessment for impairment is performed by the Wholesale Banking Unit and is approved by the Wholesale Credit Division.

Significant loans are assessed individually if one of the following conditions are met:

- Clients that are experiencing or about to experience difficulties in meeting their financial commitments and credit obligations to the Group ("financial difficulty").
- Clients with credit risk rating D, D0,D1, D2 and E.
- Clients with credit risk rating CC- and C.
- Significant deterioration in the industry outlook in which the borrower operates taking into account the five sectors that have had the worst deterioration on an annual basis, according to the high risk sectors' segmentation .
- Derogatory items including but not limited to :. payment orders, bounced cheques, auctions, bankruptcies, overdue payments to the State, to Social Security Funds, or to employees.
- Occurrence of unexpected, extreme events such as natural disasters, fraud, etc.
- Interventions and actions by regulatory bodies/local authorities against the borrower (e.g. Athens Stock Exchange, Hellenic Capital Market Commission).
- Breach of contractual terms and conditions.
- Adverse changes in the shareholders' structure or the management of the company or serious management issues/ problems.
- Significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit, etc.
- Significant deterioration of financial ratios of the obligor (Reduction of equity due to losses, debt ratio etc) and of estimated future cash flows of the obligor.

Collective Assessment for Impairment

Collective assessment should be performed for exposures as follows:

a. Exposures that have been individually assessed and were found not to be impaired on an individual basis -the impairment allowance estimated was zero- are subsequently assessed for impairment on a collective basis, after they are grouped in pools based on common credit risk characteristics.

b. Exposures with no impairment triggers and therefore are assessed collectively in pools formed based on similar credit risk characteristics.

The future cash flows of a group of exposures that are collectively evaluated for impairment are calculated based on the estimated contractual cash flows, and historical loss experience for exposures with credit risk characteristics similar to those in the group. The need for objective evidence in order for the loss to be recognized and effectively the impairment loss to be identified on individual loans, may lead to a delay in the recognition of a loan's impairment, which has already occurred. Within this context and in accordance with IAS 39, it is appropriate to recognize impairment losses for those losses "which have been incurred but have not yet been reported» (Incurred But Not Reported - IBNR).

4. Credit Risk Concentration Management

Concentration Risk is a specific form of credit risk and arises due to the low degree of diversification between counterparties, products or group of counterparties, sectors, geographic regions, or collaterals.

The Group monitors on a regular basis concentration risk through detail reporting which informs Senior management and the Board of Directors. According to the supervisory framework, the Group complies with the regulatory directives regarding large exposures, while the capital requirements for single name and sector concentration risks are estimated in the context of Pillar 2 of Basel II.

5. Credit Control

The Alpha Bank Group has adopted a Credit Control mechanism so as to provide assurance that the credit policy and forbearance frameworks are being consistently followed.

More, specifically, on site credit controls are conducted in Wholesale Banking Business Units of the Bank as well as desktop controls that cover the adherence and the compliance to the Group's Credit Policy, the portfolio analysis and the confirmation of the completeness and correctness of the data in the Bank's systems through sample checks.

RETAIL BANKING PORTFOLIO

Retail banking involves the lending facilities offered to borrowers covering traditional banking products and services such as:

- Housing loans/Mortgages
- Consumer Loans and Credit Cards
- Small companies and small business (SB): Legal entities with turnover up to Euro 2.5million and credit limit up to Euro 1million.

1. Credit Risk Approval Process

The Group monitors customer Total Credit Risk Exposure (For Individuals and Small Businesses), which refers to the sum of all revolving limits of an obligor, all the balances of long term facilities and for the case of legal entities the total exposure of facilities given to stakeholders of customer companies. Additionally, facilities for which the customer is guarantor or co-debtor are also taken into account.

The Group has developed and implemented a strict framework for the conduct of credit policy (legislative and supervisory / regulatory) and has also formulated and put into effect an internal system of credit principles, procedures and rules clearly applicable to the Group's lending business, in order to promote sound practices for managing credit risk.

Credit policies establish the framework for lending and guide the credit-granting activities of Retail Banking through:

- Sound lending management.
- Prudent client selection through in-depth assessment of both financial and qualitative data of the borrower
- Assessing the risk/reward relationship with a respective determination of pricing policy and collateral coverage after taking into account the level of credit risk.
- Monitoring and management of the Total Credit Risk Exposure, which is defined as the sum of all credit risks arising from all credit facilities provided by the Alpha Bank Group as a whole, to a single obligor.

The enforcement of the Credit Policy requires certain criteria to be met. These criteria play a significant role to the achievement and maintenance of a healthy portfolio and to the Group's Capital allocation. More specifically:

Individuals

The approval process of credit to individuals is performed on the basis of the classification of borrowers into risk groups (risk groups), which represent a certain level of undertaken risk. The level of risk undertaken by the Group is adjusted, when deemed necessary, according to its credit policy.

The credit assessment for individuals is based upon the following pillars:

- Application fraud detection;
- Willingness to pay;
- Ability to pay;
- Collateral risk.

Small Businesses

Small Business are defined as following:

- Personal Companies with turnover up to €2.5 million and a credit limit up to €1 million
- Entrepreneurs with a credit limit up to €1 million
- Legal entities with turnover up to €2.5 million and a credit limit up to €1 million.

The creditworthiness of Small Businesses in the Retail Banking sector is related to the creditworthiness of agencies/competent of the company and vice versa. Therefore the evaluation of claims in this category is based on two dimensions:

- The valuation of the creditworthiness of entities or business managers.
- The valuation of the creditworthiness of the company.

The valuation of the creditworthiness of a company is based on the specific pillars:

- willingness to pay.
- ability to pay.

Hence, the credit assessment for the small businesses is based on the following:

- Application fraud detection;
- Demographics;
- Financials;
- Behavior;
- Credit Bureau;
- Qualitative data; and
- Collateral risk.

2. Internal Ratings

The fundamental parameter in assessing Retail Banking Credit Risk is the Credit Scoring Models that are developed and employed throughout the credit cycle at the Group level. The above models segments populations into homogenous risk groups (pools) and are categorized as follows:

- Behavior Models, which assess the customer's performance and predict the probability of defaulting within the following months;
- Application Credit Scoring Models, which assess application data—mainly demographic- that predict the probability of defaulting within the following months; and
- Basel II Models, according to the regulatory framework,(e.g., IRB compliant models).

These models and the probabilities of default that derive from them, contribute a significant role in risk management and decision making throughout Alpha Bank Group. Specifically, the models are used in the following segments:

- In decision making of credit assessment and credit limit assignment.
- In impairment tests
- In predicting future performance of customers belonging to the same pool of common characteristics.
- In tracing high risk accounts in time to schedule all necessary actions so as to reduce expected losses for the Bank.
- In assessing the Bank's portfolio quality and credit risk.

The parameters taken into account vary, according to the model's type and product category that it assesses. Indicatively, some factors are:

- Personal/ demographic data: the customer's age, profession, marital status, or current address;
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, maximum delinquency, outstanding loan balance versus loan limit, transaction type;
- Financial data: sales change, liabilities versus sales; and
- Qualitative data: experience, seat of business (company registry).

Models are reviewed, validated and updated on a yearly basis and are subject to quality control so as to ensure at their predictive power at any point in time.

Furthermore, on a regular basis the Group conducts exercises simulating crisis situations (Stress Tests), which explore the potential impact on the financial results of the Group due to unfavorable developments both in obligors' transactional behavior as well as in the broader financial macroeconomic environment.

3. Impairment Policy

The process for determining the loans eligible for impairment and the estimation of their provision comprises the following steps:

1. Identification of loans which will be individually assessed.
2. Impairment calculation on individual basis for the loans identified in the previous step.
3. Recognition of the loans to be assessed collectively, including cases where the impairment allowance under individual assessment was zero
4. Collective provision calculation for the loans identified in the previous step (3).

For provision purposes, under collective assessment, loans are separated based on similar credit risk characteristics. These characteristics are selected based on the future cash flows of the abovementioned Retail Banking loan categories which depict customers' ability to repay their debts according to the contractual agreements.

Loss Rate is calculated based on credit risk characteristics of the segment and portfolio in which the facility or the customer belongs to. The Loss Rate is determined with statistical methods.

Trigger Events for the Individual Assessed Exposures

For the Retail Banking portfolios, loans are assessed on an individual basis if one of the trigger events mentioned below is met and if the following criteria are met:

- Consumer Loans: Customers with total exposures more than €500 thousand;
- Housing Loans: Customers with total exposures more than €2 million; and
- Small Business Loans: Customers with total exposures more than €850 thousand.

The above limits differ from country to country according to size and characteristics of the portfolio.

3.1.1. Trigger Events for Individuals

1. Customers with loans past due over 90 days;
2. Customers with loans past due more than 30 days and less than 90 days;
3. Customers with restructured loans;

4. Unemployed Customers;
5. Deceased Customers;
6. Occurrence of unexpected, extreme events such as fraud, natural disasters, etc.;
7. Freelancers or Personal Company owners who ceased their business activity due to retirement;
8. Freelancers or Personal Company owners with significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;
9. Stakeholders of Companies have filled for inclusion in Article 99 (pre-bankruptcy law);
10. Stakeholders of Companies with loans past due more than 90 days (rating D, D0 or D1 or D2 or E) or with rating CC- or C;
11. Stakeholders of Companies with detrimentals (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts to Social Security or employees);
12. Stakeholders of Companies with interventions and actions of regulatory bodies/local authorities against their companies (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
13. Stakeholders of Companies with significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;
14. Stakeholders of Companies which operate in industries with significant deterioration in their outlook (taking into account the five sectors with the foremost deterioration annually, according to the risk classification of sectors of Risk Analyst);
15. Customers with impairment amount in the previous impairment test for which none of the above criteria is met; and
16. Customers with detrimental (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts Social Security or employees).

3.1.2 Trigger Events for Legal Entities

1. Customers with credit risk rating D, D0 or D1 or D2 or E or with overdue amount above 90 days;
2. Customers with loans past due more than 30 days and less than 90 days;
3. Customers with rating CC- or C;
4. Obligors which operate in industries with significant deterioration in their outlook (taking into account the five higher risk sectors according to Risk Analyst classification);
5. Customers with impairment amount in the previous impairment test for which none of the above criteria is met.
6. Customers with detrimentals (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts to Social Security or employees);
7. Occurrence of unexpected, extreme events such as fraud, natural disasters, etc.;
8. Interventions and actions of regulatory bodies/local authorities against their companies (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
9. Breach of contract or credit terms and conditions;
10. Adverse changes in the shareholders' structure or the management of the company or serious management issues/ problems;
11. Significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;

3.2. Trigger Events for the Collective assessment per portfolio

The specific trigger events for the collective assessment for the Retail Banking portfolios are the following:

- Accounts up to 89 days past due with or without signs of unlikeliness to pay;
- Accounts more than 90 days past due;
- Forborne exposures; and
- Accounts with partial write off.

4. Credit Control

The Alpha Bank Group in order to ensure that all Credit Units fully comply with the Credit Policy, has adopted and introduced a Credit Control mechanism on a monthly basis, so as to review and assess whether the credit policy framework is being consistently followed. In addition Data Integrity Verification controls are conducted in credit requests elements of Retail Banking Loans. Quality analysis of the credit approval process is also conducted.

INTERNATIONAL FINANCIAL REPORTING STANDARD 9 (IFRS9).

- Effective from 1.1.2018 the Alpha Bank Group is obliged to adopt the new IFRS9 standard which specifies the accounting standards for the Classification & Measurement of Financial instruments, impairment methodology and hedge accounting.

- Following the issuance of IFRS 9 Financial Instruments, Alpha Bank Group has already designed their IFRS 9 Implementation Program which include a significant number of projects necessary for the timely alignment with new requirements. The projects extend to the areas of Finance, Risk Management and IT system & data.
- Regarding credit risk, the IFRS9 standard completely redesigns the approach for impairment of financial assets. In particular, new impairment rules present a fundamental redesign of the provisioning model, moving from the current incurred loss model to an expected credit loss model. The expected credit loss model provides for lifetime expected credit loss in cases of significant credit deterioration since initial recognition, resulting in earlier recognition of credit losses and increased sensitivity to credit risk parameters and assumptions about future conditions.

CREDIT RISK MITIGATION

1. Collaterals

Collaterals are received both for Wholesale and Retail lending in order to mitigate credit risk that may arise from the obligor's inability to fulfill his contractual obligations.

Collaterals include all kind of assets and rights which are made available to the Group either by their debtors or by third parties, in order to be used as complementary liquidity sources of relative loans.

The mitigation tools applied by the Group include two broad categories: intangible and tangible collaterals.

2. Intangible Collaterals

Intangible collaterals form the framework of the obligations and rights that are typically included and described in specific contractual documents that bind the Group and the borrowers during the lending process with specific commitments. The commitments involve a third party who substitutes for the primary debtor in the event of the latter's default or the primary debtor itself (natural or legal entities) to honor the contractual loan agreements and their prompt repayment to the Group and on the other hand the Group has the right to claim them.

The main type of intangible collateral that the Group uses to protect the bank against the risk of losses due to debtor insolvency is the Guarantee.

3. Tangible Collaterals

Tangible collaterals provide the Group with the rights over an asset (movable or immovable),owned by the obligor or the guarantor, providing priority in the satisfaction of the creditor by the liquidation preceeds of the asset.

Tangible collaterals are distinguished between mortgages and prenotation on mortgages which are registered over immovable properties and pledges on movable assets (e.g., commodities, checks, bills of exchange) or on claims and rights.

In order to better secure credit facilities granted, all mortgage and pledged assets are covered by an insurance contract, with assignment of the relevant insurance contract to the Bank.

3.1. Mortgages – Prenotation on Mortgages

Mortgages are registered on real estate or immovable assets which can be liquidated as indicatively reported below:

- Residential Real Estate;
- Commercial Real Estate;
- Industrial Buildings;
- Land;
- Mines;
- Ships and aircrafts; and engines, whether or not mobile
- Machinery or other facilities (engineering, mechanical, electrical, etc.), if they are permanently and consistently connected with the mortgaged estate

Periodic revaluation of mortgaged property

According to the Group's Credit Policy, the existence and the valuation of mortgaged property is closely monitored. The frequency of the appraisal does not usually exceed one year.

Valuations are carried out by certified real estate appraisers either:

- Using statistical indicators (such as PropIndex), depending on the type of property; or
- By qualified engineers, after their visit to the property used as collateral or via desktop assessment.

3.2. Pledges

Pledges provide seniority rights over liquidation proceeds from a movable third party asset.

Pledges can be registered on movable assets or on rights that have not been excluded or banned from exchanges and are liquid , including:

- Raw materials, products or commodities;
- Machinery (movable);
- Bill of Lading;
- Bill of exchange;
- Cheques;
- Securities;
- Deposit; and
- Any type of claim that can be pledged

Periodic revaluation of pledges

Depending on the right or the underlying asset on which a pledge is registered, the periodic revaluation varies from one month to one year.

4. Acceptable Value

The Group calculates the value of the securities/collaterals received based on the potential proceeds that could arise if and when these are liquidated. This calculation refers to the acceptable value/haircut of the securities/collaterals provided to the Group by its obligors.

For the calculation of the forced-sale value, the following factors are involved in the consideration:

- The quality of the securities/assets;
- Their market value;
- The degree of ability to liquidate;
- The time required for their liquidation;
- Their liquidation cost;
- The current charges on the assets; and
- The privileged priority of third parties on the product of liquidation (e.g. Public Sector, employees, etc.)

The above have to be accounted for when determining the haircuts for each collateral/security. Haircuts, depending on their nature are expressed as a percentage of their market value, their nominal value or their weighted average value.

ENVIRONMENTAL AND SOCIAL RISK

Within Credit Risk Management Framework and Credit Policy, it has been integrated the assessment of the strict compliance of the principles of an environmentally and socially responsible financing towards legal enitites .

The main purpose is the management of potential risk arising from the operations of obligors that may be connected with a damage to the environment or the society or with any direct threat of such a damage, having as a result a negative impact on the business operations and financial results of the Group.

FORBEARANCE

Maintaining a healthy loan portfolio depends on the constant monitoring and assessment of the borrowers in order to allow early detection of future liquidity problems, which could affect the normal repayment of their obligations to the Group.

The credit tools which are normally used by the Group for managing the liquidity problems that borrowers are facing for repaying their obligations are the restructuring of debt through the renegotiation of the original terms and conditions of the loan agreement they have entered into.

The Executive Committee "Act 42" as amended by the Executive Committee "Act 47" and the Executive Committee "Act 102" of the Bank of Greece, has determined the supervisory framework for the management of loans in arrears and non-performing loans, over and above the already applicable requirements of Law 4261/2014, the CRR, and delegated the decision authority to the Bank of Greece.

Furthermore, in the context of the Commission Implementing Regulation (EU) 2015/227 of the European Commision dated January 9, 2015 and the executive technical standards of the European Banking Authority, the Group assumes the resulting regulatory obligations for forborne exposures.

Forbearance measures should be applied on the basis of the risk, cooperativeness and viability of each debtor and consist of concessions that are robust and sustainable, through the renegotiation of the initial terms and conditions of the debt contract duly taking into account the causes of the debtor's financial difficulties.

Forbearance measures may be applied a) on the basis of a customer's request, b) in accordance with the Code of Conduct under Law 4224/2013, as currently is in force, which is a State initiative under the supervision of the Bank of Greece. Apart from the forbearance measures applied to existing Retail lending exposures, which are initiated by the Group in accordance with the directives of the Executive Committee Acts of the Bank of Greece (No. 42 / 30.5.14 47/9.2.2015 & 102/30.8.2016) and Arrears Resolution Process (ARP) of the Code of Conduct under L.4224/2013 as currently is in force, there are restructuring solutions according to the Legislative Framework.

The existence of more favorable terms for renegotiating and modifying the terms and conditions of the bilateral arrangement between the Group and the debtor (concession), who is facing or is about to face difficulties in meeting his financial commitments ("financial difficulty"), are defined with respect to:

- Difference in favour of the debtor between the modified and the previous terms of the contract; and
- Cases where a modified contract includes more favourable terms than other debtors with a similar risk profile could have obtained.

MONITORING OF FORBORNE EXPOSURES

Following the Executive Committee Act 42 / 30.05.2014, ("Act 42") as subsequently amended by the Act 47 / 09.02.2015 ("Act 47") and by the Act 102/30.08.2016 ("Act 102") of the Bank of Greece, the Group has undertaken a series of actions to ensure adherence to the supervisory obligations and requirements arising from the above Acts. These changes cover the following distinct sections:

- Adaptation of Information Systems of the Group;
- Amendments of the existing processes, such as the customization of new types of forborne exposures according to what is provided in Act 42, Act 47 and Act 102;
- Creation of data structures (Data Marts) aiming at:
  - Automation of the processes related to the production of both internal (Risk Management) and external (Supervisory) reports;
  - Perform analyses on the portfolio of the Group; and

- Production of Management Information Reporting (MIS)

Additionally, the Bank has introduced independent operation management for the "Troubled Assets" (Troubled Asset Committee). This is achieved by the representation of the Administrative Bodies in the Evaluation and Monitoring of Denounced Customers Committee as well as in the Arrears Councils.

WRITE-OFFS AND WRITE-DOWNS OF BAD DEBTS

1. Write-offs

Write-offs are defined as the accounting reduction of a debt, which does not entail waiving the legal claim against the debtors and, hence, the debt may be revived.

Proposals for writing-off a part or the whole of the debts may be submitted to the competent committee on condition that the following have been carried out:

- The relevant agreements with the clients have been terminated,
- Payment Orders have been issued against all the liable parties and the procedure for the registration of compulsory encumbrances has commenced;
- At least one real estate property has been auctioned, in order for the privileged claims (through the final creditors priority list) and, as a result, for the possible losses of the Group to be finalized;

Amounts to be written off must be fully provided for from the previous quarter preceding the proposal.

2. Write downs

Write-downs are defined as the permanent accounting reduction of a debt, as a result of a legally binding decision or agreement (court decision, contractual agreement etc.), which is no further claimable and, hence, is considered as definitively non-revivable, whereas it also entails the fact that the Group definitively and irrevocably waives its right to claim the written-down debt, unless (in case of settlement) it is ascertained that the terms set by virtue of the aforementioned decision or agreement were violated.

According to the Agreement for Financial Support to be provided by the European Stability Mechanism, in the third quarter of 2015 a comprehensive assessment ("CA") was conducted for the four Greek systemic financial institutions, by the Single Supervisory Mechanism - SSM. The CA included the following steps (a) Asset Quality Review (AQR),(b) a stress test. In particular the AQR was a regulatory exercise that was based upon a single standardized procedure applied by the ECB to assess the quality of the loan portfolio in Greece as of 30.6.2015. The result of the AQR amounted to €1.7 billion before income tax.

According to the Group's assessment, the AQR results are not related to accounting errors nor did they lead to a change in accounting policy regarding the recognition of impairment losses on loans and advances to customers as mentioned in note 1.13. The Group took into consideration the results from the AQR when calculating the allowance for impairment and considers that AQR findings have been properly addressed.

DEFINITIONS:

The following definitions are provided as guidance to tables that follow:

Public Sector

The Public Sector includes:

- The Greek Central Government (all departments or Ministries and Public Administration);
- Local Authorities;
- Companies controlled and fully or partially owned by the State; and
- Companies associated with the State

Past Due Exposures

Past due exposures are defined as exposures that are more than one (1) day past due.

Non-Performing Exposures

An exposure is considered as non-performing when one of the following criteria is satisfied:

- The exposure is more than 90 days past due;
- An exposure against which legal actions have been undertaken by the Group;
- The debtor is assessed as unlikely to pay its credit obligations in full;
- The exposure is classified as impaired (as defined below);
- The exposure is classified as forborne non-performing exposure, as defined in the Implementing Regulation (EU) 2015/227 Committee of 9 January 2015.

In particular:

- Exposures which were non-performing prior to the extension of forbearance measures.
- Forborne exposures which have been reclassified from the performing exposures category, including exposures under probation (forborne performing having been reclassified out of the Forborne Non Performing Loan (FNPL) status) having been re-forborne or that are more than 30 days past-due.

Performing Exposures

An exposure is considered as performing when the following criteria are met:

- The exposure is less than 90 days past due;
- No legal actions have been undertaken against the exposure;
- The situation of the debtor has improved to the extent

that full repayment, according to the original or when applicable the modified conditions, is likely to be made

- The exposure is not classified as impaired; or
- The exposure is classified as forborne performing exposure, as defined in the aforementioned Implementing Regulation (EU) 2015/227 of 9 January 2015.

Unlikely to pay Exposures

For the Wholesale Banking Portfolio: Customers , with exposures below 90 days past due, assessed as unlikely to pay based on either of the following criteria:

- The debtor has been denounced in the competent Non-Performing Loans Unit
- The deptor is impaired but not denounced in the competent Non-Performing Loans Unit

The debtor cannot repay its credit obligations in full without the realisation of security (if held) and regardless of the existence of any past due amount or of the number of days past due with the exception of cases of collaterals that are part of the production ane trade chain of the debtor (e.g. properties for Real Estate Companies, corporate shares for Holding companies etc).

For the Retail Banking Portfolio,unlikeness to pay exposures are considered those with less than 90 days past due and if one of the following criteria is met:

- A trial date has been set for inclusion in Law 3869. (Bankrupty Law for Individuals)
- Fraudelent cases
- Deseased Customers
- Unemployed Customers with lack of any source of income
- Customers with heavy health problems
- Insolvent companies (The company has filled for inclusion in Article 99)
- Companies which have ceased their operations (inactive)

Impaired Exposures

Impaired exposures for Wholesale Banking are defined as follows:

a. Exposures for which an impairment amount has been allocated following the individual assessment for impairment;

b. Exposures in arrears more than 90 days or under legal workout status, for which an impairment amount has been allocated following the collective assessment for impairment;

c. Unlikely to pay exposures; and

d. Forborne Non Performing Exposures that are up to 89 days past due.

Accumulated provision for impairment

The accumulated provision for impairment, for disclosure purposes of credit risk as well as for the monitoring of credit risk, includes the adjustment for the contractual loans which were acquired at fair value during the acquisition of assets or companies (i.e. Emporiki Bank and Citibank's retail operations in Greece), since the Group monitors the respective adjustment as part of the provisions. It is noted that in note 17 Loans and Advances to customers, this adjustment is deducted from the gross balance of loans before impairment.

Collateral value

The collateral's latest market value available. In the case of immovable properties, collateral value is considered the lower figure between the prenotation amount and the market value. Values of guarantees include the value of guarantees that exceeds the value of collaterals. All collateral values are capped at 100% of the outstanding amount of the loan.

DUE FROM BANKS

Exposure to credit institutions relates to their own debt securities in issue and shares, loans, interbank transactions (which include positions in derivatives) and International Trade activities. Following the basic rules of designation, monitoring and revision of corporate lending, boundaries are established by the relevant Credit Committees for the monitoring of credit risk for the overall exposure per credit institution counterparty, excluding positions related to bonds issued by them. The approved credit limits are monitored on a daily basis. The validity period of the limits is specified in the approval of the limits in accordance with the counterparty credit institutions rating from international credit rating agencies.

In addition to the regular revisions of counterparty credit institutions limits, interim revisions may be carried out either due to circumstances associated with the trading activity of the Bank or due to markets conditions or problems associated with counterparty credit institutions. Trigger events for an extraordinary review are regularly monitored per counterparty in order to review the relevant limits when such trigger events exist.

In addition, at each reporting date an impairment test is performed as follows:

1. The respective credit institutions are separated to be tested for impairment.
2. Due from Banks will be evaluated individually by credit institution.
3. Credit institutions are reviewed for events that constitute objective evidences for impairment.
4. Impairment provisions per receivable are calculated, as the difference between the recoverable amount and the carrying amount of the claim on an individual basis for the credit institution for which there are objective evidences for impairment.

INVESTMENTS IN DEBT SECURITIES

Investments in debt securities relate to securities that are classified into loans and receivables portfolios, held to maturity and available for sale. If there is a loan relationship with the counterparty issuer at the time of classification of the security position as investment, the Corporate Credit Policy procedures apply. In each case, the classification of the position is subject for approval by the relevant Committee of the Bank. These positions are subject to Bank investment limits and country limits and are monitored on a daily basis.

In addition, at each reporting date an impairment test is performed as follows:

1. The respective securities are separated to be tested for impairment.
2. Securities are reviewed for events that constitute objective evidence for impairment losses.
3. Impairment provisions are calculated on a individual basis per each security, for which there are objective evidences that impairment losses exist, as: a) the difference between the present value of future cash flows and the carrying amount of securities that are classified into loans and receivables portfolio and held to maturity and b) the difference between acquisition costs and current fair value, less the impairment loss which has already been recognized in income statement for securities classified as available for sale.

FINANCIAL INSTRUMENTS CREDIT RISK

	31.12.2016			31.12.2015*		
	Exposure before impairment	Impairment	Net exposure for credit risk	Exposure before impairment	Impairment	Net exposure for credit risk
A. Credit risk exposure relating to balance sheet items						
Balances with Central Banks	**1,163,432**		**1,163,432**	**1,321,124**		**1,321,124**
Due from banks	**2,011,242**	**41,961**	**1,969,281**	**1,985,238**	**8,965**	**1,976,273**
Loans and advances to customers	**60,316,012**	**15,907,252**	**44,408,760**	**62,014,915**	**15,828,799**	**46,186,116**
Derivative financial assets	**634,323**		**634,323**	**793,015**		**793,015**
Trading securities:						
- Government bonds	2,256		2,256	1,888		1,888
Total	**2,256**		**2,256**	**1,888**		**1,888**
Available for sale securities:						
- Available for sale (Govenrment bonds)	4,117,545		4,117,545	4,488,819		4,488,819
- Available for sale (other)	953,721	22,385	931,336	1,141,571	57,874	1,083,697
Total	**5,071,266**	**22,385**	**5,048,881**	**5,630,390**	**57,874**	**5,572,516**
Held to maturity securities:						
- Held to maturity (Government bonds)	15,430		15,430	18,983		18,983
- Held to maturity (other)	29,569		29,569	60,726		60,726
Total	**44,999**		**44,999**	**79,709**		**79,709**
Loans and receivables (HFSF)	**2,682,655**		**2,682,655**	**4,289,482**		**4,289,482**
Total amount of balance sheet items exposed to credit risk (a)	**71,926,185**	**15,971,598**	**55,954,587**	**76,115,762**	**15,895,638**	**60,220,124**
Other balance sheet items not exposed to credit risk	9,503,684	586,005	8,917,679	9,558,378	480,960	9,077,418
Total Assets	**81,429,869**	**16,557,603**	**64,872,266**	**85,674,140**	**16,376,598**	**69,297,542**
B. Credit risk exposure relating to off balance sheet items:						
Letters of guarantee, letters of credit and other guarantees	3,567,786	3,195	3,564,591	3,975,305	4,713	3,970,592
Undrawn loan agreements and credit limits than can not be recalled (committed) **	494,734		494,734	278,913		278,913
Total amount of off balance sheet items exposed to credit risk (b)	**4,062,520**	**3,195**	**4,059,325**	**4,254,218**	**4,713**	**4,249,505**
Total credit risk exposure (a+b)	**75,988,705**	**15,974,793**	**60,013,912**	**80,369,980**	**15,900,351**	**64,469,629**

The maximum credit risk per category, in which the Group is exposed, is presented in the "Net exposure for credit risk".

* *Some figures of the comparative year have been restated as presented in note 49.*

** *Undrawn loan agreements and credit limits that can not be recalled (committed) in cases where it becomes apparent that the counterparties will fail to meet their contractual obligations.*

LOANS AND ADVANCES TO CUSTOMERS

LOANS AND ADVANCES TO CUSTOMERS BY ASSET QUALITY (impaired or not impaired – impairment allowance – value of collateral)

	31.12.2016								
	Non Impaired Loans and Advances		Impaired Loans and Advances			Accumulated Impairment Allowance			
	Neither past due nor impaired	Past due but not impaired	Individually assessed	Collectively assessed	Total gross amount	Individually assessed	Collectively assessed	Total net amount	Value of collateral
Retail lending	**11,530,952**	**3,024,872**	**980,454**	**18,787,549**	**34,323,827**	**576,459**	**8,194,498**	**25,552,870**	**21,402,496**
Mortgage	8,408,553	2,401,641	533,043	8,917,244	20,260,481	288,075	2,996,585	16,975,821	16,214,980
Consumer	1,405,844	259,534	146,868	3,934,845	5,747,091	87,658	2,163,984	3,495,449	1,476,939
Credit cards	1,073,608	96,896	829	505,088	1,676,421	462	356,914	1,319,045	39,435
Other (incl. SBL)	642,947	266,801	299,714	5,430,372	6,639,834	200,264	2,677,015	3,762,555	3,671,142
Corporate lending	**11,845,804**	**610,758**	**12,028,567**	**302,460**	**24,787,589**	**6,784,070**	**300,603**	**17,702,916**	**16,069,343**
Large	7,882,753	343,445	5,993,498	150,018	14,369,714	3,234,494	167,726	10,967,494	9,243,136
SME's	3,963,051	267,313	6,035,069	152,442	10,417,875	3,549,576	132,877	6,735,422	6,826,207
Public sector	**1,159,315**	**3,357**	**41,924**	**0**	**1,204,596**	**31,995**	**19,627**	**1,152,974**	**305,167**
Greece	1,067,060	2,968	41,924	0	1,111,952	31,995	17,138	1,062,819	298,457
Other countries	92,255	389	0	0	92,644	0	2,489	90,155	6,710
Total	**24,536,071**	**3,638,987**	**13,050,945**	**19,090,009**	**60,316,012**	**7,392,524**	**8,514,728**	**44,408,760**	**37,777,006**

The accumulated impairment allowance for collectively assessed loans and advances includes an amount of €767.7 million (2015: €753.2 million) concerning IBNR provisions on 31.12.2016.

The impaired loans and advances to retail customers and small companies include also past due exposures up to 89 days that are collectively assessed and amount to €4.4 billion as at 31.12.2016 (31.12.2015: €3.7 billion).

	31.12.2015 *								
	Non Impaired Loans and Advances		Impaired Loans and Advances			Accumulated Impairment Allowance			
	Neither past due nor impaired	Past due but not impaired	Individually assessed	Collectively assessed	Total gross amount	Individually assessed	Collectively assessed	Total net amount	Value of collateral
Retail lending	**12,614,545**	**3,237,400**	**908,770**	**18,387,664**	**35,148,379**	**590,755**	**8,332,795**	**26,224,829**	**22,145,811**
Mortgage	9,068,373	2,402,251	481,458	8,887,674	20,839,756	287,513	3,019,100	17,533,143	17,055,454
Consumer	1,585,339	381,010	130,599	3,775,741	5,872,689	81,236	2,234,476	3,556,977	1,371,612
Credit cards	1,082,475	114,184	744	511,562	1,708,965	357	379,790	1,328,818	38,528
Other (incl. SBL)	878,358	339,955	295,969	5,212,687	6,726,969	221,649	2,699,429	3,805,891	3,680,217
Corporate lending	**12,222,239**	**1,299,427**	**11,429,594**	**502,272**	**25,453,532**	**6,530,561**	**330,689**	**18,592,282**	**17,357,280**
Large	8,304,664	965,395	5,649,635	108,635	15,028,329	2,983,937	154,650	11,889,742	10,031,244
SME's	3,917,575	334,032	5,779,959	393,637	10,425,203	3,546,624	176,039	6,702,540	7,326,036
Public sector	**1,367,302**	**1,927**	**42,574**	**1,201**	**1,413,004**	**31,810**	**12,189**	**1,369,005**	**452,288**
Greece	1,251,879	1,927	42,574	1,201	1,297,581	31,810	10,317	1,255,454	425,793
Other countries	115,423				115,423		1,872	113,551	26,495
Total	**26,204,086**	**4,538,754**	**12,380,938**	**18,891,137**	**62,014,915**	**7,153,126**	**8,675,673**	**46,186,116**	**39,955,379**

During the year ended 31.12.2015, balances amounting to €770.7 million were transferred from Corporate lending SME portfolio to the Retail Lending SBL portfolio. The transfer was made to allow for a more efficient management since those customers present similar credit risk characteristics with Small Business Retail lending customers.

* *Certain figures of the comparative year have been reclassified in order to be comparable.*

ANALYSIS OF NEITHER PAST DUE NOR IMPAIRED LOANS AND ADVANCES TO CUSTOMERS

	31.12.2016				
	Strong	Satisfactory	Watch list (higher risk)	Total neither past due nor impaired	Value of collateral
Retail lending		**11,530,952**		**11,530,952**	**8,304,272**
Mortgage		8,408,553		8,408,553	7,505,280
Consumer		1,405,844		1,405,844	325,015
Credit cards		1,073,608		1,073,608	1,156
Other (incl. SBL)		642,947		642,947	472,821
Corporate lending	**2,110,550**	**8,777,841**	**957,413**	**11,845,804**	**8,321,051**
Large	1,590,229	5,735,913	556,611	7,882,753	5,406,829
SME's	520,321	3,041,928	400,802	3,963,051	2,914,222
Public sector	**355,299**	**801,432**	**2,584**	**1,159,315**	**279,265**
Greece	355,120	709,462	2,478	1,067,060	272,944
Other countries	179	91,970	106	92,255	6,321
Total	**2,465,849**	**21,110,225**	**959,997**	**24,536,071**	**16,904,588**

	31.12.2015*				
	Strong	Satisfactory	Watch list (higher risk)	Total neither past due nor impaired	Value of collateral
Retail lending		12,614,545		12,614,545	9,097,485
Mortgage		9,068,373		9,068,373	8,174,238
Consumer		1,585,339		1,585,339	306,997
Credit cards		1,082,475		1,082,475	1,305
Other (incl. SBL)		878,358		878,358	614,945
Corporate lending	1,697,219	9,333,618	1,191,402	12,222,239	8,829,816
Large	1,290,699	6,356,427	657,538	8,304,664	5,710,890
SME's	406,520	2,977,191	533,864	3,917,575	3,118,926
Public sector	371,166	932,378	63,758	1,367,302	425,890
Greece	361,531	832,085	58,263	1,251,879	399,395
Other countries	9,635	100,293	5,495	115,423	26,495
Total	**2,068,385**	**22,880,541**	**1,255,160**	**26,204,086**	**18,353,191**

* *Certain figures of the comparative period have been reclassified in order to be comparable.*

AGEING ANALYSIS OF PAST DUE BUT NOT IMPAIRED LOANS AND ADVANCES TO CUSTOMERS BY PRODUCT LINE

	31.12.2016								
	Retail lending				Corporate lending		Public sector		Total past due but not impaired
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	
1 - 29 days	1,656,237	167,448	74,086	181,805	194,102	159,727	2,261	389	2,436,055
30 - 59 days	438,786	60,532	14,427	38,630	75,269	61,644	707		689,995
60 - 89 days	306,618	31,554	8,383	46,366	51,145	33,555			477,621
90 - 179 days					6,093	1,583			7,676
180 - 360 days					10,115	1,089			11,204
> 360 days					6,721	9,715			16,436
Total	**2,401,641**	**259,534**	**96,896**	**266,801**	**343,445**	**267,313**	**2,968**	**389**	**3,638,987**
Value of collateral	2,046,994	66,938	27	193,960	288,584	216,100	1,254	389	2,814,246

	31.12.2015								
	Retail lending				Corporate lending		Public sector		Total past due but not impaired
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	
1 - 29 days	1,506,020	252,144	78,054	196,815	433,557	182,613	1,541		2,650,744
30 - 59 days	456,078	77,057	21,469	52,133	290,890	63,574	360		961,561
60 - 89 days	440,153	51,356	14,661	91,007	218,952	76,417	26		892,572
90 - 179 days		453			6,024	924			7,401
180 - 360 days					2,642	686			3,328
> 360 days					13,330	9,818			23,148
Total	**2,402,251**	**381,010**	**114,184**	**339,955**	**965,395**	**334,032**	**1,927**		**4,538,754**
Value of collateral	2,092,653	77,757	65	240,871	768,226	285,764	1,897		3,467,233

AGEING ANALYSIS OF IMPAIRED LOANS AND ADVANCES TO CUSTOMERS BY PRODUCT LINE

	31.12.2016								
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	Total
Current	786,801	509,724	64,525	194,581	1,083,531	743,707	6,584		3,389,453
1 - 29 days	407,283	166,252	24,015	133,980	112,522	94,658			938,710
30 - 59 days	270,397	153,505	17,071	67,240	286,220	71,569			866,002
60 - 89 days	375,297	101,260	13,670	100,051	164,463	72,090			826,831
90 - 179 days	59,366	86,322	14,023	74,379	96,523	54,950			385,563
180 - 360 days	200,385	89,555	7,840	105,765	320,819	74,784	16		799,164
> 360 days	4,483,397	802,669	19,533	2,211,334	807,049	1,468,369	3,329		9,795,680
Total net amount	**6,582,926**	**1,909,287**	**160,677**	**2,887,330**	**2,871,127**	**2,580,127**	**9,929**		**17,001,403**
Value of collateral	6,662,706	1,084,986	38,252	3,004,361	3,547,723	3,695,885	24,259		18,058,172

	31.12.2015								
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	Total
Current	901,922	370,342	33,663	182,698	1,173,669	665,452	6,994		3,334,740
1 - 29 days	275,985	121,473	7,805	73,676	208,505	89,033	50		776,527
30 - 59 days	155,785	115,538	4,446	35,310	110,999	64,679			486,757
60 - 89 days	400,700	105,452	3,428	89,132	244,533	73,491	119		916,855
90 - 179 days	57,360	101,442	16,877	10,559	60,538	95,525	821		343,122
180 - 360 days	198,824	124,664	34,565	83,000	311,679	144,777	13		897,522
> 360 days	4,474,098	738,831	41,255	2,170,682	627,929	1,384,527	3,631		9,440,953
Total net amount	**6,464,674**	**1,677,742**	**142,039**	**2,645,057**	**2,737,852**	**2,517,484**	**11,628**		**16,196,476**
Value of collateral	6,788,563	986,858	37,158	2,824,401	3,552,128	3,921,346	24,501		18,134,955

RECONCILIATION OF IMPAIRED LOANS AND RECEIVABLES ADVANCES PER CATEGORY

	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	Total
Balance 1.1.2016	**9,369,134**	**3,906,340**	**512,306**	**5,508,657**	**5,758,272**	**6,173,597**	**43,775**		**31,272,081**
New impaired loans	854,931	599,136	50,029	684,511	1,565,410	477,574	561		4,232,152
Transfer to non-impaired loans	(447,177)	(172,108)	(14,428)	(152,554)	(128,027)	(45,513)			(959,807)
Repayments and recoveries from collaterals	(96,010)	(60,247)	(13,459)	(46,801)	(540,261)	(140,566)	(726)		(898,070)
Write-offs of impaired loans	(236,278)	(146,951)	(29,370)	(261,934)	(302,503)	(260,261)			(1,237,297)
Disposals of impaired loans					(14,868)				(14,868)
Foreign exchange differences and other movements	13,420	(8,812)	6,524	181	11,195	(15,651)	(1,685)		5,172
Loans classified as held for sale	(7,736)	(35,645)	(5,683)	(1,974)	(205,703)	(1,668)			(258,409)
Balance 31.12.2016	**9,450,284**	**4,081,713**	**505,919**	**5,730,086**	**6,143,515**	**6,187,512**	**41,925**		**32,140,954**
Accumulated impairment allowance	(2,867,361)	(2,172,426)	(345,240)	(2,842,756)	(3,272,389)	(3,607,384)	(31,995)		(15,139,551)
Net amount of impaired loans and advances	**6,582,923**	**1,909,287**	**160,679**	**2,887,330**	**2,871,126**	**2,580,128**	**9,930**		**17,001,403**

	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	Total
Balance 1.1.2015	**8,521,675**	**3,503,070**	**402,711**	**4,539,571**	**4,776,987**	**6,208,280**	**33,407**		**27,985,701**
Loans classified as held for sale	(48,582)	(21,679)	(940)	(5,771)	(56,599)	(32,053)			(165,624)
New impaired loans	1,306,596	710,575	129,472	598,914	1,508,230	816,426	1,369		5,071,582
Transfer to non-impaired loans	(297,881)	(229,123)	(7,721)	(11,966)	(87,545)	(89,957)			(724,193)
Repayments of impaired loans	(78,613)	(51,550)	(9,428)	(38,941)	(150,900)	(148,144)	(633)		(478,209)
Write-offs of impaired loans	(107,221)	(11,600)	(1,410)	(191,028)	(166,856)	(33,500)			(511,615)
Disposals of impaired loans					(26,850)				(26,850)
Foreign exchange differences and other movements	73,158	6,647	(378)	(1,857)	(38,197)	72,278	9,632		121,283
Reclassification between portfolios				619,734		(619,734)			
Balance 31.12.2015	**9,369,132**	**3,906,340**	**512,306**	**5,508,656**	**5,758,270**	**6,173,596**	**43,775**		**31,272,075**
Accumulated impairment allowance	(2,904,458)	(2,228,598)	(370,267)	(2,863,599)	(3,020,418)	(3,656,112)	(32,147)		(15,075,599)
Net amount of impaired loans and advances	**6,464,674**	**1,677,742**	**142,039**	**2,645,057**	**2,737,852**	**2,517,484**	**11,628**		**16,196,476**

RECONCILIATION OF THE ACCUMULATED IMPAIRMENT ALLOWANCE

The accumulated impairment allowance for disclosure purposes of credit risk as well as for credit risk monitoring purposes includes the adjustments for the contractual balances of loans which were acquired at fair value either individually or in the context of acquisitions (eg Emporiki Bank and Citibank Greece), since the Group monitors such adjustment as part of the impairments. It is noted that in Note 17 Loans and advances to customers this adjustment is deducted from the gross balance of loans before impairments

	31.12.2016			
	Retail lending	Corporate lending	Public sector	Total
Balance 1.1.2016	**6,675,906**	**5,324,778**	**21,071**	**12,021,755**
Impairment losses for the year	471,040	716,295	6,413	1,193,748
Reclassification to assets held for sale	(38,094)	(133,486)		(171,580)
Use of accumulated provisions for other transactions		(16,425)		(16,425)
Disposals of impaired loans		(17,795)		(17,795)
Change in present value of the allowance account	243,171	169,752	912	413,835
Foreign exchange differences	1,946	5,948	(1)	7,893
Loans written-off during the year	(520,460)	(352,718)		(873,178)
Balance 31.12.2016	**6,833,509**	**5,696,349**	**28,395**	**12,558,253**
Fair value adjustments	1,937,448	1,388,324	23,227	3,348,999
Total 1.1.2016	**8,770,957**	**7,084,673**	**51,622**	**15,907,252**

	31.12.2015			
	Retail lending	Corporate lending	Public sector	Total
Balance 1.1.2015	**4,811,992**	**4,011,905**	**6,380**	**8,830,277**
Impairment losses for the year	1,409,237	1,591,659	14,131	3,015,027
Impairment losses for the year due to discontinued operations	7,113	25,701		32,814
Reclassification to assets held for sale	(38,430)	(73,481)		(111,911)
Change in present value of the allowance account	404,721	142,707	568	547,996
Change in present value of the allowance account due to discontinued operations		1,434		1,434
Foreign exchange differences	35,049	19,732		54,781
Loans written-off during the year	(232,565)	(116,098)		(348,663)
Reclassification between portfolios	278,789	(278,781)	(8)	0
Balance 31.12.2015	**6,675,906**	**5,324,778**	**21,071**	**12,021,755**
Fair value adjustments	2,247,644	1,536,472	22,928	3,807,044
Total 31.12.2015	**8,923,550**	**6,861,250**	**43,999**	**15,828,799**

LOAN-TO-VALUE RATIO (LTV) OF MORTGAGE LENDING

	Mortgages	
	31.12.2016	31.12.2015
< 50%	2,859,898	3,111,114
50% - 70%	2,292,400	2,539,514
71% - 80%	1,285,597	1,444,774
81% - 90%	1,414,234	1,599,455
91% - 100%	1,485,001	1,688,280
101% - 120%	2,683,050	2,832,900
121% - 150%	3,349,705	3,307,140
> 150%	4,890,596	4,316,579
Total exposure	**20,260,481**	**20,839,756**
Simple average LTV (%)	78	75

REPOSSESSED COLLATERALS

	31.12.2016						
	Balance Sheet balances					Disposals during the year	
	Value of collaterals repossessed 31.12.2016	Of which Within 2016	Accumulated impairment allowance 31.12.2016	Of which Within 2016	Carrying amount of collaterals repossessed 31.12.2016	Net disposal value	Net gain/(loss) on disposal
Real estate	938,977	41,141	148,857	39,863	790,120	31,053	(592)
Other	11,171	83,209	262	106	10,909	68,359	(5,497)

	31.12.2015						
	Balance Sheet balances					Disposals during the year	
	Value of collaterals repossessed 31.12.2016	Of which Within 2016	Accumulated impairment allowance 31.12.2016	Of which Within 2016	Carrying amount of collaterals repossessed 31.12.2016	Net disposal value	Net gain/(loss) on disposal
Real estate	893,658	96,943	111,509	34,111	782,149	15,913	1,318
Other	3,438	469	2,100	318	1,338	744	87

POLICY OF DISPOSAL OF REPOSSESSED ASSETS

The Bank has assigned to a subsidiary of the Group the management of repossessed assets of Bank and Group's subsidiaries. When a Group company acquires, due to the debtor's default, the legal title of property which had been given as collateral for the respective asset, then the respective company is in charge of legal, accounting and tax settlement of property in cooperation with the competent Bank's division and in parallel performs a valuation of the asset. Taking into account the characteristics of the asset and based on the market conditions,it assesses the ability of promoting it for sale or leasing. Based on the above assessment, a proposal is submitted to the responsible Committee, which decides the sale or leasing of the assets or their own use from a Group company. Based on the decision, the asset is classified into the suitable category for reporting purposes. Classification of assets is reassessed on a regular basis in order to ensure that the classification is in line with current market conditions.

BREAKDOWN OF COLLATERAL AND GUARANTEES

	31.12.2016				
	Value of collateral received				Guarantees received
	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	
Retail lending	20,597,468	339,737	465,291	21,402,496	3,277,664
Corporate lending	10,631,426	1,155,701	4,282,216	16,069,343	5,139,073
Public sector	58,235	1,365	245,567	305,167	243,373
Total	**31,287,129**	**1,496,803**	**4,993,074**	**37,777,006**	**8,660,110**

	31.12.2015*				
	Value of collateral received				Guarantees received
	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	
Retail lending	21,496,935	170,453	478,423	22,145,811	2,304,099
Corporate lending	11,627,386	1,200,250	4,529,644	17,357,280	5,035,571
Public sector	64,766	429	387,093	452,288	241,834
Total	**33,189,087**	**1,371,132**	**5,395,160**	**39,955,379**	**7,581,504**

There are no cases of transfer or repledge of collateral received from customer for which a liability to return has been recognized.

* *The value of the "Guarantees received" of the previous year has been restated to include the value of the guarantee up to 100% of the loan balance, after taken into account the value of tangible collateral.*

LOANS AND ADVANCES TO CUSTOMERS, IMPAIRED LOANS AND IMPAIRMENT ALLOWANCE BY PRODUCT LINE, INDUSTRY AND GEOGRAPHICAL REGION

	31.12.2016					
	Greece			Rest of Europe		
	Gross Amount	Impaired Amount	Gross Amount	Impaired Amount	Gross Amount	Impaired Amount
Retail lending	**30,167,325**	**17,678,812**	**7,733,753**	**4,156,502**	**2,089,191**	**1,037,204**
Mortgage	16,717,187	7,657,124	2,397,157	3,543,294	1,793,163	887,503
Consumer	5,238,674	3,843,038	2,128,814	508,417	238,675	122,828
Credit cards	1,638,525	495,429	349,801	37,896	10,488	7,575
Other (incl. SBL)	6,572,939	5,683,221	2,857,981	66,895	46,865	19,298
Corporate lending	**20,025,110**	**9,674,883**	**5,551,606**	**4,762,479**	**2,656,144**	**1,533,067**
Financial institutions	440,185	190,752	144,595	78,939	6,953	4,431
Manufacturing	5,440,618	2,319,978	1,421,369	360,467	176,215	90,362
Construction and real estate	3,127,672	1,830,293	1,074,375	3,088,430	1,963,457	1,138,090
Wholesale and retail trade	4,862,657	2,872,434	1,795,036	545,972	223,647	130,728
Transportation	646,383	121,481	72,685	80,813	19,586	5,462
Shipping	1,537,945	412,590	137,186	720	0	9
Hotels – Tourism	1,655,037	741,905	259,360	256,295	117,428	41,205
Services and other sectors	2,314,613	1,185,450	647,000	350,843	148,858	122,780
Public sector	**1,111,952**	**41,924**	**49,133**	**92,644**	**0**	**2,489**
Total	**51,304,387**	**27,395,619**	**13,334,492**	**9,011,625**	**4,745,335**	**2,572,760**

	31.12.2015*					
	Greece			Rest of Europe		
	Gross Amount	Impaired Amount	Gross Amount	Impaired Amount	Gross Amount	Impaired Amount
Retail lending	**30,694,075**	**17,203,511**	**7,939,909**	**4,454,304**	**2,092,923**	**983,641**
Mortgage	17,152,831	7,638,418	2,536,565	3,686,925	1,730,714	770,048
Consumer	5,228,208	3,605,993	2,134,921	644,481	300,347	180,791
Credit cards	1,656,931	496,290	367,283	52,034	16,016	12,864
Other (incl. SBL)	6,656,105	5,462,810	2,901,140	70,864	45,846	19,938
Corporate lending	**20,414,645**	**9,293,941**	**5,472,439**	**5,038,887**	**2,637,925**	**1,388,811**
Financial institutions	127,279	42,541	40,724	103,332	21,298	19,282
Manufacturing	5,549,886	2,268,877	1,386,501	388,216	192,157	112,345
Construction and real estate	3,240,735	1,952,745	1,049,997	3,149,523	1,914,941	964,878
Wholesale and retail trade	4,751,358	2,634,396	1,719,212	602,477	219,640	120,401
Transportation	279,881	137,611	74,973	91,969	26,911	14,180
Shipping	1,835,080	279,881	97,988	830		3
Hotels – Tourism	1,600,774	567,477	269,353	267,865	119,354	37,174
Services and other sectors	3,029,652	1,410,413	833,691	434,675	143,624	120,548
Public sector	**1,297,581**	**43,775**	**42,127**	**115,423**		**1,872**
Total	**52,406,301**	**26,541,227**	**13,454,475**	**9,608,614**	**4,730,848**	**2,374,324**

* *Certain figures of the comparative year have been reclassified in order to be comparable.*

INTEREST INCOME BY CREDIT QUALITY AND TYPE OF LOANS AND ADVANCES

	31.12.2016		
	Interest income on non impaired Loans and Advances	Interest income on impaired Loans and Advances	Total interest income
Retail lending	724,291	584,119	1,308,410
Corporate lending	772,314	179,734	952,048
Public sector	28,082	245	28,327
Total interest income	**1,524,687**	**764,098**	**2,288,785**

	31.12.2015*		
	Interest income on non impaired Loans and Advances	Interest income on impaired Loans and Advances	Total interest income
Retail lending	831,638	614,334	1,445,972
Corporate lending	820,122	208,669	1,028,791
Public sector	33,135	399	33,534
Total interest income	**1,684,895**	**823,402**	**2,508,297**

FORBORNE LOANS

On 31.12.2014, the Group reassessed the perimeter of forborne loans for all the portfolios based on the Executive Regulation (EU) 2015/227 of European commission dated 9 January 2015 and the Executive technical standards of the European banking authority and incorporated the related definitions to its credit risk policy. In this respect, the evolution, the quality and the effectiveness of these loans are monitored according to the above definition.

The forborne loans perimeter includes loans:

- which have been restructured within the last 36 months and were not past due more than 90 days, and
- forborne loans past duemore than 90 days.

The restructuring of loans is performed through renegotiation of the original contractual terms and include changes such as:

- Extension of the credit duration
- Write-off of a portion of debtor's amounts due
- Grace period for the principal and interests
- Decrease in the interest rate

As a rule the forborne measures which are extended include a combination of the above amendments to the contractual terms. The carrying amount of forborne loans of the Group is amounted to €12.816 million on 31.12.2016.

In addition, in the context of renegotiations of the terms of loans granted, the Group has participated in agreements for the exchange of debt securities or loans with debtors' shares. On 31.12.2016, the Group included in its Available for Sale portfolio shares of fair value amounting to €2.7 million (31.12.2015: €3.4 million) which were acquired from respective transactions. The shares that have been classified as assets held for sale are related to the companies Selonda A.E.G.E. and Nireus S.A. (note 19). Additionally, the Group during the year acquired the control of Asmita Gardens SRL, through debt to equity transaction which amounted to €1.07 million.

* *Certain figures of the comparative year have been restated due to modification of the presentation of Alpha Bank Srbija A.D. as discontinued operations.*

ANALYSIS OF FORBORNE LOANS AND ADVANCES TO CUSTOMERS BY TYPE OF FORBERANCE MEASURE

	31.12.2016	31.12.2015
Interest payment only	256,478	214,263
Reduce payments scheme	6,010,250	5,892,166
Grace period	935,761	883,053
Loan term extension	2,477,019	1,758,622
Arrears capitalization	2,260,847	1,726,226
Partial write-off in borrower's obligations	71,108	137,185
Hybrid forbearance measures	152,964	110,730
Debt for equity transactions		38,396
Other	647,619	367,709
Total net amount	**12,812,046**	**11,128,350**

FORBORNE LOANS AND ADVANCES TO CUSTOMERS BY PRODUCT LINE

	31.12.2016	31.12.2015
Retail lending	**9,830,261**	**8,799,666**
Mortgage	6,213,940	5,623,626
Consumer	2,015,715	1,817,034
Credit cards	174,724	97,026
Other (incl. SBL)	1,425,882	1,261,980
Corporate lending	**2,974,180**	**2,319,146**
Large	1,893,174	1,436,017
SME's	1,081,006	883,129
Public sector	**7,605**	**9,538**
Greece	7,605	9,538
Total net amount	**12,812,046**	**11,128,350**

FORBORNE LOANS AND ADVANCES TO CUSTOMERS BY GEOGRAPHICAL REGION

	31.12.2016	31.12.2015
Greece	11,041,455	9,327,650
Europe	1,770,591	1,800,700
Total net amount	12,812,046	11,128,350

FORBORNE LOANS AND ADVANCES TO CUSTOMERS ACCORDING TO THEIR CREDIT QUALITY

	31.12.2016		
	Total amount of Loans and Advances	Total amount of Forborne Loans and Advances	Forborne Loans and Advances (%)
Neither past due nor impaired	24,536,071	3,413,688	14
Past due but not impaired	3,638,987	1,842,999	51
Impaired	32,140,954	13,061,887	41
Exposure before impairment	**60,316,012**	**18,318,574**	**30**
Individual Impairment Allowance	(7,392,524)	(2,131,292)	29
Collective Impairment Allowance	(8,514,728)	(3,375,236)	40
Total net amount	**44,408,760**	**12,812,046**	**29**
Value of collateral	37,777,006	11,307,369	30

	31.12.2015		
	Total amount of Loans and Advances	Total amount of Forborne Loans and Advances	Forborne Loans and Advances (%)
Neither past due nor impaired	26,204,086	3,325,294	13
Past due but not impaired	4,538,754	1,891,117	42
Impaired	31,272,075	10,481,388	34
Exposure before impairment	**62,014,915**	**15,697,799**	25
Individual Impairment Allowance	(7,153,126)	(1,326,157)	19
Collective Impairment Allowance	(8,675,673)	(3,243,292)	37
Total net amount	**46,186,116**	**11,128,350**	24
Value of collateral	39,955,379	10,037,095	25

RECONCILIATION OF NET FORBORNE LOANS

	Forborne loans (Net Value):
Balance 1.1.2016	**11,128,350**
Transfer of Loans and Receivables to Assets Held for sale	(29,963)
Forbearance measures during the period	2,774,716
Interest income	471,230
Repayment of Loans and Receivables (partial or total)	(583,184)
Loans and Receivables that exited forbearance status	(750,533)
Impairment loss	(314,990)
Other	116,420
Balance 31.12.2016	**12,812,046**

	Forborne loans (Net Value):
Balance 1.1.2015	**10,574,215**
Transfer of Loans and Receivables to Assets Held for sale	(39,143)
Forbearance measures during the period	2,516,120
Interest income	461,778
Repayment of Loans and Receivables (partial or total)	(381,259)
Loans and Receivables that exited forbearance status	(690,530)
Impairment loss	(1,428,743)
Other	115,912
Balance 31.12.2015	**11,128,350**

BALANCES WITH CENTRAL BANKS - DUE FROM BANKS - DERIVATIVE FINANCIAL INSTRUMENTS AND DEBT SECURITIES - Analysis per rating

	31.12.2016							
	Balances with Central Banks	Due from Banks	Derivatives Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
AAA	10,500	225,118			367,753			603,371
AA+ to AA-	19,024	76,204	38,421		76,103	9,010	2,682,655	2,901,417
A+ to A-		1,026,939	136,252		3,402	19,241		1,185,834
BBB+ to BBB-	498,729	417,104	343,317		218,260	10,009		1,487,419
Lower than BBB-	370,653	138,786	116,033	2,256	4,162,180	6,739		4,796,647
Unrated	264,526	127,091	300		243,568			635,485
Exposure before impairment	**1,163,432**	**2,011,242**	**634,323**	**2,256**	**5,071,266**	**44,999**	**2,682,655**	**11,610,173**

	31.12.2015							
	Balances with Central Banks	Due from Banks	Derivatives Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
AAA	81,429				381,202	9,013		471,644
AA+ to AA-		33,484	60,941		91,700		4,289,482	4,475,607
A+ to A-		1,286,856	248,578		258	47,884		1,583,576
BBB+ to BBB-	475,933	408,931			263,116	10,016		1,157,996
Lower than BBB-	702,332	67,535	483,140	1,888	4,677,289	12,796		5,944,980
Unrated	61,430	188,432	356		216,825			467,043
Exposure before impairment	**1,321,124**	**1,985,238**	**793,015**	**1,888**	**5,630,390**	**79,709**	**4,289,482**	**14,100,846**

BALANCES WITH CENTRAL BANKS - DUE FROM BANKS - DERIVATIVE FINANCIAL INSTRUMENTS AND DEBT SECURITIES - Analysis by asset quality

	31.12.2016							
	Balances with Central Banks	**Due from Banks**	**Derivatives Financial Instruments**	**Trading securities**	**Available for sale securities**	**Held to maturity securities**	**Loans and receivables securities**	**Total**
Neither past due nor impaired	1,163,432	1,969,281	634,323	2,256	5,038,172	44,999	2,682,655	11,535,118
Past due but not impaired								
Impaired		41,961			33,094			75,055
Exposure before impairment	**1,163,432**	**2,011,242**	**634,323**	**2,256**	**5,071,266**	**44,999**	**2,682,655**	**11,610,173**
Less: Allowance for impairment losses		(41,961)			(22,385)			(64,346)
Net exposure	**1,163,432**	**1,969,281**	**634,323**	**2,256**	**5,048,881**	**44,999**	**2,682,655**	**11,545,827**

	31.12.2015							
	Balances with Central Banks	**Due from Banks**	**Derivatives Financial Instruments**	**Trading securities**	**Available for sale securities**	**Held to maturity securities**	**Loans and receivables securities**	**Total**
Neither past due nor impaired	1,321,124	1,976,273	793,015	1,888	5,561,806	79,709	4,289,482	14,023,297
Past due but not impaired								
Impaired		8,965			68,584			77,549
Exposure before impairment	**1,321,124**	**1,985,238**	**793,015**	**1,888**	**5,630,390**	**79,709**	**4,289,482**	**14,100,846**
Less: Allowance for impairment losses		(8,965)			(57,874)			(66,839)
Net exposure	**1,321,124**	**1,976,273**	**793,015**	**1,888**	**5,572,516**	**79,709**	**4,289,482**	**14,034,007**

The following tables present the financial instruments exposed to credit risk by financial sectors of the counterparties.

FINANCIAL INSTRUMENTS CREDIT RISK – Analysis by industry sector

	31.12.2016										
	Financial Institutions and other financial services	Manufacturing	Construction and real estate	Wholesale and retail trade	Public sector/ Government securities/ Derivatives	Transportation	Shipping	Hotels-Tourism	Services and other sectors	Retail and small businesses	Total
Credit risk exposure relating to balance sheet items:											
Balances with Central Banks	1,163,432										1,163,432
Due from banks	2,011,242										2,011,242
Loans and advances to customers	519,124	5,801,085	6,216,102	5,408,629	1,204,596	727,196	1,538,665	1,911,332	2,665,456	34,323,827	60,316,012
Derivative financial assets	174,519	10,578	79,891	754	342,737		1,579	10,709	13,556		634,323
Trading securities					2,256						2,256
Available for sale securities	472,348	217,570		21,539	4,117,545				242,264		5,071,266
Held to maturity securities	29,250		319		15,430						44,999
Loans and receivables securities	2,682,655										2,682,655
Total amount of balance sheet items exposed to credit risk (a)	**7,052,570**	**6,029,233**	**6,296,312**	**5,430,922**	**5,682,564**	**727,196**	**1,540,244**	**1,922,041**	**2,921,276**	**34,323,827**	**71,926,185**
Other balance sheet items not exposed to credit risk	541,782	49,819	174,049	49,265		6,087		83	8,388,947	293,652	9,503,684
Total assets	**7,594,352**	**6,079,052**	**6,470,361**	**5,480,187**	**5,682,564**	**733,283**	**1,540,244**	**1,922,124**	**11,310,223**	**34,617,479**	**81,429,869**
Credit risk exposure relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	29,859	556,869	1,506,602	488,509	94,823	34,332	7,205	72,897	702,359	74,331	3,567,786
Undrawn loan agreements and credit limits that can not be recalled (committed)					50,645		133,553	94,349	216,187		494,734
Total amount of off-balance sheet items exposed to credit risk (b)	**29,859**	**556,869**	**1,506,602**	**488,509**	**145,468**	**34,332**	**140.758**	**167,246**	**918,546**	**74,331**	**4,062,520**
Total credit risk exposure (a+b)	**7,082,429**	**6,586,102**	**7,802,914**	**5,919,431**	**5,828,032**	**761,528**	**1,681,002**	**2,089,287**	**3,839,822**	**34,398,158**	**75,988,705**

	31.12.2015*										
	Financial Institutions and other financial services	**Manufacturing**	**Construction and real estate**	**Wholesale and retail trade**	**Public sector/ Government securities/ Derivatives**	**Transportation**	**Shipping**	**Hotels-Tourism**	**Services and other sectors**	**Retail and small businesses**	**Total**
Credit risk exposure relating to balance sheet items:											
Balances with Central Banks	1,321,124										1,321,124
Due from banks	1,985,238										1,985,238
Loans and advances to customers	230,611	5,938,102	6,390,258	5,353,835	1,413,004	371,850	1,835,910	1,868,639	3,747,971	34,864,735	62,014,915
Derivative financial assets	326,987	14,408	57,511	794	362,700	7	10,637	13,235	6,736		793,015
Trading securities					1,888						1,888
Available for sale securities	621,731	233,318		20,984	4,488,819				265,538		5,630,390
Held to maturity securities	60,389		337		18,983						79,709
Loans and receivables securities	4,289,482										4,289,482
Total amount of balance sheet items exposed to credit risk (a)	**8,835,562**	**6,185,828**	**6,448,107**	**5,375,613**	**6,285,394**	**371,857**	**1,846,547**	**1,881,874**	**4,020,245**	**34,864,735**	**76,115,762**
Other balance sheet items not exposed to credit risk	660,532	57,653	69,765	48,498		7,457		10,204	8,437,119	267,150	9,558,378
Total assets	**9,496,094**	**6,243,481**	**6,517,872**	**5,424,111**	**6,285,394**	**379,314**	**1,846,547**	**1,892,078**	**12,457,364**	**35,131,885**	**85,674,140**
Credit risk exposure relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	34,858	624,432	1,669,331	548,840	132,428	61,914	966	97,415	802,935	2,186	3,975,305
Undrawn loan agreements and credit limits that can not be recalled (committed)		85,846	79,517		20,000		5,511		88,039		278,913
Total amount of off-balance sheet items exposed to credit risk (b)	**34,858**	**710,278**	**1,748,848**	**548,840**	**152,428**	**61,914**	**6,477**	**97,415**	**890,974**	2,186	**4,254,218**
Total credit risk exposure (a+b)	**8,870,420**	**6,896,106**	**8,196,955**	**5,924,453**	**6,437,822**	**433,771**	**1,853,024**	**1,979,289**	**4,911,219**	**34,866,921**	**80,369,980**

* *The balancing figures of prior year were reclassified as described in note 49.*

EXPOSURE IN CREDIT RISK FROM DEBT ISSUED BY THE PERIPHERAL EUROZONE COUNTRIES

Due to the prolonged turmoil in the Eurozone countries, and the issues which the Greek economy faces concerning the services of the public debt, the Group monitors credit risk from its exposure to the Greek State as well as the remaining peripheral countries.

i. Exposure to the Greek State

The table below presents the Group's total exposure in Greek Government securities:

	31.12.2016		31.12.2015	
Portfolio	**Nominal value**	**Carrying amount**	**Nominal value**	**Carrying amount**
Available for sale	4,175,594	3,589,720	4,659,672	3,930,081
Trading	2,861	2,256	2,783	1,888
Total	**4,178,455**	**3,591,976**	**4,662,455**	**3,931,969**

All Greek Government securities are classified in level 1 based on the quality of inputs used for the estimation of their fair value.

Furthermore, the securities issued by public entities amounted to €151.9 million on 31.12.2016 (31.12.2015: €162.1 million)

The Group's exposure to Greek State from other financial instruments, excluding securities and loans and advances is depicted in the tables below:

On balance sheet exposure

	31.12.2016	31.12.2015
	Carrying amount	**Carrying amount**
Derivative financial instruments – assets	342,737	362,700
Derivative financial instruments – liabilities	(59,299)	(271,711)

Derivative financial assets from public sector entities amounted to €8.4 million on 31.12.2016 (31.12.2015: €16.6 million).

The Group exposure in loans to public entities/organizations on 31.12.2016 amounted €1,112 million (31.12.2015: €1,297.6 million). The Group for the above receivables has recognized impairment amounted to €49.1 million on 31.12.2016 (31.12.2015: €42.1 million).

In addition the balance of Group's loans guaranteed by the Greek State (directly guaranteed by Greek government, loans guaranteed by TEMPE, Loans guaranteed by Common Ministerial Decisions) on 31.12.2016 amounted to €720.6 million (31.12.2015: €764 million). For these loans the Bank has recognized impairment amounted to €149.2 million on 31.12.2016 (31.12.2015: €144.3 million).

Off balance sheet exposure

	31.12.2016		31.12.2015	
	Nominal value	**Share value**	**Nominal value**	**Share value**
Bonds used as collaterals for refinancing operation	56,373	57,162		

ii. Exposure to other peripheral Eurozone countries debt

The Group holds in its available for sale portfolio, bonds and treasury bills of the Republic of Cyprus with a book value of €114.5 million (31.12.2015: €96.9 million), bonds issued by the Italian Republic with a book value of €9.8 million (31.12.2015: €6.9 million) and bonds issued by the Spanish Republic with a book value of €10.8 million (31.12.2015: €8 million).

As at 31.12.2016 the Group had no exposure to bonds issued by Portugal and Ireland.

41.2. Market risk

Market risk is the risk of losses arising from unfavourable changes in the value or volatility of interest rates, foreign exchange rates, stock exchange indices, equity prices and commodities.

Losses may also occur either from the trading portfolio or from the Assets-Liabilities management.

i. Trading portfolio

The market risk is measured by the Value at Risk – VAR. The method applied for calculating Value at Risk is historical simulation.

The Bank uses a holding period of one and ten days, depending on the time which is required for the liquidate of the portfolio.

1 day value at risk, 99% confidence interval (2 years historical data)

(Amounts in Euro)

	2016					2015
	Foreign currency risk	Interest rate risk	Price risk	Covariance	Total	Total
31 December	1,216,957	174,020	79,163	(221,350)	1,248,790	1,815,473
Average daily value (annual)	1,752,271	117,635	27,930	(133,385)	1,764,451	1,725,496
Maximum daily value (annual) *	1,992,659	89,315	31,773	(115,652)	1,998,095	3,144,948
Minimum daily value (annual) *	1,216,957	174,020	79,163	(221,350)	1,248,790	741,067

* relating to the total value at risk within one year

The above items concern the Bank. The Group's subsidiaries and branches have limited trading positions, which are immaterial compared to the positions of the Bank. As a result, the market risk effect deriving from these positions on the total income, is immaterial.

The Value at Risk methodology is complemented with scenario analysis and stress testing, in order to estimate the potential size of losses that could arise from the trading portfolio for hypothetical as well as historical extreme movements of market parameters (stress-testing).

Within the scope of policy-making for financial risk management, exposure limits, maximum loss (stop loss) and value at risk for various products of the trading positions have been set.

In particular the following limits have been set for the following risks:

- Foreign currency risk regarding spot and forward positions and FX options
- Interest rate risk regarding positions on bonds, Interest Rate Swaps, Interest Futures, Interest Options
- Price risk regarding positions in shares, index Futures and options, Commodity Futures and Swaps
- Credit risk regarding interbank transactions and bonds

Positions held in these products are monitored on a daily basis and are examined for the corresponding limit percentage cover and for any limit excess.

ii. The financial risks of the banking portfolio

The financial risks of the banking portfolio derive from the structure of assets and liabilities and primarily from the portfolio of loans and deposits of the Group. The financial risks of the banking portfolio concern foreign exchange risk, interest rate risk and liquidity risk.

a. Foreign currency risk

The Bank takes on the risk arising from the fluctuations in foreign exchange rates.

The management of foreign currency position is centralized.

The policy of the Bank is the positions to be closed immediately using spot transactions or currency derivatives. In case that positions are still open, they are daily monitored by the competent department and they are subject to limits. The total position arises from the net balance sheet position and derivatives forward position as presented in the tables below.

	31.12.2016								
	USD	**GBP**	**CHF**	**JPY**	**RON**	**RSD**	**Other FC**	**Euro**	**Total**
ASSETS									
Cash and balances with Central Banks	10,203	19,677	504	23	137,060		17,506	1,329,634	1,514,607
Due from banks	192,636	2,764	21,687	6,796	20,999	16,657	12,229	1,695,513	1,969,281
Trading securities	1							4,700	4,701
Derivative financial assets								634,323	634,323
Loans and advances to customers	1,796,851	395,932	1,681,322	30,864	761,657	7,358	101,171	39,633,605	44,408,760
Investment securities									
- Available for sale	148,572	17,521			244,825		82,034	4,724,101	5,217,053
- Held to maturity					6,991		6,338	31,670	44,999
- Loans and receivables								2,682,655	2,682,655
Investments in associates and joint ventures								21,792	21,792
Investment property					144,208		52,113	417,771	614,092
Property, plant and equipment		1,640			25,472	3,640	6,712	756,504	793,968
Goodwill and other intangible assets		281			1,618		167	369,248	371,314
Deferred tax assets					926		722	4,517,398	4,519,046
Other assets	7,094	(2,989)	20,570	2	12,316	1,622	7,246	1,404,598	1,450,459
Assets held for sale	13,869				2,431	557,521		51,395	625,216
Total Assets	**2,169,226**	**434,826**	**1,724,083**	**37,685**	**1,358,503**	**586,798**	**286,238**	**58,274,907**	**64,872,266**
LIABILITIES									
Due to banks and customers	1,763,230	243,494	42,787	1,347	969,440	141	395,815	48,635,439	52,051,693
Derivative financial liabilities								1,336,227	1,336,227
Debt securities in issue and other borrowed funds	254,456							362,409	616,865
Liabilities for current income tax and other taxes		392			5,117	7	461	27,801	33,778
Deferred tax liabilities		102			4,470	110	579	15,958	21,219
Employee defined benefit obligations								91,828	91,828
Other liabilities and liabilities related to Assets held for sale	7,558	(2,332)	5,952	556	2,774	408,762	3,514	858,755	1,285,539
Provisions	98	2	1		2,853		1,729	317,021	321,704
Total liabilities	**2,025,342**	**241,658**	**48,740**	**1,903**	**984,654**	**409,020**	**402,098**	**51,645,438**	**55,758,853**
Net balance sheet position	143,884	193,168	1,675,343	35,782	373,849	177,778	(115,860)	6,629,469	9,113,413
Derivatives forward foreign exchange position	(118,002)	(195,742)	(1,673,390)	(35,214)	(239,078)	(1,006)	196,100	1,980,992	(85,340)
Total Foreign exchange position	**25,882**	**(2,574)**	**1,953**	**568**	**134,771**	**176,772**	**80,240**	**8,610,461**	**9,028,073**
Undrawn loan agreements and credit limits that can not be recalled (committed)	133,553	-	-	-	47,307	11,656	-	302,218	494,734

	31.12.2015*								
	USD	GBP	CHF	JPY	RON	RSD	Other FC	Euro	Total
ASSETS									
Cash and balances with Central Banks	45,714	46,726	945	20	141,999	66,804	21,402	1,406,717	1,730,327
Due from banks	231,755	(107,501)	12,499	3,950	39,199	(368)	18,685	1,778,054	1,976,273
Trading securities	1				238			2,540	2,779
Derivative financial assets								793,015	793,015
Loans and advances to customers	1,794,260	428,223	1,837,068	32,198	603,949	95,135	74,763	41,320,520	46,186,116
Investment securities									
- Available for sale	131,592	32,750			245,117	92,729	66,021	5,226,275	5,794,484
- Held to maturity							9,971	69,738	79,709
- Loans and receivables								4,289,482	4,289,482
Investments in associates and joint ventures								45,771	45,771
Investment property					173,520	11,271	32,500	406,371	623,662
Property, plant and equipment		2,073			25,220	20,966	36,784	775,858	860,901
Goodwill and other intangible assets		220			966	1,463	135	342,367	345,151
Deferred tax assets					2,162	3,661	929	4,391,424	4,398,176
Other assets	7,318	2,530	3,061	2	6,913	3,191		1,485,618	1,508,633
Assets held for sale					2,455			660,608	663,063
Total Assets	**2,210,640**	**405,021**	**1,853,573**	**36,170**	**1,241,738**	**294,852**	**261,190**	**62,994,358**	**69,297,542**
LIABILITIES									
Due to banks and customers	1,709,533	264,304	31,687	1,005	815,445	102,068	382,180	53,243,407	56,549,629
Derivative financial liabilities								1,550,529	1,550,529
Debt securities in issue and other borrowed funds	345,574							55,155	400,729
Liabilities for current income tax and other taxes		479			1,706	488	431	35,088	38,192
Deferred tax liabilities					4,281	40	403	16,128	20,852
Employee defined benefit obligations						214		108,336	108,550
Other liabilities and liabilities related to Assets held for sale	15,622	1,734	3,301	524	10,543	2,514	1,140	1,242,026	1,277,404
Provisions					5,196	1,139	1,681	290,442	298,458
Total liabilities	**2,070,729**	**266,517**	**34,988**	**1,529**	**837,171**	**106,463**	**385,835**	**56,541,111**	**60,244,343**
Net balance sheet position	139,911	138,504	1,818,585	34,641	404,567	188,389	(124,645)	6,453,247	9,053,199
Derivatives forward foreign exchange position	(130,085)	(102,446)	(1,648,064)	(30,065)	(21,265)	7,412	195,518	1,529,328	(199,667)
Total Foreign exchange position	**9,826**	**36,058**	**170,521**	**4,576**	**383,302**	**195,801**	**70,873**	**7,982,575**	**8,853,532**
Undrawn loan agreements and credit limits that can not be recalled (committed)	5,511				22,975	22,388		228,039	278,913

* *Certain figures of the comparative year have been restated as noted in note 49.*

The net foreign exchange position on 31.12.2016 presents the following sensitivity analysis:

Currency	Exchange rate variation scenario against Euro (%	Impact on net income before tax	Impact on Equity
USD	5% Depreciation EUR against USD	1,362	
	5% Appreciation EUR against USD	(1,233)	
GBP	5% Depreciation EUR against GBP	(135)	
	5% Appreciation EUR against GBP	123	
CHF	5% Depreciation EUR against CHF	103	
	5% Appreciation EUR against CHF	(93)	
JPY	5% Depreciation EUR against JPY	30	
	5% Appreciation EUR against JPY	(27)	
AUD	5% Depreciation EUR against AUD	44	
	5% Appreciation EUR against AUD	(40)	
RON	5% Depreciation EUR against RON		7,093
	5% Appreciation EUR against RON		(6,418)
RSD	5% Depreciation EUR against RSD	9,304	
	5% Appreciation EUR against RSD	(8,418)	
ALL	5% Depreciation EUR against ALL		45
	5% Appreciation EUR against ALL		(41)

b. Interest rate risk

In the context of analysis of the Banking portfolio, Interest Rate Gap Analysis is performed. In particular, assets and liabilities are allocated into time bands (Gaps) according to their repricing date for variable interest rate instruments, or according to their maturity date for fixed rate instruments.

An interest rate gap analysis of Assets and Liabilities is set out in the table below:

	31.12.2016							
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non-interest bearing	Total
ASSETS								
Cash and balances with Central Banks	858,659						655,948	1,514,607
Due from Banks	1,412,045	375,067	21,334		1,930	158,905		1,969,281
Securities helf for trading				222	518	1,516	2,445	4,701
Derivative financial assets	634,323							634,323
Loans and advances to customers	23,533,657	6,547,771	2,541,640	1,365,640	6,520,234	3,899,818		44,408,760
Investment securities								
- Available for sale	346,599	663,162	1,012,010	277,939	1,215,539	1,568,485	133,319	5,217,053
- Held to maturity	319	1,884	12,244	1,525	9,777	19,250		44,999
- Loans and receivables			1,964,564		171,048	547,043		2,682,655
Investments in associates and joint ventures							21,792	21,792
Investment property							614,092	614,092
Property, plant and equipment							793,968	793,968
Goodwill and other intangible assets							371,314	371,314
Deferred tax assets							4,519,046	4,519,046
Other assets							1,450,459	1,450,459
Non-current assets held for sale			524,080				101,136	625,216
Total Assets	**26,785,602**	**7,587,884**	**6,075,872**	**1,645,326**	**7,919,046**	**6,195,017**	**8,663,519**	**64,872,266**
LIABILITIES								
Due to banks	17,242,163	312,898	52,273		1,498,243			19,105,577
Derivative financial liabilities	1,336,227							1,336,227
Due to customers	6,786,681	4,650,913	6,524,205	2,884,014	7,596,146	4,500,130	4,027	32,946,116
Debt securities in issue held by institutional investors and other borrowed funds	227,486	376,521	12,858					616,865
Liabilities for current income tax and other taxes							33,778	33,778
Deferred tax liabilities							21,219	21,219
Employee defined benefit obligations							91,828	91,828
Other liabilities							879,185	879,185
Provisions							321,704	321,704
Liabilities related to assets held for sale			402,002				4,352	406,354
Total Liabilities	**25,592,557**	**5,340,332**	**6,991,338**	**2,884,014**	**9,094,389**	**4,500,130**	**1,356,093**	**55,758,853**
EQUITY								
Share capital							461,064	461,064
Share premium							10,790,870	10,790,870
Reserves							332,061	332,061
Retained earnings							(2,506,711)	(2,506,711)
Non-controlling interests							20,997	20,997
Hybrid securities							15,132	15,132
Total Equity							**9,113,413**	**9,113,413**
Total Liabilities and Equity	**25,592,557**	**5,340,332**	**6,991,338**	**2,884,014**	**9,094,389**	**4,500,130**	**10,469,506**	**64,872,266**
Open exposure	**1,193,045**	**2,247,552**	**(915,466)**	**(1,238,688)**	**(1,175,343)**	**1,694,887**	**(1,805,987)**	
Cumulative exposure	**1,193,045**	**3,440,597**	**2,525,131**	**1,286,443**	**111,100**	**1,805,987**		

	31.12.2015*							
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non-interest bearing	Total
ASSETS								
Cash and balances with Central Banks	1,123,073						607,254	1,730,327
Due from Banks	1,463,112	324,983	1,762	1,550	22,586	161,020	1,260	1,976,273
Securities helf for trading					350	1,538	891	2,779
Derivative financial assets	793,015							793,015
Loans and advances to customers	22,853,610	7,174,432	2,787,093	1,358,749	7,761,777	4,250,455		46,186,116
Investment securities								
- Available for sale	525,269	1,227,726	987,027	125,556	1,319,479	1,422,276	187,151	5,794,484
- Held to maturity	337		6,112		54,002	19,258		79,709
- Loans and receivables			4,289,482					4,289,482
Investments in associates and joint ventures							45,771	45,771
Investment property							623,662	623,662
Property, plant and equipment							860,901	860,901
Goodwill and other intangible assets							345,151	345,151
Deferred tax assets							4,398,176	4,398,176
Other assets							1,508,633	1,508,633
Non-current assets held for sale							663,063	663,063
Total Assets	**26,758,416**	**8,727,141**	**8,071,476**	**1,485,855**	**9,158,194**	**5,854,547**	**9,241,913**	**69,297,542**
LIABILITIES								
Due to banks	23,059,899	252,111	2,876		1,800,477			25,115,363
Derivative financial liabilities	1,550,529							1,550,529
Due to customers	6,298,049	5,120,140	5,851,901	2,284,717	7,651,060	4,224,596	3,803	31,434,266
Debt securities in issue held by institutional investors and other borrowed funds	340,227	23,912	11,990		24,600			400,729
Liabilities for current income tax and other taxes							38,192	38,192
Deferred tax liabilities							20,852	20,852
Employee defined benefit obligations							108,550	108,550
Other liabilities							910,623	910,623
Provisions							298,458	298,458
Liabilities related to assets held for sale							366,781	366,781
Total Liabilities	**31,248,704**	**5,396,163**	**5,866,767**	**2,284,717**	**9,476,137**	**4,224,596**	**1,747,259**	**60,244,343**
EQUITY								
Share capital							461,064	461,064
Share premium							10,790,870	10,790,870
Reserves							308,920	308,920
Retained earnings							(2,546,885)	(2,546,885)
Non-controlling interests							23,998	23,998
Hybrid securities							15,232	15,232
Total Equity							**9,053,199**	**9,053,199**
Total Liabilities and Equity	**31,248,704**	**5,396,163**	**5,866,767**	**2,284,717**	**9,476,137**	**4,224,596**	**10,800,458**	**69,297,542**
Open exposure	**(4,490,288)**	**3,330,978**	**2,204,709**	**(798,862)**	**(317,943)**	**1,629,951**	**(1,558,545)**	**-**
Cumulative exposure	**(4,490,288)**	**(1,159,310)**	**1,045,399**	**246,537**	**(71,406)**	**1,558,545**	**-**	**-**

* *Certain figures of the comparative year have been restated as noted in note 49.*

From the Interest Rate Gap Analysis and from the application of alternative scenarios regarding the changes in the market interest rates or changes in the base interest rates of the Bank and the companies of the Group, the Group is able to calculate the immediate changes in the net interest income and equity relating to available for sale securities. In the interest rate decrease scenarios the change is assessed up to a feasible point (interest rate set to zero) in accordance with the effective yield curves per currency.

Interest rate variation scenario (parallel fall or rise in yield curves)	Sensitivity for net interest income (annual)	Sensitivity of Equity
(100)	(61,174)	174,227
100	69,999	(158,890)

41.3 Liquidity risk

Liquidity risk relates to the Bank's ability to maintain sufficient funds to cover its planned or extraordinary obligations. In fact, the total funding can be divided into two main categories:

A. Customer deposits

1. Customer deposits on demand for cash flow needs

Deposits that are intended to meet short term needs of customers are the savings accounts and the sight deposits. Although these deposits may be withdrawn on demand, the number of accounts and type of depositors ensure that unexpected significant fluctuations are limited. Therefore, these deposits constitute a significant factor of stability of the deposit base.

2. Customer term deposits and bonds for investment purposes

The customer term deposits and bonds for investment purposes issued by the Group companies usually consist of customer deposits for a certain period and customer repurchase agreements (repos), whereas the bonds issued by the Group companies are disposed through outright sale. Customers have the ability of early withdrawal of deposits or early liquidation of bonds which may result in potential need of finding alternative liquidity in case of extensive outflows.

For this purpose and for the general safety of customer deposits, the Bank takes care for the existence of adequate liquidity surpluses which are calculated based on stress testing exercises due to loss of liquidity or the existence of sufficient credit lines of financial instruments as shown below.

B. Wholesale funding

1. Medium-term borrowing from international capital markets

The Bank's constant aspiration is to cooperate with international investors who may offer medium term financing through purchase of securities issued by the Group companies. For this purpose, the Bank retains special financing programs appealing to international investors and provides adequate coverage of credit needs through international capital markets by planning asset level needs on an annual basis. However, the Bank acknowledges that the demand of these bonds may not be enough to fully meet the needs in specific time intervals as a result of factors which concern the credit assessment in the domestic and international economic environment.

2. Funding by Central Banks

An alternative way of Bank funding is the liquidity from financial instruments of the Central Banks- Euro system and especially from the European Central Bank (ECB). This funding regards loan granted with pledge of assets according to instructions and the eligible assets determined by the ECB. During the last years this additional source funding has become a major financial instrument by hedging the inadequate or loss of basic forms of Bank funding. Furthermore, under the period on which Greece is under the restructuring program of economy and fiscal improvement of financial figures and simultaneously servicing financing needs of the network of institutions that have the supervision of the program, the Bank can use available assets in order to increase liquidity from the Eurosystem to cover any financing gap. The Bank recognizes the short-term nature of this liquidity source and pursues gradually to release, if circumstances allow. However, for as long as the country is experiencing financial and economic crisis, the Bank ensures the smooth financing from these financial instruments which may be either conventional marginal lending from the ECB (MRO), or Emergent Liquidity Assistance from Bank of Greece (ELA). The Bank ensures the adequacy of collateral required in order to serve the financing from the above financial instruments, while recognizing both the type and the amount of financing that is under the discretion of the Eurosystem.

Based on the Liquidity Gap Analysis, the cash flows arising from balance sheet items are calculated and classified into time periods in accordance with the contractual maturity date or the estimated date based on a statistical analysis (convention). An exception to the above, are the securities portfolios, which can contribute directly to raise liquidity, and they are allocated in the first period under the condition that they have not been used to raise liquidity either by the Central Bank or through interbank repos.

	31.12.2016					
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	> 1 year	Total
ASSETS						
Cash and balances with Central Banks	1,514,607					1,514,607
Due from banks	1,339,217	405,623	26,536	44	197,861	1,969,281
Trading securities	4,701					4,701
Derivative financial assets	634,323					634,323
Loans and advances to customers	3,501,282	2,178,064	1,554,192	3,857,891	33,317,331	44,408,760
Investment securities						
- Available for sale	4,964,609				252,444	5,217,053
- Held to maturity			11,496	3,403	30,100	44,999
- Loans and receivables					2,682,655	2,682,655
Investments in associates and joint ventures					21,792	21,792
Investment property					614,092	614,092
Property, plant and equipment					793,968	793,968
Goodwill and other intangible assets					371,314	371,314
Deferred tax assets					4,519,046	4,519,046
Other assets	59,924	121,660	179,773	362,893	726,209	1,450,459
Non current assets held for sale			517,847	107,369		625,216
Total Assets	**12,018,663**	**2,705,347**	**2,289,844**	**4,331,600**	**43,526,812**	**64,872,266**
LIABILITY						
Due to banks	17,227,822	89,838	1,075	2,673	1,784,169	19,105,577
Derivative financial liabilities	1,336,227					1,336,227
Due to customers	6,368,861	4,571,701	3,798,701	3,115,974	15,090,879	32,946,116
Debt securities in issue held by institutional investors and other borrowed funds		18,831	7,238		590,796	616,865
Liabilities for current income tax and other taxes			33,778			33,778
Deferred tax liabilities					21,219	21,219
Employee defined benefit obligations					91,828	91,828
Other liabilities	144,107				735,078	879,185
Provisions					321,704	321,704
Liabilities related to assets held for sale			406,058	296		406,354
Total Liabilities	**25,077,017**	**4,680,370**	**4,246,850**	**3,118,943**	**18,635,673**	**55,758,853**
EQUITY						
Share capital					461,064	461,064
Share premium					10,790,870	10,790,870
Reserves					332,061	332,061
Retained earnings					(2,506,711)	(2,506,711)
Non-controlling interests					20,997	20,997
Hybrid securities					15,132	15,132
Total Equity					**9,113,413**	**9,113,413**
Total Liabilities and Equity	**25,077,017**	**4,680,370**	**4,246,850**	**3,118,943**	**27,749,086**	**64,872,266**
Open liquidity gap	**(13,058,354)**	**(1,975,023)**	**(1,957,006)**	**1,212,657**	**15,777,726**	-
Cumulative liquidity gap	**(13,058,354)**	**(15,033,377)**	**(16,990,383)**	**(15,777,726)**	-	-

	31.12.2015*					
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	> 1 year	Total
ASSETS						
Cash and balances with Central Banks	1,730,327					1,730,327
Due from banks	1,420,989	331,911	4,636	24	218,713	1,976,273
Trading securities	1,888				891	2,779
Derivative financial assets	793,015					793,015
Loans and advances to customers	2,886,348	2,039,558	1,799,782	2,854,971	36,605,457	46,186,116
Investment securities						
- Available for sale	4,816,465				978,019	5,794,484
- Held to maturity			6,112		73,597	79,709
- Loans and receivables					4,289,482	4,289,482
Investments in associates and joint ventures					45,771	45,771
Investment property					623,662	623,662
Property, plant and equipment					860,901	860,901
Goodwill and other intangible assets					345,151	345,151
Deferred tax assets					4,398,176	4,398,176
Other assets	61,986	125,854	185,959	375,394	759,440	1,508,633
Non current assets held for sale		390,862	272,201			663,063
Total Assets	**11,711,018**	**2,888,185**	**2,268,690**	**3,230,389**	**49,199,260**	**69,297,542**
LIABILITY						
Due to banks	23,057,911	3,807	928	2,747	2,049,970	25,115,363
Derivative financial liabilities	1,550,529					1,550,529
Due to customers	6,328,964	4,591,349	3,219,322	2,550,700	14,743,931	31,434,266
Debt securities in issue held by institutional investors and other borrowed funds					400,729	400,729
Liabilities for current income tax and other taxes		38,192				38,192
Deferred tax liabilities					20,852	20,852
Employee defined benefit obligations					108,550	108,550
Other liabilities	209,271				701,352	910,623
Provisions					298,458	298,458
Liabilities related to assets held for sale		277,675	89,106			366,781
Total Liabilities	**31,146,675**	**4,911,023**	**3,309,356**	**2,553,447**	**18,323,842**	**60,244,343**
EQUITY						
Share capital					461,064	461,064
Share premium					10,790,870	10,790,870
Reserves					308,920	308,920
Retained earnings					(2,546,885)	(2,546,885)
Non-controlling interests					23,998	23,998
Hybrid securities					15,232	15,232
Total Equity	-	-	-	-	**9,053,199**	**9,053,199**
Total Liabilities and Equity	**31,146,675**	**4,911,023**	**3,309,356**	**2,553,447**	**27,377,041**	**69,297,542**
Open liquidity gap	**(19,435,657)**	**(2,022,838)**	**(1,040,666)**	**676,942**	**21,822,219**	-
Cumulative liquidity gap	**(19,435,657)**	**(21,458,495)**	**(22,499,161)**	**(21,822,219)**	-	-

Held for trading and available for sale portfolios are listed based on their liquidation potential and not according to their maturity.

Cash flows arising from financial liabilities including derivative financial liabilities, are allocated into time bands according to their maturity date. Estimated interest payments are also included. Liabilities in foreign currency have been converted into Euro. Outflows and inflows relating to derivatives are estimated according to their contractual terms.

* *Certain figures of the comparative year have been restated as noted in note 49.*

	Total Balance Sheet	31.12.2016 Nominal inflows / (outflows) to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	TOTAL
Liabilities - non-derivative							
Due to banks	**19,105,577**	(17,256,804)	(121,577)	(53,408)	(107,383)	(2,227,240)	(19,766,412)
Due to customers	**32,946,116**	(6,392,878)	(4,953,031)	(3,799,259)	(3,137,464)	(15,015,201)	(33,297,833)
Debt securities in issue held by institutional investors and other borrowed funds	**616,865**	(1,869)	(22,655)	(13,793)	(13,854)	(651,692)	(703,863)
Other liabilities	**879,185**	(144,107)				(735,078)	(879,185)
Derivative held for assets fair value hedge	**1,480**						
- Outflows		(13)		(720)		(660)	(1,393)
- Inflows					576	638	1,214
Derivatives held for liabilities fair value hedge	**629,067**						
- Outflows		(272)	(471)	(40,102)		(802,151)	(842,996)
- Inflows				10,158	20,213	768,282	798,653
Derivatives held for trading	**705,680**						
- Outflows		(404,407)	(98,618)	(64,086)	(250,934)	(1,967,831)	(2,785,876)
- Inflows		397,355	71,048	48,048	204,624	1,619,511	2,340,586
Total	**54,883,970**	**(23,802,995)**	**(5,125,304)**	**(3,913,162)**	**(3,284,222)**	**(19,011,422)**	**(55,137,105)**
Off balance sheet items							
Undrawn loan agreements and credit limits that can not be recalled (committed)		(494,734)					(494,734)
Financial guarantees		(48,421)	(14,094)	(23,546)	(7,328)	(152,774)	(246,163)
Total off Balance sheet items		**(543,155)**	**(14,094)**	**(23,546)**	**(7,328)**	**(152,774)**	**(740,897)**

		31.12.2015*					
	Total Balance Sheet	Nominal inflows / (outflows)					TOTAL
		to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	
Liabilities - non-derivative							
Due to banks	**25,115,363**	(23,084,150)	(45,240)	(77,398)	(155,083)	(2,795,305)	(26,157,176)
Due to customers	**31,434,266**	(6,582,440)	(4,965,139)	(3,277,774)	(2,674,216)	(15,613,556)	(33,113,125)
Debt securities in issue held by institutional investors and other borrowed funds	**400,729**	(2)	(83)	(789)	(35)	(406,065)	(406,974)
Other liabilities	**910,623**	(209,271)				(701,352)	(910,623)
Derivative held for assets fair value hedge	**52,376**						
- Outflows		(128)	(407)	(40,004)	(173)	(1,216,128)	(1,256,840)
- Inflows			948	10,636	20,722	1,144,647	1,176,953
Derivatives held for liabilities fair value hedge	**568,037**						
- Outflows		(72)	(8,601)	(9,425)	(21,299)	(1,335)	(40,732)
- Inflows			7,297	7,443	16,363	1,746	32,849
Derivatives held for trading	**930,116**						
- Outflows		(359,401)	(430,618)	(356,444)	(472,700)	(4,395,043)	(6,014,206)
- Inflows		317,049	431,491	302,030	431,820	4,313,738	5,796,128
Total	**59,411,510**	**(29,918,415)**	**(5,010,352)**	**(3,441,725)**	**(2,854,601)**	**(19,668,652)**	**(60,893,745)**
Off balance sheet items							
Undrawn loan agreements and credit limits that can not be recalled (committed)		(278,913)					(278,913)
Financial guarantees		(34,454)	(35,370)	(27,320)	(118,099)	(264,379)	(479,622)
Total off Balance sheet items		**(313,367)**	**(35,370)**	**(27,320)**	**(118,099)**	**(264,379)**	**(758,535)**

* *Certain figures of the comparative year have been restated as noted in note 49*

41.4 Fair value of financial assets and liabilities

Hierarchy of financial instruments not measured at fair value

	31.12.2016				
	Level 1	Level 2	Level 3	Total Fair value	Total Carrying amount
Financial Assets					
Loans and advances to customers			44,102,220	44,102,220	44,408,760
Investment securities					
- Held to maturity	25,165	6,649	10,045	41,859	44,999
- Loans and receivables		2,743,600		2,743,600	2,682,655
Financial liabilities					
Due to customers			32,913,723	32,913,723	32,946,116
Debt securities in issue *		19,912	579,831	599,743	602,870

	31.12.2015				
	Level 1	Level 2	Level 3	Total Fair value	Total Carrying amount
Financial Assets					
Loans and advances to customers			46,107,498	46,107,498	46,186,116
Investment securities					
- Held to maturity	36,823	28,990	13,121	78,934	79,709
- Loans and receivables		4,364,715		4,364,715	4,289,482
Financial liabilities					
Due to customers			31,422,161	31,422,161	31,434,266
Debt securities in issue *		26,338	338,680	365,018	376,129

The above table presents the fair value as well as the carrying amount of financial instruments measured at amortized cost, classified by fair value hierarchy.

The fair value of loans is estimated based on the interbank market yield curves by adding a liquidity premium and spread per loan category and business unit for the expected loss. The fair value of deposits is estimated based on the interbank market yield curves by deducting customer's spread depending on the type of deposit. In both above mentioned cases, the future cash flows (floating rate) are calculated based on the implied forward rates until their maturity.

The held to maturity securities and debt securities in issue whose fair value is calculated based on market prices, are classified into Level 1.

The held to maturity securities and securities in issue whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of income approach methodology using interest rates and credit spreads which are observable in the market, are classified into Level 2. The fair value of the loans and receivables securities relating to securities issued by the European Financial Stability Facility (E.F.S.F.), was determined by discounted cash flows using relevant E.F.S.F. issues inputs.

Level 3 classification includes securities whose fair value is estimated using significant unobservable inputs. In this case the fair value is quoted by the issuers of the securities and confirmed by the Group or calculated by the Group.

Furthermore at Level 3 is included the Bank's liability to special purpose entities relating to securitized loans. The fair value of the liabilities above were calculated by discounting the future cash flows taking into account the unobservable market inputs.

The fair value of other financial assets and liabilities which are valued at amortized cost does not differ materially from the respective carrying amount.

* *Debt securities in issue do not include the convertible bond loan issued by the Bank in the context of the agreement with Credit Agricole S.A. regarding the acquisition of Emporiki Bank since this security is measured at fair value.*

Hierarchy of financial instruments measured at fair value

	31.12.2016			
	Level 1	Level 2	Level 3	Total Fair value
Derivative Financial Assets	4,224	624,740	5,359	634,323
Trading securities				
- Bonds and Treasury bills	2,256			2,256
- Shares	2,445			2,445
Available for sale securities				
- Bonds and Treasury bills	4,686,091	345,803	16,987	5,048,881
- Shares	68,945	18,048	46,326	133,319
- Other variable yield securities	34,853			34,853
Derivative Financial Liabilities		1,336,227		1,336,227
Convertible bond			13,995	13,995

	31.12.2015			
	Level 1	Level 2	Level 3	Total Fair value
Derivative Financial Assets	6,665	782,820	3,530	793,015
Trading securities				
- Bonds and Treasury bills	1,888			1,888
- Shares	891			891
Available for sale securities				
- Bonds and Treasury bills	4,927,352	625,704	19,460	5,572,516
- Shares	143,815		43,337	187,152
- Other variable yield securities	34,816			34,816
Derivative Financial Liabilities	21	1,550,508		1,550,529
Convertible bond			24,600	24,600

The tables above present the fair value hierarchy of financial instruments which are measured at fair value based on the inputs used for the fair value measurement.

Securities which are traded in an active market and exchange-traded derivatives are classified into Level 1.

The available for sale securities whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of the income approach methodology using interest rates and credit spreads which are observable in the market, are classified as Level 2. Level 3 classifications include securities whose fair value is estimated using significant unobservable inputs.

Securities whose fair value is calculated are classified to Level 2 or Level 3, depending on the extent of the contribution of unobservable data to calculate final fair value. The fair value of non listed shares, as well as shares not traded in an active market is determined based on the estimations made by the Group which relate to the future profitability of the issuer taking into account the expected growth rate of its operations, as well as the weighted average rate of capital return which is used as discount rate. Given that the above parameters are mainly non observable, the valuation of these shares is classified in Level 3.

For the valuation of over the counter derivatives income approach methodologies are used: discounted cash flow models, option-pricing models or other widely accepted valuation models. Valuations are checked on a daily basis with the respective prices of the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non observable inputs are significant, the fair value that arises is classified as Level 3 or otherwise as Level 2.

The valuation of the convertible bond was based on the estimated share price at the mauturity date of the bond, as reflected in the Group’s business plan, which is unobservable market parameter. Finally, the Group used the discount cash flow method, to assess contingent sale price of Ionian Hotel Enterprises S.A., which reached the amount of €4.5 million and was classified to other assets. The above method used was based to a business plan submitted by Ionian Hotel Enterprises S.A. Net present value of disounted cash flows amounted to €9.7 million on 31.12.2016. Taking into account that the cost for premium shares' acquisition of Ionian Hotel Enterprises S.A. amounts to €5.2 million, the estimated fair value of sales price as of 31.12.2016 amounted to €4.5 million. The above valuation is classified to Level 3 as for the the estimation of fair value unobservable inputs were used.

The Group recognizes the transfer between fair value hierarchy Levels at the end of the reporting period.

Within the period, €100.1 million of Greek corporate bonds were transferred from Level 2 to Level 1 due to the satisfaction of the active market criteria. Also €46.3 million of Greek corporate bonds were transferred from Level 1 to Level 2, as the liquidity margin (bid-ask spread) moved above the limit set for the characterization of market as active.

The table below presents the valuation methods used for the measurement of Level 3 fair value:

	31.12.2016			
	Total Fair Value	**Fair Value**	**Valuation Method**	**Significant Non-observable Inputs**
Derivative Financial Assets	5,359	5,226	Discounted cash flows with interest being the underlying instruments, taking into account the credit risk	The probability of default and loss given default of the counterparty (BCVA adjustment) calculated using an internal model
		133	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	16,987	16,987	Based on issuer price / Discounted cash flows with estimation of credit risk	Issuer price / Credit spread
Available for sale shares	46,326	46,326	Discounted cash flows – Multiples valuation method – Equity	Future profitability of the issuer
Convertible bond loan	13,995	13,995	Discounted cash flows – Multiples valuation method	Assessment of issuers market price

	31.12.2015			
	Total Fair Value	**Fair Value**	**Valuation Method**	**Significant Non-observable Inputs**
Derivative Financial Assets	3,530	3,185	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	The probability of default and loss given default of the counterparty (BCVA adjustment) calculated using an internal model
		345	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	19,460	19,460	Based on issuer price	Price
Available for sale shares	43,337	43,337	Discounted cash flows – Multiples valuation method	Future profitability of the issuer
Convertible bond loan	24,600	24,600	Discounted cash flows – Multiples valuation method	Assessment of issuers market price

Material unobservable inputs that were used for the valuation of Ionian Hotel Enterprises S.A. sale price, which amounted to €4.5 million, is the cost of equity for both Ionian Hotel Enterprises S.A. and the Bank.

A reconciliation for the movement of financial instruments measured at fair value in Level 3 is depicted below.

	31.12.2016			
	Assets		Liabilities	
	Available for sale securities	Derivative financial liabilities	Available for sale securities	Derivative financial liabilities
Opening balance 1.1.2016	**62,797**	**3,530**		**(24,600)**
Total gain or loss recognized in Income Statement	(386)	(803)	119	10,605
Total gain or loss recognized in Equity	2,904			
Purchases/ Issues	456			
Sales/ Repayments/ Settlements	(6,364)	(532)	638	
Transfers in Level 3 from Level 1	4,838			
Transfers in Level 3 from Level 2		4,524	(1,570)	
Transfers out Level 3 from Level 1	(932)			
Transfers out Level 3 from Level 2		(1,360)	813	
Balance 31.12.2016	**63,313**	**5,359**		**(13,995)**
Amounts included in the Income Statement for financial instruments held at the year end.	(39)	(522)		

During the period €4.8 million of shares were transferred from Level 1 to Level 3 as non-observable data were used for their valuation and €0.9 million of shares were transferred from Level 3 to Level 1 as for their valuation observable stock market price was used.

A transfer of derivatives from Level 2 to Level 3 occurred as the probability of default and loss given default of the counterparty calculated using an internal model due to the credit risk (BCVA adjustment). On 31.12.2016 the above parameter did not contribute significantly in the final valuation of those derivatives resulting in getting transferred back at Level 2.

	31.12.2015			
	Assets		Liabilities	
	Available for sale securities	Derivative financial liabilities	Available for sale securities	Derivative financial liabilities
Opening balance 1.1.2015	**76,453**		**(5,393)**	
Total gain or loss recognized in Income Statement	(9,766)	2,566	5,373	
Total gain or loss recognized in Equity	(2,683)			
Purchases/ Issues	14,355			
Sales/ Repayments/ Settlements	(15,573)		20	
Transfers in Level 3 from Level 2	11	964		(24,600)
Balance 31.12.2015	**62,797**	**3,530**	0	**(24,600)**
Amounts included in the Income Statement for financial instruments held at the year end	(8,322)	7,939		

During the period 2015, purchases of corporate bonds amounting to €11.3 million as well as other variable yield securities amounting to €3 million took place that were classified in Level 3, since non observable parameters were used for valuation purposes. In addition, sales-repayments of foreign corporate bonds amounting to €6.4 million and other variable yield securities sales amounting €9.2 million took place.

A transfer of derivatives from Level 2 to Level 3 occurred since the use of non-observable inputs was significant.

Finally during 2015 a transfer of convertible bond from Level 2 to Level 3 occurred as a different valuation method was applied.

Sensitivity analysis for Level 3 financial instruments that their valuation was based on significant non-observable data is presenting in the following table.

	Significant non-observable inputs	Significant non-observable inputs change	Total effect in income statement		Total effect in Equity	
			Favourable Variation	Unfavourable Variation	Favourable Variation	Unfavourable Variation
Derivative Financial Assets	The probability of default and the loss given default of the counterparty (BCVA adjustment) are calculated with the use of an internal model	Increase the probability of default through reduction of internal ratings by 2 scales/ Increase the loss given default by 10%		(894)		
	Assessment of the adequacy of reserves for the payment of hybrid securities dividends	Increase the probability of dividend payments to 100%		(102)		
Available for sale bonds	Issuer Price/ Credit spread	Variation +/- 10%			663	(652)
Available for sale shares	Future profitability of the Issuer	Variation +/- 10% in P/B and EV/Sales ratios (multiples valuation method)	1,429	(167)	1,429	(1,262)
Convertible bond loan	Assessment of issuers market price	Alpha Bank share price in the range of €1.5-2.5	3,768	(3,050)	3,768	(3,050)
Total			**5,197**	**(4,213)**	**5,860**	**(4,964)**

As far as Ionian Hotel Enterprises S.A. sale price is concerned, according to the sensitivity analysis performed and fluctuation to 0.50% in cost of equity, the range in sale price is at a minimum value €4.06 million and at a higher value of €4.54 million.

41.5. Transfers of financial assets

The Group in its ordinary course of business, transfers financial assets. In cases that, despite the fact that the contractual right to receive cash flows has been transferred the risks and rewards remain with the Group, these assets continue to be recognized on the balance sheet.

On 31.12.2016, the financial assets that have not been derecognized despite the contractual transfer of their cash flows, are derived from the following two categories of transactions:

a) Securitizations of financial assets

The Bank has securitized corporate, consumer loans and credit cards while its subsidiary Alpha Leasing A.E. finance lease receivables, in order to absorb liquidity from the Eurosystem. In the context of these transactions, these items have been transferred to special purpose entities fully consolidated by the Group, which have proceeded to the issuance of bonds. Securitized financial assets continue to be recognized as loans and advances to customers, since the Group continues in all cases to retain the rewards and risks associated with them. This is justified by several factors which include the full consolidation of special purpose entities, the fact that the Bank owns these bonds and the entitlement bonds to the deferred consideration from the transfer. Given that bonds are owned by the Group, no liabilities actually arise from the transfer. The carrying amount of the securitized loans and credit cards on 31.12.2016 amounts to €3,048,146 (31.12.2015: €3,386,485).

In addition, during the current year, the Bank proceeded to shipping loans securitization transaction through the fully consolidated special purpose company Alpha Shipping Finance Ltd. These loans are recognized in the category of loans and trade receivables as the Group retains the risks and benefits of the portfolio through entitlement to deferred consideration paid. The carrying amount of the securitized shipping loans and the bonds which are issued of the SPE, which are not held, as at 31.12.2016 amounted to €569,476 and €252,320 respectively (31.12.2015: €639,654 and €340,272 respectively). The fair value of loans as at 31.12.2016 amounted to €550,181 (31.12.2015: €587,737) and the debt security at €251,017 (31.12.2015: €338,680).

Finally, within 2016, the Bank securitized corporate loans to small and medium enterprises, through Alpha Proodos DAC, a fully consolidated special purpose entity. These loans continue to be recognized in loans and advances to customers considering that the Group retains the risks and rewards of these, by owning the subordinated bonds and the entitlement of deferred consideration. The carrying value of the above securitized loans and the bonds issued from the special purpose entity that are not owned amounts to €627,302 and €320,053 at 31.12.2016, respectively. On 31.12.2016, fair value of loans amounts to €570,411 and €319,616 for the bonds respectively.

b) Sale and repurchase agreements of debt securities

The Group on 31.12.2016 proceeded with the transfer of Greek Government Treasury Bills, bonds of other issuers, bonds of other countries and EFSF bonds with a repurchase agreement. These securities are still included in the Group's investment portfolio and the respective figures are presented in the following table.

	31.12.2016			
	Avalaible for sale portfolio			**Held to Maturity portfolio**
	Greek Government Treasury Bills	**Bonds of other issuers**	**Bonds of other countries**	**Bonds EFSF**
Carrying amount of transferred securities	355,164	297,213	11,602	200,672
Carrying amount of related liability	(210,055)	(193,004)	(8,855)	(209,390)
Fair value of transferred securities	355,164	297,213	11,602	206,982
Fair value of related liability	(210,055)	(193,004)	(8,855)	(209,390)
Equity	**145,109**	**104,209**	**2,747**	**(2,408)**

	31.12.2015			
	Avalaible for sale portfolio			**Held to Maturity portfolio**
	Greek Government Treasury Bills	**Bonds of other issuers**	**Bonds of other countries**	**Bonds EFSF**
Carrying amount of transferred securities		422,013		
Carrying amount of related liability		(269,292)		
Fair value of transferred securities		422,013		
Fair value of related liability		(269,292)		
Equity		**152,721**		

The Group on 31.12.2015 proceeded with the transfer of bonds of other issuers with a repurchase agreement. These securities are still included in the Group's investment portfolio and the respective figures are presented in the above table.

41.6. Offsetting financial assets - liabilities

The following tables present derivative transactions under contracts of the International Swaps and Derivatives Association (ISDA), which are signed with credit institutions as counterparties. In accordance with these contracts, the Group is able to offset its assets and liabilities relating to a counterparty in case of a credit default.

Financial assets subject to offsetting

	31.12.2016					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral received	
Derivatives	512,898		512,898	(206,892)	(22,100)	283,906

On 31.12.2016 the Group possesses a reverse repo with a book value of €50.48 million with a counterparty, with whom there is a valid global master repurchase agreement, but there is no corresponding financial liability or a cash collateral for possible offsetting.

	31.12.2015					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral received	
Derivatives	682,676		682,676	(497,643)	(53,942)	131,091

Financial liabilities subject to offsetting

	31.12.2016					
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral given	
Derivatives	1,326,826	0	1,326,826	(206,892)	(1,115,828)	4,105

	31.12.2015					
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral given	
Derivatives	1,527,244	0	1,527,244	(497,643)	(1,019,181)	10,420

Reconciliation of the net amount of financial assets and liabilities presented in the balance sheet

	31.12.2016			
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivatives	16	512,898	634,323	121,425

	31.12.2016			
	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial liability				
Derivatives	16	1,326,826	1,336,227	9,401

		31.12.2015		
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivatives	16	682,676	793,015	110,339

		31.12.2015		
	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial liability				
Derivatives	16	1,527,244	1,550,529	23,285

42. Recapitalization framework - Restructuring Plan

Recapitalization framework

On 23.7.2015, Law 4335/2015 was voted that incorporates European Directive 2014/59, in relation to recovery and resolution of credit institutions and investment firms. This Directive established a set of rules to deal with banking crises across the EU, in order to avoid significant adverse effects on financial stability and to ensure that shareholders and creditors (including unsecured depositors) will share the burden of a potential recapitalization and/or the liquidation of troubled banks.

In accordance with Law 4335/2015 the Bank of Greece is designated as the resolution authority and has the power to apply resolution tools and exercise resolution powers.

The main resolution tools provided by Law that may be applied individually or in any combination, in cases where the institution is considered insolvent or under imminent insolvency threat, are the following:

- the sale of business tool,
- the bridge institution tool,
- the asset separation tool (the legal framework states that this tool should be applied only in conjunction with other resolution tools), and
- the bail-in tool (write-down or/and conversion of capital instruments and liabilities).

Exceptionally, however, Law 4335/2015 provides that in cases of exceptional systemic crisis the Ministry of Finance has the ability to provide extraordinary state financial support through state financial stabilization measures.

Where the institution is not insolvent or on imminent insolvency situation, it may receive capital support for preventive recapitalization purposes. The support measures in this case have a preventive and temporary nature and are limited to the necessary funds to overcome the capital shortfall that derived from stress tests or asset quality review.

In this context, on 1.11.2015 came into force, pursuant to Law 4340/2015, some amendments to the provisions of Law 3864/2010 for the operation of the Financial Stability Fund. These changes, among others, laid the conditions for providing capital support for preventive recapitalization purposes to Greek banks by the Financial Stability Fund.

In particular, in order for a credit institution to be eligible to receive preventive capital support, the following two conditions must be met:

- coverage of the Capital Requirements for Existing Losses (base scenario) and
- mandatory burden sharing for holders of capital instruments and other liabilities of the receiving institution, without these measures to cause or trigger contractual clauses or to account for as non-fulfillment of contractual obligations.

In particular with respect to capital support, this is provided through the participation of the Fund in the share capital increase of the credit institution through the issuance of common shares with voting rights or the issuance of contingent convertible bonds or other convertible instruments.

During the year and due to significant deterioration of the economic environment the need of recapitalization of Greek credit institutions arose based on the above framework.

The Group covered the total of its capital needs through an exchange offer for securities issued and share capital increase of the Bank with cash.

Specifically, on 28.10.2015 the Bank announced separate invitations to holders of all outstanding series of securities issued by the Group's subsidiaries, Alpha Credit Group Plc, Emporiki Group Finance Plc and Alpha Group Jersey Limited to offer all outstanding securities for exchange with non-transferable receipts issued by the Bank (Liability Management Excersice).

The Proposal concerned Senior securities of €985 million and Subordinated and Hybrid securities of a total amount of €100.9 million. The total amount of securities to be exchanged amounted to about €1.1 billion.

Through the exchange offers funds amounting to €1,011 million arose which oversubscribed the capital needs of the basic scenario as these arose from the Comprehensive Assessment which was conducted by the Single Supervisory Mechanism.

Furthermore, on 25.11.2015, the Bank completed its share capital increase through a private placement to qualified and other eligible investors, which amounted to €1,552 million.

The total funds raised, amounting to €2,563 million, covered the basic and adverse scenario and as a result the Bank did not receive capital support for preventive recapitalization purposes.

Restructuring Plan

After the respective request of the Directorate-General Competition (DG Comp) of the European Committee on 21 September 2015, the Bank proceeded in reconsideration of the Restructuring Plan so as to represent the current conditions, including the recapitalization of the Bank. The revised Restructuring Plan was approved by the DG Comp on 26 November 2015.

The revised Restructuring Plan includes the following main commitments for the Bank:

- Reduction of the number of branches in Greece up to a maximum of 563 by the end of year 2017.
- Limiting the number of employees in Greece, in banking and non-banking activities, up to a maximum of 9,504 by the end of year 2017.
- Reduction of the total costs ot the Bank in Greece (Greek banking and non-banking activities) up to a maximum amount of €933 million, by the end of the year 2017, with the exemption of redundancy scheme costs and costs related to the Bank's contribution in favor of deposit guarantee funds or resolution funds.
- Reduction of the cost of funding through the decrease of cost of deposits collected in Greece, taking into account the macroeconomic factors at each time
- To further strengthen Bank's balance sheet through compliance to net loans to deposits ratio, up to a maximum of 119% on 31 December 2018, as regards to Greek banking activities.
- Reduction of the total size of the portfolio of foreign assets by 30 June 2018.
- Restriction on providing additional capital to foreign subsidiaries.
- Divestment of listed and unlisted companies' securities portfolio (except for specific cases).
- Reduction of the Bank's venture portfolio to €40 million up to the end of year 2017.
- Restriction on the purchase of non-investment grade securities.
- Apply a maximum limit of annual remuneration packages that the Bank pays to any employee or manager up to the end of year 2017.
- Adoption of guidelines regarding Group credit policy, and the corporate governance framework, as well as, other commitments, which include restrictions on Bank's ability to proceed to specific acquisitions.

It is noted that in the revised Restructuring Plan there are no longer restrictions on the distribution of dividends over securities included in equity or subordinated securities. Also there are no restrictions on repurchases or the exercise of prepayment options for securities included in equity or subordinated securities.

The macroeconomic estimates and assumptions on which the provisions of the revised Restructuring Plan were based, are listed below:

	2014	2015	2016	2017	2018
Nominal GDP %	(1.8)	(3.2)	(0.7)	3.4	4.1
Real GDP %	0.8	(2.3)	(1.3)	2.7	3.1
Unemployment rate %	26.5	26.9	27.1	25.7	24.2
Inflation rate %	(1.4)	(0.4)	1.5	0.9	1

Alpha Bank has already made significant restructuring actions of its activities, to fully restore viability, according to the rules of the European Commission for financial institutions that have received public subsidies and, to fully comply with the commitments undertaken in the context of the revised Restructuring Plan, while the above compliance has already been achieved to a large extent before the relevant deadline. The Bank's progress regardings its full compliance with the commitments included in the revised Restructuring Plan is being monitored and reported to the European Commission on a quarterly basis by Mazars LLP, which has been designated as the Monitoring Trustee of the Restructuring Plan.

43. Capital adequacy

The Group's policy is to maintain a robust capital base to safeguard the Bank's development and retain the trust of depositors, shareholders, markets and business partners.

Share capital increases are performed after Shareholders' General Meeting or Board of Directors' decisions in accordance with the articles of association or the relevant laws.

Treasury shares are allowed to be purchased based on the terms and conditions of law.

The capital adequacy is supervised by Single Supervising Mechanism of ECB, to which reports are submitted every quarter. The minimum requirements regarding Tier I ratio and the capital adequacy ratio of the Group are stipulated by Bank of Greece Governor's Acts.

The capital adequacy ratio compares regulatory capital with the risks assumed by the Bank (risk-weighted assets). Regulatory capital includes Tier I capital (share capital, reserves and non-controlling interests), additional Tier I capital (hybrid securities) and Tier II capital (subordinated debt). Risk-weighted assets include the credit risk of the investment portfolio, the market risk of the trading portfolio and operational risk.

Since January 1, 2014 EU Directive 2013/36/EU dated 26 June 2013 which was incorporated into the Greek Justice System through the law 4261/2014 along with the EU Regulation 575/2013/EU, dated June 26, 2013 "CRD IV" came into force, which gradually introduce the new capital adequacy framework (Basel III) of credit institutions.

According to the above regulatory framework, for the calculation of capital adequacy ratio the effective transitional arrangements are followed.

Moreover:

- besides the 8% capital adequacy limit, there are limits of 4.5% for Common Equity ratio and 6% for Tier I ratio, and
- is required the maintenance of capital buffers additional to the Common Equity Capital, from 1.1.2016 and gradually until 31.12.2019.

In particular:

- from 1.1.2016 a capital buffer of 0.625% exists which will gradually rise to 2.5% on 31.12.2019.
- The Bank of Greece through the acts issued by the Executive Committee settled the following capital buffers:
  - Countercyclical capital buffer rate for the fourth quarter of 2016 and the first quarter of 2017, "zero percent" (Act 103/6.9.2016 & 107/19.12.2016).
  - Other systemically important institutions (O-SII) buffer for 2016 "zero percent" (Act 56/18.12.2015).

These limits should be met both on a standalone and on a consolidated basis.

	31.12.2016 (estimate)	**31.12.2015* (restated)**	**31.12.2015 (published)**
Common Equity Tier I	17.1%	16.6%	16.7%
Tier I	17.1%	16.6%	16.7%
Capital Adequacy Ratio	**17.1%**	**16.8%**	**16.8%**

On 8 December 2016, the ECB informed Alpha Bank that for 2017 the Total SREP Capital Requirement (TSCR) at 12,25%. The TSCR is composed of the minimum own fund requirements (8%), according to article 92(1) of the CRR and additional own fund requirements (P2R), according to article 16(2) (a) of the Regulation 1024/2013/EU, and also the combined buffer requirements (CBR, according to article 128(6) of the Directive 2013/36/EU. The above minimum ratio should be maintained on a phase-in basis under applicable transitional rules under CRR/CRD IV, at all times.

Data concerning the disclosure of information supervisory nature regarding capital adequacy risk management, (Pilar III – Regulation 575/2013) will be published on the Bank's website.

* *The change of 10 basis points in 31.12.2015 capital adequacy ratio is due to the final calculation of the credit risk weighted assets which became final after the publication of the 2015 Annual Financial Report.*

44. Related party transactions

The Bank and the Group companies enter into a number of transactions with related parties in the normal course of business. These transactions are performed at arms length and are approved by the Bank's committees.

a. The outstanding balances of the Group's transactions with key management personnel consisting of members of the Bank's Board of Directors and Executive Committee, their close family members and the entities controlled by them, as well as, the results related to these transactions are as follows:

	31.12.2016	31.12.2015
Assets		
Loans and advances to customers	916	11,460
Liabilities		
Due to customers	12,302	26,200
Employee defined benefit obligatins	260	453
Total	**12,562**	**26,653**
Letters of guarantee and approved limits	**1,500**	**11,689**

	From 1 January to	
	31.12.2016	31.12.2015
Income		
Interest and similar income	79	242
Fee and commission income	76	147
Total	**155**	**389**
Expenses		
Interest expense and similar charges	47	166
Key management and close family members income	3,647	3,469
Total	**3,694**	**3,635**

b. The outstanding balances with the Group's subsidiaries, associates and joint ventures as well as the results related to these transactions are as follows:

	31.12.2016	31.12.2015
Assets		
Loans and advances to customers	229,559	161,890
Other Assets	229	527
Total	**229,788**	**162,417**
Liabilities		
Due to customers	22,642	21,494

	From 1 January to	
	31.12.2016	31.12.2015
Income		
Interest and similar income	6,359	5,721
Fee and commission income	4	4
Other income	233	593
Total	**6,596**	**6,318**
Expenses		
Interest expense and similar charges	142	262
Other expenses	2,236	2,042
Total	**2,378**	**2,304**

c. The Employees Supplementary Fund maintains deposits with the Bank amounting to €296 (31.12.2015: €4,590). Periods' interest expenses relating to deposits amount to €18. On 31.12.2016, the Supplementary Fund does not own Alpha Bank shares (31.12.2015: €114).

d. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on the Bank. In particular, according to Law 3864/2010 and the Relationship Framework Agreement (RFA) signed on 23.11.2015, which replaced the previous signed in 2013, HFSF has participation in the Board of Directors and in other significant Committees of the Bank. Therefore, according to IAS 24, HFSF and its related entities are considered related parties for the Bank.

The outstanding balances of the transactions as well as the results related to these transactions are analyzed as follows:

	From 1 January to	
	31.12.2016	**31.12.2015**
Income		
Fee and commission income	10	49

45. Auditors' fees

During 2016, the total fees of "KPMG Certified Auditors A.E.", statutory auditor of the Bank, are analyzed below, as stated in paragraphs 2 and 32, article 29 of Law 4308/2014.

	From 1 January to	
	31.12.2016	**31.12.2015**
Fees for statutory audit	1,502	1,527
Fees for the issuance of tax certificate	334	351
Fees for other audit related services	110	481
Fees for other non-audit services	41	79
Total	**1,987**	**2,438**

46. Disclosures of Law 4151/2013

According to Article 6 of Law 4151/2013, the capitals from dormant deposit accounts will be used by the Greek State to cover government needs, after the write off of the rights of depositors or their legal heirs.

According to Law 3601/2007, dormant deposit account to credit Institution is an account on which no transaction by depositors has been recorded for a period of 20 years from the day following the last transaction. The crediting or capitalizing of interest to an account will not constitute a transaction and do not interrupt the prescription.

Following the expiry of the 20-year period, the credit institutions in Greece are obliged to: a) transfer to the State the aggregate balance of dormant deposit accounts, including any interest, by the end of April of each year by depositing the relevant amount in a special account in the Bank of Greece b) notify the General Accounting Office (GAO) and the General Directorate of Public Property to fulfill the obligations arising from the Law 4151/2013, and c) to provide information to beneficiaries and heirs after the lapse of twenty years for the transfer of the respective amounts, if asked. The above-mentioned amounts will be recorded as income in the Annual State Budget.

The auditors in the notes to the published annual financial statements of credit institutions will confirm whether or not they complied with the provisions of the law on dormant deposits indicating the amount that was transferred to the State.

Based on the combined provisions of paragraph 6 of Article 1 from 18/7/2015 PNP as amended and currently in force and ratified by the Law No. 4350/2015 and the corresponding Articles 7 & 8 of Law 4151/2013 (A' 103) the Bank must return until the end of April of 2016 the balances of the dormant deposits that complete 20 years period until Friday, 17th of June 2015. After this date the deadline of Articles 7 and 8 of that Law is suspended.

In accordance with the above laws and regulations, the Bank did not transfer principal of the dormant deposit accounts for the fiscal year 2016 (2015: €0.7 million, number of deposit accounts 3,813).

47. Assets held for sale and discontinued operations

The Bank, under the approved by the European Committee Restructuring Plan (note 42) and the fulfillment of the relevant commitment relating to the deleveraging of part of the assets of its international activities, proceeded to the sale of the operations of the Bulgaria Branch, to the sale of Alpha Bank A.D. Skopje and Ionian Hotel Enterprises S.A., while it also began the process for the sale of Alpha Bank Srbija, APE Fixed Assets A.E., APE Commercial Property A.E. and APE Investment Property A.E.

Bank's branch in Bulgaria

On 17.7.2015, the Bank and Eurobank, with a joint statement, announced their agreement, in main terms, for the transfer of operations of the Bank's Branch in Bulgaria to Eurobank's subsidiary in Bulgaria (PostBank). On 6.11.2015 the Bank and Postbank signed the relevant contract, finalizing the terms of the transfer which provided for a transfer price of Euro 1 and the partial undertaking of the Branch's debt obligations by the buyer. The transfer was completed on 1.3.2016.

From 30.6.2015 the assets of Bulgaria Branch, and directly related liabilities, meet the requirements to be classified as "Held for sale" in accordance with IFRS 5, as at that date the management had decided to sell the unit and was already in the process of negotiations with the prospective buyer. At the same time, Bulgaria Branch is a distinct geographical area of operations for the Group which is included in the Southeast Europe segment for operating segment disclosure purposes.

After the classification of the Bulgaria Branch, which is the only company in the banking sector through which the Group operates in Bulgaria, as an asset held for sale, its activities are classified as "discontinued operations" for the Group.

Therefore, in the year 2015, the Group, in the preparation of financial statements, valued the assets and liabilities of the Bulgaria Branch at the lowest price between the book value and fair value less costs to sell recognizing the difference which was amounted to €89,007 as "Loss after income tax from discontinued operations" in the Income Statement.

After the above valuation, the Branch's assets on 31.12.2015 amounted to €387,947 and Branch's liabilities amounted to €277,675.

During 2016 the Group adjusted the loss from the sale of Bulgaria branch based on the net assets on the day of the transfer.

Income Statement and Total Comprehensive Income

The results and cash flows arising from Bulgaria Branch are presented as "discontinued operations" in the Income Statement and in the Statement of Cash Flows.

(Amounts in thousand of Euro)

	From 1 January to	
	31.12.2016	**31.12.2015**
Interest and similar income	3,123	22,273
Interest expense and similar charges	(556)	(5,943)
Net interest income	2,567	16,330
Fee and commission income	842	6,183
Commission expense	(74)	(397)
Net fee and commission income	768	5,786
Dividend income		2
Gains less losses on financial transactions	64	604
Other income	79	844
Total income	**3,478**	**23,566**
Staff costs	(1,575)	(9,626)
General administrative expenses	(2,042)	(12,324)
Depreciation and amortization	(397)	(2,803)
Other expenses	(30)	(37)
Total expenses	**(4,044)**	**(24,790)**
Impairment losses and provisions to cover credit risk	1,563	(5,303)
Profit/(loss) before income tax	**997**	**(6,527)**
Income tax		
Profit/(loss) after income tax	**997**	**(6,527)**
Difference due to valuation at fair value		(89,007)
Result from the disposal, after income tax	(748)	
Profit/(loss) after income tax from discontinued operations	**249**	**(95,534)**

The amount of cash and cash equivalent of the Bulgaria Branch, which was transferred at disposal, amounted to €9,942.

Alpha Bank AD Skopje

The Bank, during the fourth quarter of 2015, began the process of selling its subsidiary Alpha Bank Skopje (ABS). ABS is the smallest Group subsidiary in the Balkans and it has a small presence in the local market in Skopje (market share<2%). As part of this process, investors, which were shortlisted from a broader investor list, were invited to submit their bids on the acquisition of the 100% of ABS shares and on the 100% of the hybrid instrument (subordinated loan) which was granted to ABS from the parent company (both of them combined the "Perimeter Transaction").

The disposal was completed on 10.5.2016 for a total amount of €3.2 million.

Based on the above, on 31.12.2015 ABS assets and the related liabilities satisfy the conditions for classification as "held for sale" in accordance with IFRS 5, while its operations, which constitute a distinct geographical area for the Group, included in the Southeast Europe segment for operating segment disclosure purposes, have been classified as "discontinued operations".

Therefore, for the preparation of the 31.12.2015 financial statements the Group valued the subsidiary's assets and liabilities at the lower of book and fair value less cost to sell, recognizing the difference which amounted to €14,414 as a loss in the income statement in "Net profit / (loss) after income tax from discontinued operations". The fair value was determined based on the financial bids which were received from the potential investors for the Transaction Perimeter and the Bank's estimate for the final price. After the above valuation, the assets of Alpha Bank AD Skopje on 31.12.2015 amounted to €84,470 and its liabilities to €80,714.

During 2016, the Group adjusted the result from the sale of its subsidiary by €1,535, based on its net assets on the transfer date.

Income Statement and Total Comprehensive Income

The results and cash flows arising from Alpha Bank AD Skopje are presented as "discontinued operations" in the Income Statement, in the Statement Comprehensive Income and in the Cash Flow Statement.

The following table analyzes the amounts presented in the Income Statement.

(Amounts in thousand of Euro)

	From 1 January to	
	31.12.2016	**31.12.2015**
Interest and similar income	1,525	4,964
Interest expense and similar charges	(382)	(1,013)
Net interest income	1,143	3,951
Fee and commission income	404	1,136
Commission expense	(183)	(619)
Net fee and commission income	221	517
Dividend income		14
Gains less losses on financial transactions	132	401
Other income	40	125
Total income	**1,536**	**5,008**
Staff costs	(907)	(2,812)
General administrative expenses	(691)	(2,495)
Depreciation and amortization	(134)	(409)
Other expenses	(80)	(159)
Total expenses	**(1,812)**	**(5,875)**
Impairment losses and provisions to cover credit risk	(482)	(1,170)
Profit/(loss) before income tax	**(758)**	**(2,037)**
Income tax	21	199
Profit/(loss) after income tax	**(737)**	**(1,838)**
Difference due to valuation at fair value		(14,414)
Gain from the disposal after income tax	1,535	
Profit/(loss) after income tax, from discontinued operations	**798**	**(16,252)**
Exchange differences on translating and hedging the net investment in foreign operations	(40)	47
Amounts that may be reclassified in the Income Statement from discontinued operations	**(40)**	**47**
Total Comprehensive Income after income tax	**758**	**(16,205)**

The amount of cash and cash equivalent of Alpha Bank Skopje, which was transferred at disposal, amounted to €10,973.

Ionian Hotel Enterprises A.E.

On 27.10.2016, the Group, following the announcement on 17.2.2016 for its intention to sell Ionian Hotel Enterprises A.E. through an Invitation for Expressions of Interest, signed the final sale agreement for the subsidiary. The sale was completed on 16.12.2016. The final price of the transaction, including the refinancing of the existing debt of the subsidiary (€67.2 million), amounted to €143.3 million.

In addition, with the signature of the transfer agreement, the Group acquired the right to invest €5.2 million and take preference shares issued by the subsidiary or shares of the company that will emerge after the merger of the subsidiary with the buyer. The issuance of preference shares will be accompanied by sale/purchase option contracts between the Group and the buyer's shareholders. This mechanism enables the Group to collect an additional amount depending on how the value of the company will develop and therefore represents a contingent consideration. This right was recognised in other assets at fair value which was €4.5 million as at 31.12.2016.

The total result from the sale of Ionian Hotel Enterprises SA was a loss of €38,273 and was recorded in gains and losses from financial transactions.

From the above, an amount of €37,916 had already been recorded as a loss during the first nine month period of the year as the Group valued its assets and related liabilities at the lower of carrying amount and fair value less cost to sell, under IFRS 5, due to their classification as "Held for sale" on 31.12.2015. Assets of Ionian Hotel Enterprises AE as at 31.12.2015 amounted to €185,701 and liabilities amounted to €8,392. Because the company is not a separate material business segment for the Group, the requirements in order to be classified as discontinued operation are not met. The company is included in "Other" for operating segment disclosure purposes. The amount of cash and cash equivalents of Ionian Hotel Enterprises S.A which was transferred at disposal amounted to €67.8.

APE Fixed Assets A.E., APE Commercial Property A.E., APE Investment Property A.E.

Consultants were engaged in June of the current year and the liquidation procedure of the Bank's participations in APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE started. APE Fixed Assets AE is a Bank's subsidiary, while APE Commercial Property AE and APE Investment Property AE are joint ventures, where the control is exercised jointly by the Bank and the other shareholder.

From 30.6.2016 the abovementioned investments meet the requirements to be classified as "held for sale" in accordance with IFRS 5, as on that date Management had decided their sale and initiated an active programme to find buyer, while the sale is expected to be completed within one year.

According to IFRS 5 the assets held for sale or disposal groups are valued at the lower of book and fair value less cost to sell and they are presented in the balance sheet separately from other assets and liabilities. As regards to the subsidiary APE Fixed Assets AE the Group proceeded to the measurement of the fair value of the assets and liabilities which it consolidates, while with regards to the joint ventures APE Commercial Property AE and APE Investment Property AE which are consolidated with the equity method, the Group measured the fair value of its participation and of the loans and receivables from those companies which constitute part of the net investment in them. From the abovementioned measurement losses amounting to €19.3 million arose which were recognized in caption Gains less losses on financial transactions in the Income Statement.

Taking into account that the companies are not a separate major line of business for the Group the criteria to be characterized as 'discontinued operations' are not met. The companies are included in "Other" for operating segment disclosure purposes.

In the table below an analysis of the assets and liabilities regarding APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE is presented, which are classified in the Balance Sheet as assets held for sale.

Balance Sheet

(Amounts in thousand of Euro)

	31.12.2016
ASSETS	
Loans and advances to customers	47,570
Investments in associates and joint ventures	39,244
Investments in real estate	39,872
	126,686
Valuation at fair value	(19,317)
Assets held for sale	**107,369**
LIABILITIES	
Deferred tax liabilities	296
Total liabilities related to assets hed for sale	**296**
Amounts recognized directly in Equity related to assets held for sale	**(122)**
Non-controlling interest related to assets held for sale	**10,953**

Alpha Bank Srbija A.D.

In the fourth quarter of 2016, the Bank initiated the procedures in order to sell its subsidiary Alpha Bank Srbija A.D. In this context, on 30.1.2017, the Bank agreed with a potential buyer, to sell all the shares owned. The contract was signed on 23.2.2017 while the completion of transaction is subject to obtaining the relevant regulatory approvals. In addition to the transfer of all shares of the subsidiary, the agreement includes the assignment of a subordinated debt contract, which amounts to €27.11 million and was granted to the subsidiary by the Bank.

Based on the above, on 31.12.2016 the total assets of Alpha Bank Srbija A.D. and the related liabilities meet the criteria set under IFRS 5 to be classified as assets held for sale, while its business activities, which constitute a distinct geographical area of operation for the Group and are included in South East Europe segment for operating segment disclosure purposes, have been characterized as discontinued operations.

Consequently, for the purpose of the preparation of financial statements on 31.12.2016, the Group valued the subsidiary's assets and liabilities at the lower of carrying amount and fair value less cost to sell , recognizing a loss of of €72,722 in Profit/(Loss) after tax from discontinued operations. Taking into account the classification of subsidiary as held for sale and the tax laws (note 11), at this caption was also recorded a deferred tax income of amount €84,441 which was calculated as the difference between the carrying amount of assets and liabilities and their tax base, resulting in a profit after tax which amounts to €11,719. After the above valuation, on 31.12.2016 the assets of Alpha Bank Srbija A.D. amounted to €512,403, its liabilities to €406,058, while the amounts that have been recognized directly in equity amounted to a loss of €68,457. It must be noted that the amount that has been recognized directly in equity will be reclassified to income statement when the sale of subsidiary takes place.

The above figures of subsidiary are analyzed as follows:

Balance Sheet

(Amounts in thousand of Euro)

	31.12.2016
ASSETS	
Cash and balances with Central Banks	74,172
Due from banks	39,041
Loans and advances to customers	344,244
Investment securities	
- Available for sale	93,225
Investment property	5,593
Property, plant and equipment	19,721
Goodwill and other intangible assets	1,366
Deferred tax assets	3,555
Other assets	3,758
	584,675
Valuation at fair value	(72,272)
Assets held for sale	**512,403**
LIABILITIES	
Due to banks	16,635
Due to customers (including debt securities in issue)	385,367
Liabilities for current income tax and other taxes	579
Defined benefit obligations to employees	222
Other liabilities	2,332
Provisions	923
Liabilities related to assets held for sale	**406,058**
Amounts recognized directly in Equity related to assets held for sale	**(68,457)**

Income Statement and Statement of Comprehensive Income

The results and cash flows arising from Alpha Bank Srbija AD presented as "discontinued operations" in the Income Statement, the Statement of Comprehensive Income and in the Cash Flow Statement with a restatement of comparative period 1.1.2015 to 31.12.2015.

The following table analyzes the amounts presented in the Income Statement.

(Amounts in thousand of Euro)

	From 1 January to	
	31.12.2016	**31.12.2015**
Interest and similar income	30,607	41,696
Interest expense and similar charges	(4,905)	(7,442)
Net interest income	25,702	34,254
Fee and commission income	7,799	7,847
Commission expense	(1,707)	(2,297)
Net fee and commission income	6,092	5,550
Gains less losses on financial transactions	551	1,822
Other income	705	1,350
Total income	**33,050**	**42,976**
Staff costs	(11,620)	(13,488)
General administrative expenses	(13,700)	(16,598)
Depreciation and amortization	(2,059)	(2,414)
Other expenses	(90)	(1,276)
Total expenses	**(27,469)**	**(33,776)**
Impairment losses and provisions to cover credit risk	4,443	(32,160)
Profit/(loss) before income tax	**10,024**	**(22,960)**
Income tax	(24)	(56)
Profit/(loss) after income tax	**10,000**	**(23,016)**
Difference due to valuation at fair value	11,719	
Profit/(loss) after income tax, from discontinued operations	**21,719**	**(23,016)**
Net change in available for sale securities reserve	(113)	2,747
Exchange differences on translatin and hedging the net investment in foreign operations	(1,307)	(838)
Income tax	2	3
Amounts that may be reclassified in the Income Statement from discontinued operations	**(1,418)**	**1,912**
Total Comprehensive Income after income tax	**20,301**	**(21,104)**

Other assets held for sale

Assets held for sale also include other held for sale assets of the Group which amount to €5.4 million (31.12.2015: €4.9 million) resulting to a total amount of €625,216, on 31.12.2016 (31.12.2015: €663,063).

In addition, the Bank's participations to the companies "Selonda A.E.G.E." and "Nireus A.E.G.E." have been classified to Assets held for sale, since it intends to transfer these companies in the near future at their fair value, which was determined in the amount of €1.

The Group assesses at each reporting date of the financial statements, the actions undertaken within the context of the restructuring plan's implementation in order, where criteria of IFRS 5 are met (listed in note 1.17 of financial statements on 31.12.2016) the assets and liabilities that are directly associated with them, to be classified as held for sale.

48. Corporate events

a. On 26.1.2016 the Bank participated in Aktua Hellas Holding A.E. establishment, which registered in Greece with 45% and share capital of €25 thousand.

b. On 2.2.2016 the Bank participated in the share capital increase of the joint venture Alpha TANEO AKES, with an amount of €51 thousand.

c. On 18.2.2016 the Bank participated in the share capital increase of its subsidiary, Alpha Group Investments Ltd with the amount of €57.82 million.

d. On 19.2.2016 the subsidiary of the Bank, Alpha Group Investments Ltd, participated in the share capital increase of Group subsidiaries, AEP Amarousioun I A.E., AEP Amarousion II A.E., AEP Chalandriou A.E., AEP Neas Kifisias A.E. and AEP Kallirois A.E. for €19.99 million, €13.19 million, €22.64 million, €1 million and €1 million, respectively.

e. On 24.2.2016 the joint venture Aktua Hellas Holding A.E. , established the company Aktua Hellas Financial Solutions A.E. with a share capital of €100 thousand.

f. On 1.3.2016 the transfer of operations of the Bank's branch in Bulgaria to Eurobank's subsidiary in Bulgaria (Postbank), was completed.

g. On 22.4.2016 the Bank participated in the share capital increase of joint ventures Aktua Hellas Holding A.E., with the amount €45 thousand.

h. On 4.5.2016 the subsidiary company of the Bank, Alpha Group Investments Ltd founded AGI-SRE Participations 1 Ltd company registered in Cyprus with the amount of €1 thousand

i. On 10.5.2016 the sale of all shares of the Bank's subsidiary, Alpha Bank A.D. Skopje was completed.

j. On 13.5.2016 the Bank participated in the share capital increase of its subsidiary Alpha Group Investments Ltd with the amount of €11.9 million.

k. On 17.5.2016 Alpha Bank, Eurobank and KKR Credit reached an agreement to assign the management of credit and equity exposures to a selected number of Greek companies into a platform managed by Pillarstone.

l. On 23.5.2016 the subsidiary company of the Group AGI-RRE Participations 1 Ltd participated in the share capital increase of the Group subsidiary Asmita Gardens S.R.L. with the amount of €2 million.

m. On 8.6.2016 the subsidiary company of the Group, AGI-SRE Participations 1 Ltd founded AGI-SRE Participations 1 D.O.O. company registered in Serbia, with the amount of €1 thousand.

n. On 9.6.2016 the subsidiary of the Group, AGI-CYPRE Ermis Ltd, proceeded to the acquisition of the total number of shares of AGI-CYPRE Alaminos Ltd with the amount of €1.8 thousand.

o. On 16.6.2016 the subsidiary of the Group, AGI-CYPRE Ermis Ltd, proceeded to the acquisition of the total number of shares of AGI-CYPRE Mazotos Ltd with the amount of €1.8 thousand.

p. On 16.6.2016 the subsidiary of the Group, AGI-CYPRE Ermis Ltd, proceeded to the acquisition of the total number of shares of AGI-CYPRE Tochni Ltd with the amount of €1.8 thousand.

q. On 14.7.2016 the Bank, as a result of relative restructuring agreement of the company Dias Aquaculture ABEE, acquired additional shares of Selonda Aquacultures AEGE, from the share capital increase, conducted by contribution in kind of all the assets and part of the liabilities of company Dias Aquaculture A.B.E.E. to the company Selonda Aquacultures AEGE. Therefore, the Bank's share in the latter changed from 23.01% to 21.97%. The Bank, which identified at zero the fair value of the shares acquired, intends to dispose all of its shares of Selonda Aquacultures AEGE in the near future.

r. On 22.7.2016 the Bank participated, proportionally to its share, in the share capital increase of the joint venture Aktua Hellas Holding A.E., by the amount of €570 thousand.

s. On 29.7.2016 the Bank's subsidiary, Alpha Group Investments Ltd, acquired the 50% of the shares of the company AEP Eleona A.E., for an amount of €11.9 million.

t. On 2.8.2016, the Bank participated proportionally to its share, in the share capital increase of the joint venture Alpha TANEO AKES by paying the amount of €90 thousand.

u. On 22.8.2016 the Bank proceeded to the acquisition of 97.27% of shares of Ionian Hotel Enterprises A.E. from the related companies Alpha Group Investments Ltd, Ionian Equity Participations Ltd, Ionian Holdings A.E., Oceanos A.T.O.E.E. and Alpha Supporting Services A.E. by 89.77%, 1.87%, 1.87%, 1.87% and 1.87% respectively in the context of the internal restructuring plan of the portfolio of Alpha Bank Group in order to service the business initiatives and under the agreed with the best practices terms which are followed in similar transactions.

v. On 14.9.2016 the subsidiary of the Group Alpha Astika Akinita A.E., proceeded to the acquisition from Alpha Group Investments Ltd of the total number of shares of Alpha Real Estate Services LLC for the amount of €11 thousand.

w. On 26.9.2016 the Bank participated in the share capital increase of its subsidiary, APE Fixed Assets A.E. with the amount of €72.2 thousand

x. On 29.9.2016 the subsidiary of the Bank , Alpha Group Investments Ltd participated in the share capital increase of the Group subsidiary, AEP Chanion A.E. with the amount of €10.6 million.

y. On 6.10.2016 the Bank has obtained one share of the subsidiary bank Alpha Bank Srbija A.D. without any payment, as a result of a donation by the minority shareholder. Therefore, the Bank's participation stood at 100%.

z. On 21.10.2016, the subsidiary of the Group, Alpha Astika Akinita A.E. sold the total number of shares of Alpha Astika Akinita D.O.O.E.L. Skopje for the amount of €775 thousand.

aa. On 24.11.2016 the subsidiary of the Bank , Alpha Group Investments Ltd participated in the share capital increase of the following Group subsidiaries, AEP Attikis A.E., AEP Attikis II A.E. and AEP Leivadias A.E., with the amounts of €300 thousand, €13.1 million and €200 thousand respectively.

bb. On 16.12.2016, the sale of the Bank's total participation in Ionian Hotel Enterprises A.E. share capital (approx. 97.3%) was completed. The price of the above transaction reached the amount of €76.1 million.

cc. On 19.12.2016, the subsidiary of the Bank, Alpha Group Investments Ltd participated in the share capital increase of the following Group subsidiaries, AGI RRE Poseidon Ltd and AGI BRE Participations 2 Ltd, with the amounts of €2.2 million and €2.1 million respectively.

dd. On 21.12.2016, the subsidiary of Group AGI RRE Poseidon Ltd participated in the share capital increase of the subsidiary of Group AGI RRE Poseidon Srl with the amount of €2.2 million.

ee. On 21.12.2016 the subsidiary of Group AGI BRE Participations 2 Ltd participated in the share capital increase of the Group subsidiary AGI BRE Participations 2BG EOOD with the amount of €2.1 million.

49. Restatement of financial statements

During the current period, the Group modified the way of presentation of figures related to the loyalty Bonus card program. These figures, which up to now were included in other expenses, other income and commissions are now included as a net amount in commission income. This modification is performed in order to reflect better the substance of the reward program. As a result of this change, some figures of the income statement of the comparative period reformed without changing the result.

Moreover the figures of the comparative period have been restated due to the presentation of Alpha Bank Srbija A.D. as a discontinued operation (note 47).

Restated Income Statement and Statement of Cash Flows for the period 1.1-31.12.2015 are presented below.

Consolidated Income Statement

(Amounts in thousands of Euro)

	From 1 January to 31.12.2015			
	Published Amounts	**Restatements due to changes in the presentation of figures relating to the loyalty Bonus card program**	**Restatements due to the presentation of Alpha Bank Srbija A.D. as discontinued operation**	**Restated amounts**
Interest and similar income	3,014,436		(41,696)	2,972,740
Interest expense and similar charges	(1,082,721)		7,442	(1,075,279)
Net interest income	1,931,715		(34,254)	1,897,461
Fee and commission income	383,410	(1,772)	(7,847)	373,791
Commission expense	(68,684)	1,237	2,297	(65,150)
Net fee and commission income	314,726	(535)	(5,550)	308,641
Dividend income	3,308		-	3,308
Gains less losses on financial transactions	(45,047)		(1,822)	(46,869)
Other income	63,202	(3,523)	(1,350)	58,329
	21,463	(3,523)	(3,172)	14,768
Total income	**2,267,904**	**(4,058)**	**(42,976)**	**2,220,870**
Staff costs	(533,114)		13,488	(519,626)
Provision of Voluntary Separation Scheme	(64,300)			(64,300)
General administrative expenses	(560,219)	4,058	16,598	(539,563)
Depreciation and amortization expenses	(105,001)		2,414	(102,587)
Other expenses	(42,069)		1,276	(40,793)
Total expenses	**(1,304,703)**	**4,058**	**33,776**	**(1,266,869)**
Impairment losses and provisions to cover credit risk	(3,019,806)		32,160	(2,987,646)
Share of profit/(loss) of associates and joint ventures	(9,821)		-	(9,821)
Profit/(loss) before income tax	**(2,066,426)**	**-**	**22,960**	**(2,043,466)**
Income tax	806,758		56	806,814
Profit/(loss) after income tax	**(1,259,668)**	**-**	**23,016**	**(1,236,652)**
Profit/(losses) after income tax from discontinued operations	(111,786)		(23,016)	(134,802)
Profit/(loss) after income tax	**(1,371,454)**	**-**	**-**	**(1,371,454)**
Profit/(loss) attributable to:				
Equity owners of the Bank				
- from continuing operations	(1,259,928)		23,016	(1,236,912)
- from discontinued operations	(111,786)		(23,016)	(134,802)
	(1,371,714)			**(1,371,714)**
Non-Controlling Interests				
- from continuing operations	260			260
Profit/(loss) per share:				
Basic and diluted (€per share)	(3.56)			(3.56)

Consolidated Statement Cash Flow

(Amounts in thousands of Euro)

	From 1 January to 31.12.2015		
	Published amounts	Restatement due to the presentation of Alpha Bank Srbija A.D. as discontinued operation	Restated amounts
Cash flows from continuing operating activities			
Profit/(loss) before income tax	(2,066,426)	22,960	(2,043,466)
Adjustments for gain/(losses) before income tax for:			
Depreciation/Impairment/Write offs of fixed assets	95,430	(3,291)	92,139
Amortization/Impairment of/Write offs of intangible assets	45,935	(221)	45,714
Impairment losses from loans, provisions and staff leaving indemnity	3,149,215	(32,160)	3,117,055
(Gains)/losses from investing activities	75,511	185	75,696
(Gains)/losses from financing activities	31,714		31,714
(Gains)/losses ratio from associates and joint ventures	9,821		9,821
Other adjustments	9,529		9,529
	1,350,729	**(12,527)**	**1,338,202**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks	1,054,744	4,708	1,059,452
Trading securities and derivative financial assets	356,870	1	356,871
Loans and advances to customers	(185,928)	(37,098)	(223,026)
Other assets	(54,997)	487	(54,510)
Net increase /(decrease) in liabilities relating to continuing operating activities:			
Due to banks	7,818,259	24,095	7,842,354
Derivative financial liabilities	(345,700)	(29)	(345,729)
Due to customers	(11,043,856)	34,942	(11,008,914)
Other liabilities	(229,971)	(345)	(230,316)
Net cash flows from continuing operating activities before taxes	**(1,279,850)**	**14,234**	**(1,265,616)**
Income taxes and other taxes paid	(40,794)		(40,794)
Net cash flows from continuing operating activities	**(1,320,644)**	**14,234**	**(1,306,410)**
Net cash flows from discontinued operating activities	**13,365**	**(14,234)**	**(869)**
Cash flows from continuing investing activities			
Investments in subsidiaries and associates and joint ventures	(12,310)		(12,310)
Acquisitions during the period	9,151		9,151
Income from subsidiary disposal	15,392		15,392
Dividends received	3,308		3,308
Purchases of fixed and intangible assets	(107,691)	2,138	(105,553)
Disposals of fixed and intangible assets	15,915	(1,645)	14,270
Net (increase)/decrease in investement securities	31,265	(23,796)	7,469
Cash flows from continuing investment activities	**(44,970)**	**(23,303)**	**(68,273)**
Net cash flows from discontinued investing activities	**9,949**	**23,303**	**33,252**
Repayment of debt securities in issue and other borrowed funds	(9,640)		(9,640)
(Purchases)/sales of hybrid securities	(1,730)		(1,730)
Share capital increase	1,552,169		1,552,169
Share capital increase expenses	(61,276)		(61,276)
Net cash flows from continuing financing activities	**1,479,523**	**-**	**1,479,523**
Effect of exchange rate differences on cash and cash equivalents	(3,334)		(3,334)
Net increase/(decrease) in cash flows-continuing activities	**110,575**	**(9,069)**	**101,506**
Net increase/(decrease) in cash flows-discontinued activities	**23,314**	**9,069**	**32,383**
Cash and cash equivalents at the beginning of the year	**1,194,244**		**1,194,244**
Cash and cash equivalents at the end of the year	**1,328,133**		**1,328,133**

Within the first half of 2016, the Group completed the valuation of the net assets of Asmita Gardens S.R.L., which was acquired in the second quarter of 2015. The adjustments to the temporary fair values were recognized retrospectively as if the accounting treatment of the acquisition had been completed at the acquisition date.

Moreover the figures of the Consolidated Balance Sheet of the comparative period have been restated due to the accurate presentation of Alpha Bank AD Skopje's figures, which have been recorded directly in equity. Therefore on 31.12.2015 the figures of the Balance Sheet were modified as depicted below:

Consolidated Balance Sheet

(Amounts in thousands of Euro)

	31.12.2015			
	Published amounts	Finalization of accounting treatment of Asmita Gardens SRL	Restatement due to the correct presentation of amounts recognized directly in equity of Alpha Bank A.D. Skopje	Restated amounts
ASSETS				
Cash and balances with Central Banks	1,730,327			1,730,327
Due from banks	1,976,273			1,976,273
Securities held for trading	2,779			2,779
Derivative financial assets	793,015			793,015
Loans and advances to customers	46,186,116			46,186,116
Investment securities				
- Available for sale	5,794,484			5,794,484
- Held to maturity	79,709			79,709
- Loans and receivables	4,289,482			4,289,482
Investments in associates and joint ventures	45,771			45,771
Investment property	623,662			623,662
Property, plant and equipment	860,901			860,901
Goodwill and other intangible assets	342,251	2,900		345,151
Deferred tax assets	4,398,176			4,398,176
Other assets	1,510,225	(1,592)		1,508,633
	68,633,171	1,308		68,634,479
Assets held for sale	663,063			663,063
Total Assets	**69,296,234**	**1,308**		**69,297,542**
LIABILITIES				
Due to banks	25,115,363			25,115,363
Derivative financial liabilities	1,550,529			1,550,529
Due to customers (including debt securities in issue)	31,434,266			31,434,266
Debt securities in issue and other borrowed funds	400,729			400,729
Liabilities of current income tax and other taxes	38,192			38,192
Deferred tax liabilities	20,852			20,852
Employee defined benefit obligations	108,550			108,550
Other liabilities	910,622	1		910,623
Provisions	296,014	2,444		298,458
	59,875,117	2,445		59,877,562
Total Liabilities related to assets held for sale	366,781			366,781
Total Liabilities	**60,241,898**	**2,445**		**60,244,343**
EQUITY				
Equity attributable to equity owners of the Bank				
Share capital	461,064			461,064
Share premium	10,790,870			10,790,870
Reserves	301,223	(1,137)	8,794	308,880
Amounts recognized directly in equity for held for sale items	8,834		(8,794)	40
Retained earnings	(2,546,885)			(2,546,885)
	9,015,106	**(1,137)**	**-**	**9,013,969**
Non-controlling interests	**23,998**			**23,998**
Hybrid securities	**15,232**			**15,232**
Total Equity	**9,054,336**	**(1,137)**		**9,053,199**
Total Liabilities and Equity	**69,296,234**	**1,308**		**69,297,542**

50. Events after the balance sheet date

a. On 5.1.2017, the subsidiary of the Bank, Alpha Group Investments Ltd sold the 45.84% of the share capital of the Group subsidiary AEP Kefalariou A.E. for €11 thousand.

b. On 16.1.2017, the Bank participated in the share capital increase of the subsidiary Alphalife A.A.E.Z. with the amount of €25 million.

c. On 25.1.2017, the subsidiary of the Group Aktua Greece Financial Solutions S.A was renamed to Cepal Hellas Financial Services S.A, asset management company of loans and credits.

d. On 30.1.2017, the Bank agreed with the Serbian group of companies, MK Group, to sale its total participation (100% of the share capital) in Alpha Bank Srbija A.D. The completion of the transaction is subject to obtaining the relevant regulatory approvals.

e. On 3.2.2017, the subsidiary of the Bank, Alpha Group Investments Ltd participated in the share capital increase of its subsidiary AEP Kefalariou A.E. with the amount of €9.75 million.

f. On 23.2.2017, as a result of exercising the conversion right of all bondholders, the Bank increased its share capital, due to the conversion of the convertible bond that was issued on 1.2.2013, under the agreement with Credit Agricole S.A for the acquisition of former Emporiki Bank. From the conversion 6,818,181 new common shares were issued, which represent a 0.44% of total shares.

g. On 3.3.2017, following the capitalization of the loan granted to the Group subsidiary, AGI-Cypre Ermis Ltd, the Bank participated in the share capital increase of the respective subsidiary and acquired 75% of its total share capital.

h. On 7.3.2017, as a result of restructuring plan, the Bank acquired 47% of the share capital of the company Famar S.A.

i. On 29.3.2017 the law "Incorporation into national law of Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees associated with payment accounts, change payment account and access to payment accounts with basic features and other provisions" was voted, which concerns among others the modification of Law 4172/2013 legal provisions.

Article 43 of the voted Law amends the articles 27 and 27^{A} of the Law 4172/2013 in order to arrange the treatment of deferred tax asset already recognized and can be converted under certain conditions into a final and settled claim from credit institutions in a manner consistent with the write-offs and forbearance of loans to customers.

The amendment facilitates the implementation of the financial institutions' target to reduce non-performing loans through write-offs and forbearance, without risking their capital adequacy.

Athens, 30 March 2017

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE GENERAL MANAGER AND CHIEF FINANCIAL OFFICER	THE ACCOUNTING AND TAX MANAGER
VASILEIOS T. RAPANOS **ID. No. AI 666242**	**DEMETRIOS P. MANTZOUNIS** **ID. No. I 166670**	**VASSILIOS E. PSALTIS** **ID. No. AI 666591**	**MARIANNA D. ANTONIOU** **ID. No. X 694507**

Independent Auditors' Report

(Translated from the original in Greek)

To the Shareholders of
ALPHA BANK A.E.

Audit Report on the Financial Statements

We have audited the accompanying Financial Statements of ALPHA BANK A.E. (the "Bank") which comprise the Balance Sheet as of 31 December 2016 and the Statements of Income and Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing incorporated in Greek Law. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of ALPHA BANK A.E. as of 31 December 2016 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Emphasis of matter

Without qualifying our opinion, we draw attention to the disclosures made in note 1.29.1 to the financial statements, which refer to the material uncertainties associated with the current economic conditions in Greece and the ongoing developments that could adversely affect the going concern assumption.

Athens, 30 March 2017

KPMG Certified Auditors A.E.
AM SOEL 114

Nikolaos Vouniseas Certified Auditor Accountant AM SOEL 18701	Ioannis Achilas Certified Auditor Accountant AM SOEL 12831

Bank Financial Statements as at 31.12.2016

Income Statement

(Amounts in thousands of Euro)

	Note	From 1 January to 31.12.2016	31.12.2015*
Interest and similar income	2	2,372,840	2,647,094
Interest expense and similar charges	2	(706,293)	(1,037,928)
Net interest income	2	1,666,547	1,609,166
Fee and commission income		320,636	313,930
Commission expense		(49,987)	(58,111)
Net fee and commission income	3	270,649	255,819
Dividend income	4	448,975	35,465
Gains less losses on financial transactions	5	(170,029)	(91,280)
Other income	6	11,494	13,345
		290,440	(42,470)
Total income		**2,227,636**	**1,822,515**
Staff costs	7	(400,921)	(401,781)
Provision for separation scheme	7		(64,300)
General administrative expenses	8	(417,397)	(439,498)
Depreciation and amortization	20, 21, 22	(71,048)	(71,336)
Other expenses	9	(30,281)	(7,057)
Total expenses		**(919,647)**	**(983,972)**
Impairment losses and provisions to cover credit risk	10	(1,170,200)	(2,699,237)
Negative goodwill from the acquisition of Diners	43		48,237
Profit/(loss) before income tax		**137,789**	**(1,812,457)**
Income tax	11	123,155	823,105
Profit/(loss) after income tax, from continuing operations		**260,944**	**(989,352)**
Profit/(loss) after income tax, from discontinued operations		(326)	(42,924)
Profit/(loss) after income tax		**260,618**	**(1,032,276)**
Earnings/(losses) per share:			
Basic and diluted(€ per share)	12	0.1696	(2.6792)
Basic and diluted from continuing operations (€ per share)	12	0.1698	(2.5678)
Basic and diluted from discontinued operations (€ per share)	12	(0.0002)	(0.1114)

* *The figures for the comparative period for the Income Statement have been restated due to modification of the presentation of figures related to the loyalty bonus card program (note 47).*

The attached notes (pages 198-314) form an integral part of the financial statements

Balance Sheet

(Amounts in thousands of Euro)

	Note	31.12.2016	31.12.2015
ASSETS			
Cash and balances with central banks	13	674,439	698,730
Due from banks	14	2,912,313	3,406,859
Trading securities	15	2,865	1,888
Derivative financial assets	16	644,436	794,471
Loans and advances to customers	17	40,261,524	41,558,014
Investment securities			
- Available for sale	18a	4,360,047	4,890,891
- Held to maturity	18b	9,342	2,823
- Loans and receivables	18c	2,682,655	4,289,482
Investments in subsidiares, associates and joint ventures	19	1,815,255	2,087,386
Investment property	20	27,836	28,813
Property, plant and equipment	21	675,870	691,847
Goodwill and other intangible assets	22	333,926	299,821
Deferred tax assets	23	4,477,144	4,372,486
Other assets	24	1,378,290	1,421,770
		60,255,942	**64,545,281**
Assets held for sale	44	146,631	447,601
Total Assets		**60,402,573**	**64,992,882**
LIABILITIES			
Due to banks	25	19,433,001	25,170,637
Derivative financial liabilities	16	1,337,559	1,556,555
Due to customers	26	29,009,979	27,733,679
Debt securities in issue and other borrowed funds	27	598,759	406,231
Liabilities of current income tax and other taxes	28	19,419	21,108
Employee defined benefit obligations	29	89,126	105,816
Other liabilities	30	806,500	831,557
Provisions	31	383,188	410,446
		51,677,531	**56,236,029**
Liabilities related to assets held for sale	44		338,820
Total Liabilities		**51,677,531**	**56,574,849**
EQUITY			
Share capital	32	461,064	461,064
Share premium	33	10,790,870	10,790,870
Reserves	34	208,187	153,631
Retained earnings	35	(2,735,079)	(2,987,532)
Total Equity		**8,725,042**	**8,418,033**
Total Liabilities and Equity		**60,402,573**	**64,992,882**

The attached notes (pages 198-314) form an integral part of the financial statements

Statement of Comprehensive Income

(Amounts in thousands of Euro)

	Note	From 1 January to 31.12.2016	From 1 January to 31.12.2015
Profit/ (loss), after income tax, recognized in the Income Statement		**260,618**	**(1,032,276)**
Other comprehensive income recognized directly in equity:			
Amounts that may be reclassified to the Income Statement			
Net change in available for sale securities reserve		133,659	67,378
Net change in cash flow hedge reserve		(57,273)	52,408
Income tax		(21,830)	(19,506)
Total amounts that may be reclassified to the income statement	11	**54,556**	**100,280**
Total amounts that will not be reclassified to the income statement			
Net change in actuarial gains/(losses) of defined benefit obligations		(10,529)	1,025
Income tax		3,052	2,076
		(7,477)	**3,101**
Total of other comprehensive income recognized directly in equity, after income tax	11	**47,079**	**103,381**
Total comprehensive income for the year, after income tax		**307,697**	**(928,895)**
Total comprehensive income for the year after income tax attributable to:			
Equity owners of the Bank			
- from continuing operations		308,023	(885,971)
- from discontinued operations		(326)	(42,924)

The attached notes (pages 198-314) form an integral part of the financial statements

Statement of Changes in Equity

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 1.1.2015		**3,830,718**	**4,858,216**	**53,351**	**(1,921,112)**	**6,821,173**
Changes for the period 1.1 - 31.12.2015						
Profit for the year, after income tax					(1,032,276)	(1,032,276)
Other comprehensive income recognized directly in equity, after income tax	11			100,280	3,101	103,381
Total comprehensive income for the year, after income tax		**-**	**-**	**100,280**	**(1,029,175)**	**(928,895)**
Decrease of common shares nominal value	32	(3,754,104)	3,754,104			-
Share capital increase paid in cash	32	232,825	1,319,344			1,552,169
Share capital increase through capitalization of monetary claims	32	151,625	859,206			1,010,831
Share capital increase expenses, after income tax					(43,506)	(43,506)
Effect due to change of the income tax rate for share capital increase expenses					6,261	6,261
Balance 31.12.2015		**461,064**	**10,790,870**	**153,631**	**(2,987,532)**	**8,418,033**

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 1.1.2016		**461,064**	**10,790,870**	**153,631**	**(2,987,532)**	**8,418,033**
Changes for the period 1.1 - 31.12.2016						
Profit for the year, after income tax					260,618	260,618
Other comprehensive income recognized directly in equity, after income tax	11			54,556	(7,477)	47,079
Total comprehensive income for the year, after income tax		**-**	**-**	**54,556**	**253,141**	**307,697**
Share capital increase expenses, after income tax					(688)	(688)
Balance 31.12.2016		**461,064**	**10,790,870**	**208,187**	**(2,735,079)**	**8,725,042**

The attached notes (pages 198-314) form an integral part of the financial statements

Statement of Cash Flows

(Amounts in thousands of Euro)

		From 1 January to	
	Note	31.12.2016	31.12.2015
Cash flows from continuing operating activities			
Profit/(loss) before income tax		137,789	(1,812,457)
Adjustments for gain/(losses) before income tax for:			
Depreciation/impairment of fixed assets	20.21	42,625	34,752
Amortization of intangible assets	22	39,282	38,191
Impairment losses from loans, provisions and staff leaving indemnity		1,129,237	2,790,974
Impairment of investments		307,280	25,553
Negative goodwill from the acquisition of Diners Club Greece A.E.P.P.	43		(48,237)
(Gains)/losses from investing activities		(503,715)	(47,664)
(Gains)/losses from financing activities		47,433	156,968
		1,199,931	**1,138,080**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks		535,954	1,274,513
Trading securities and derivative financial assets		149,058	359,314
Loans and advances to customers		138,353	(1,249,681)
Other assets		19,759	53,757
Net increase/(decrease) in liabilities relating to continuing operating activities:			
Due to banks		(5,740,787)	7,616,240
Derivative financial liabilities		(276,269)	(337,439)
Due to customers		1,272,982	(10,239,781)
Other liabilities		(14,370)	(283,609)
Net cash flows from continuing operating activities before taxes		**(2,715,389)**	**(1,668,606)**
Income taxes and other taxes paid		(1,688)	(26,563)
Net cash flows from continuing operating activities		**(2,717,077)**	**(1,695,169)**
Net cash flows from discontinued operating activities		**(17,434)**	**15,340**
Cash flows from continuing investing activities			
Investments in subsidiaries, associates and joint ventures		(105,520)	(40,032)
Acquisitions of the Retail Banking operations of Citibank			10,046
Dividends received		448,975	35,751
Acquisitions of fixed and intangible assets		(98,405)	(76,678)
Disposals of fixed and intangible assets		1,285	3,163
Net (increase)/decrease in investment securities		2,211,631	(74,503)
Net cash flows from continuing investing activities		**2,457,966**	**(142,253)**
Net cash flows from discontinued investing activities		**(9,906)**	**(460)**
Cash flows from continuing financing activities			
Share capital increase	32		1,552,169
Share capital increase expenses		(970)	(61,276)
Repayments of debt securities in issue and other borrowed funds		168,969	(128,262)
Net cash flows from continuing financing activities		**167,999**	**1,362,631**
Effect of exchange rate differences on cash and cash equivalents		1,295	2,130
Net increase/(decrease) in cash flows from continuing activities		**(89,817)**	**(472,661)**
Net increase/(decrease) in cash flows from discontinued activities		**(27,340)**	**14,880**
Cash and cash equivalents at the beginning of the year		**765,248**	**1,223,029**
Cash and cash equivalents at the end of the year	13	**648,091**	**765,248**

The attached notes (pages 198-314) form an integral part of the financial statements

Notes to the Financial Statements

GENERAL INFORMATION

The Bank operates under the brand name of Alpha Bank A.E. using the sign of ALPHA BANK.The Bank's registered office is 40 Stadiou Street, Athens and is listed in the General Commercial Register with registration number 223701000 (ex societe anonyme registration number 6066/06/B/86/05).The Bank's duration is until 2100 but may be extended by the General Meeting of Shareholders.

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

The tenure of the Board of Directors which was elected by the Ordinary General Meeting of Shareholders on 27.6.2014 expires in 2018.

The Board of Directors as at December 31, 2016, consists of:

CHAIRMAN (Non Executive Member)

Vasileios Th. Rapanos

VICE CHAIRMAN
(Non Executive Independent Member)

Evangelos J. Kaloussis */***

EXECUTIVE MEMBERS

MANAGING DIRECTOR

Demetrios P. Mantzounis

EXECUTIVE DIRECTORS AND GENERAL MANAGERS

Spyros N. Filaretos (COO)
Artemios Ch. Theodoridis
George C. Aronis

NON-EXECUTIVE MEMBERS

Efthimios O. Vidalis **/****

NON-EXECUTIVE INDEPENDENT MEMBERS

Ibrahim S. Dabdoub **/****
Richard R. Gildea **/***
Shahzad A. Shahbaz ***/****
Jan Oscar A. Vanhevel */***

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

Marica S. Ioannou - Frangakis

NON-EXECUTIVE MEMBER
(in accordance with the requirements of Law 3864/2010)

Panagiota S. Iplixian */**/***/****

SECRETARY

Georgios P. Triantafyllidis

At the meeting held on 26.1.2017, the Board of Directors of Alpha Bank elected Mrs. Carolyn Adele G. Dittmeier, as non-Executive Independent Member in replacement of Mr. Pavlos A. Apostolidis who resigned on 15.12.2016.

On 23.2.2017 the Board of Directors of Alpha Bank elected, according to Law 3864/2010, after the instructions of the Hellenic Financial Stability Fund, Mr. Spyridon-Stavros A. Mavrogalos – Fotis, as Non-Executive Member in replacement of Mrs. Panagiota S. Iplixian who resigned.

The Ordinary General Meeting of Shareholders of 30.6.2016 appointed for the fiscal year of 2016, KPMG Certified Auditors AE as certified auditors of the Bank by the following persons:

a. Principal Auditors:	Nikolaos E. Vouniseas
	John A. Achilas
b. Substitute Auditors:	Michael A. Kokkinos
	Anastasios E. Panayides

* *Member of the Audit Committee*
** *Member of the Remuneration Committee*
*** *Member of the Risk Management Committee*
**** *Member of Corporate Governance and Nominations Committee*

The Bank’s shares are listed in the Athens Stock Exchange since 1925 and are ranked among the companies with the higher market capitalization. Additionally, the Bank's share is included in a series of international indices, such as MSCI Emerging Markets Index, the FTSE All World, FTSE Med100 and the FTSE4Good Emerging Index (from December 2016).

Apart from Greek Stock Exchange, the shares of the Bank are listed on the London Stock Exchange in the form of international certificates (GDRs) and they are traded over the counter in New York (ADRs).

The total number of ordinary shares amounted to 1,536,881,200 as at 31 December 2016. 1,367,706,054 ordinary shares of the Bank are traded in the Athens Stock Exchange while the Hellenic Financial Stability Fund (“HFSF”) possesses the remaining 169,175,146 ordinary, registered, voting, paperless shares or percentage equal to 11.01% on the total of ordinary shares issued by the Bank. The exercise of the voting rights for the shares of HFSF is subject to restrictions according to the article 7a of Law 3864/2010.

In addition, on the Athens Stock Exchange there are 1,141,734,167 warrants that are traded each one incorporating the right of the holder to purchase 0.148173663047785 new shares owned by the HFSF.

During the year 2016, the average daily volume per session for shares was €14,802,962 and for warrants €4,325.

The credit rating of the Bank assessment by three international credit rating agencies is as follows:

- Moody’s: Caa3
- Fitch Ratings: RD
- Standard & Poor’s: CCC+

According to Law 4374/1.4.2016, the obligation to publish quarterly financial statements for the first and third quarter of the financial year, pursuant to the provision of Article 6 of Law 3556/2007 before its amendment, was abolished. However, article 25 of Law 4416/6.9.2016 incorporated article 5b in the Law 3556/30.4.2007, based on which the obligation to prepare and publish consolidated Financial Statements for the first and third quarter of the financial year remains. This obligation relates to credit institutions whose securities are traded on a regulated market and are required to publish Consolidated Financial Statements.

Furthermore, according to No.8/754/14.4.2016 decision of the Hellenic Capital Market Commission relating to "Special Topics Periodic Reporting according to Law 3556/2007", the obligation to publish Financial Information arising from the quarterly and half-yearly financial statements, as previously stated by the No.4/507/28.4.2009 decision of the Hellenic Capital Market Commission Board of Directors, was abolished.

In addition, according to Law 4403/7.7.2016, which amended article 135 of Codified Law 2190/1920 the obligation to publish the financial information arising from the annual financial statements, was abolished.

The financial statements have been approved by the Board of Directors on 30 March 2017.

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

These financial statements relate to the fiscal year 1.1 – 31.12.2016 and they have been prepared:

a) in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002 and

b) on the historical cost basis. As an exception, some assets and liabilities are measured at fair value. Those assets are mainly the following:

- Trading securities
- Derivative financial instruments
- Available-for-sale securities
- The convertible bond issued by the Bank which is included in "Debt securities in issue and other borrowed funds".

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

The accounting policies for the preparation of the financial statements have been consistently applied by the Bank to the years 2015 and 2016, after taking into account the following amendments to standards which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2016:

- **Amendment to International Financial Reporting Standard 10** "Consolidated Financial Statements", **to International Financial Reporting Standard 12** "Disclosure of Interests in Other Entities" and **to International Accounting Standard 28** "Investments in Associates and Joint Ventures": Investment Entities: Applying the Consolidation Exception (Regulation 2016/1703/22.9.2016)

On 18.12.2014, the International Accounting Standards Board issued an amendment to the above standards with which it clarified that the exception provided in IFRS 10 and IAS 28, for the preparation of consolidated financial statements and the application of the equity method respectively, applies also to a parent entity that it is a subsidiary of an investment entity which measures all of its subsidiaries at fair value according to IFRS 10. In addition, with the aforementioned amendment it was clarified that the disclosure requirements of IFRS 12 apply to the investment entities which measure all of their subsidiaries at fair value through profit or loss.

The adoption of the above amendment by the Bank had no impact on its financial statements.

- **Amendment to International Financial Reporting Standard 11** "Joint Arrangements": Accounting for acquisition of interests in joint operations (Regulation 2015/2173/24.11.2015)

On 6.5.2014 the International Accounting Standards Board issued an amendment to IFRS 11 with which it is clarified that when an entity acquires an interest in a joint operation in which the activity of the joint operation constitutes a business (as defined in IFRS 3), it shall apply all of the principles on business combinations accounting in IFRS 3, and other IFRSs, that do not conflict with the guidance in IFRS 11. In addition, it shall disclose the information required by IFRS 3 and other related standards. This applies both when acquiring the initial interest in the joint operation that constitutes a business and when acquiring an additional interest.

The adoption of the above amendment by the Bank had no impact on its financial statements.

- **Amendment to International Accounting Standard 1** "Presentation of Financial Statements": Disclosure Initiative (Regulation 2015/2406/18.12.2015)

On 18.12.2014 the International Accounting Standards Board issued an amendment to IAS 1 in the context of the project it has undertaken to analyze the possibilities for improving the disclosures in IFRS financial reporting. The main amendments are summarized below:

- the restriction to disclose only a summary of significant accounting policies is removed;
- it is clarified that even when other standards require specific disclosures as minimum requirements, an entity may not provide them if this is considered immaterial. In addition, in case the disclosures required by the IFRS are insufficient to enable users to understand the impact of particular transactions, the entity shall consider whether to provide additional disclosures;
- it is clarified that the line items that IFRS require to be presented in the balance sheet and the statements of profit or loss and other comprehensive income are not restrictive and that the entity may present additional line items, headings and subtotals;
- it is clarified that in the Statement of Comprehensive Income the share of other comprehensive income of associates and joint ventures accounted for using the equity method shall be separated into:
  - amounts that will not be reclassified subsequently to profit or loss and
  - amounts that will be reclassified subsequently to profit or loss;
- it is clarified that the standard does not specify the presentation order of the notes and that each entity shall determine a systematic manner of presentation taking into account the understandability and comparability of its financial statements.

The adoption of the above amendment by the Bank had no impact on its financial statements.

- **Amendment to International Accounting Standard 16** "Property, Plant and Equipment" and **to International Accounting Standard 38** "Intangible Assets": Clarification of Acceptable Methods of Depreciation and Amortization (Regulation 2015/2231/2.12.2015)

On 12.5.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 38 with which it expressly prohibits the use of revenue as a basis for the depreciation and amortization method of property, plant and equipment and intangible assets respectively. An exception is provided only for intangible assets and only when the following conditions are met:

(a) when the intangible asset is expressed as a measure of revenue, i.e. when the right over the use of the intangible asset is expressed as a function of revenue to be generated in such a way that the generation of a specific amount of revenue determines the end of the right of use, or

(b) when it can be demonstrated that the revenue and the consumption of the economic benefits are highly correlated.

The adoption of the above amendment by the Bank had no impact on its financial statements.

- **Amendment to International Accounting Standard 16** "Property, Plant and Equipment" and **to International Accounting Standard 41** "Agriculture": Bearer Plants (Regulation 2015/2113/23.11.2015)

On 30.6.2014 the International Accounting Standards Board issued an amendment to IAS 16 and IAS 41 with which it clarified that bearer plants, which are living plants that:

a) are used in the production or supply of agricultural produce;

b) are expected to bear produce for more than one period; and

c) have remote likelihood of being sold as agricultural produce, except for incidental scrap sales,

shall be accounted for based on IAS 16 instead of IAS 41.

The above amendment does not apply to the activities of the Bank.

- **Amendment to International Accounting Standard 27** "Separate Financial Statements": Equity Method in Separate Financial Statements (Regulation 2015/2441/18.12.2015)

On 12.8.2014 the International Accounting Standards Board issued an amendment to IAS 27 with which it provides the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. In addition, with the above amendment it is clarified that the financial statements of an investor that does not have investments in subsidiaries but has investments in associates or joint ventures, which under IAS 28 are accounted for with the equity method, do not constitute separate financial statements.

The above option was not adopted by the Bank.

- **Improvements to International Accounting Standards – cycle 2012-2014** (Regulation 2015/2343/15.12.2015)

As part of the annual improvements project, the International Accounting Standards Board issued, on 25.9.2014, non- urgent but necessary amendments to various standards.

The adoption of the above amendments had no impact on the financial statements of the Bank.

Except for the standards mentioned above, the European Union has adopted the following new standards which are effective for annual periods beginning after 1.1.2016 and have not been early adopted by the Bank.

- **International Financial Reporting Standard 9** "Financial Instruments" (Regulation 2016/2067/22.11.2016)

Effective for annual periods beginning on or after 1.1.2018

On 24.7.2014, the International Accounting Standards Board completed the issuance of the final text of IFRS 9: Financial Instruments, which replaces the existing IAS 39. The new standard provides for significant differentiations in the classification and measurement of financial instruments as well as in hedge accounting. An indication of the new requirements is presented below:

Classification and measurement

Financial instruments shall be classified, at initial recognition, at either amortized cost or at fair value. The criteria that should be considered for the initial classification of the financial assets are the following:

i. The entity's business model for managing the financial assets and

ii. The contractual cash flow characteristics of the financial assets.

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the instrument is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

If an instrument meets the above criteria but is held with the objective of both selling and collecting contractual cash flows it shall be classified as measured at fair value through other comprehensive income.

Financial assets that are not included in any of the above two categories are mandatorily measured at fair value though profit or loss.

In addition, IFRS 9 permits, at initial recognition, equity instruments to be classified at fair value through other comprehensive income. The option precludes equity instruments held for trading. Moreover, with regards to embedded derivatives, if the hybrid contact contains a host that is within the scope of IFRS 9, the embedded derivative shall not be separated and the accounting treatment of the hybrid contact should be based on the above requirements for the classification of the financial instruments.

With regards to the financial liabilities, the main difference is that the change in the fair value of a financial liability initially designated at fair value through profit or loss shall be recognised in profit or loss with the exception of the effect of change in the liability's credit risk which shall be recognised directly in other comprehensive income.

Impairment

Contrary to the existing IAS 39, under which an entity recognizes only incurred credit losses, the new standard requires the recognition of expected credit losses. In particular, on initial recognition of an asset, 12-month expected credit losses are recognized. However, in case the credit risk of the issuers has increased significantly since initial recognition as well as in cases of purchased or originated credit impaired assets lifetime expected credit losses are recognized.

Hedging

The new requirements for hedge accounting are more aligned with the entity's risk management. The main changes in relation to the current requirements of IAS 39 are summarized below:

- more items become eligible for participating in a hedging relationship either as hedging instruments or as hedged items,
- the requirement for hedge effectiveness tests to be within the range of 80%-125% is removed. Hedge effectiveness test is performed progressively only and under certain circumstances a qualitative assessment is considered adequate,
- in case that a hedging relationship ceases to be effective but the objective of risk management regarding the hedging relationship remains the same, the entity shall rebalance the hedging relationship in order to satisfy the hedge effectiveness criteria.

It is noted that the new requirements for hedge accounting do not include those that relate to macro hedging, since they have not been finalized yet.

Except for the aforementioned modifications, the issuance of IFRS 9 has resulted in the amendment to other standards and mainly to IFRS 7 where new disclosures were added.

IFRS 9 Implementation Program

The Bank, in order to ensure proper application of the new standard, has embarked on the IFRS 9 Implementation Program. For the management of the Program two Committees have been established:

a. An Implementation Steering Committee consisting of member of the General Management

b. An Operational Steering Committee consisting of senior management from Finance, Risk and IT.

The Implementation Steering Committee meets on a regular basis to confirm key assumptions, approve decisions and policies as well as to monitor the progress of the implementation work across the Group. The program is organized around two main work streams, the impairment workstream and the classification and measurement work stream. Delivery of implementation of the required changes has been undertaken by the approximately 42 projects that the Bank has identified to ensure compliance with IFRS 9.

In addition, the Board of Directors, the Audit Committee and the Risk management Committee have assumed an active role, which includes the involvement in the decision making process for key assumptions and decisions of the IFRS 9 Program.

The project organization is relevant for significant Group subsidiaries which have also set up committees for the management of the application at the local level, within the framework of principles and policies set by the Group.

To date, the Program has been directed towards determining the classification of its financial instruments based on the new criteria, developing key methodologies regarding IFRS 9 concepts, designing the operating model and the systems operating model will be maintained and developing risk modeling methodologies for the calculation of impairment.

Classification and measurement work stream

The Bank is in the process of assessing the existing and define the new business models, where necessary, that will be compatible with the Bank's business strategy. The result of the assessment will be the mapping of Bank's financial assets to the new business models.

Additionally, the Bank is in the process of assessing its financial assets in order to determine whether the SPPI criterion (i.e. cash flows represent Solely Payments of Principal and Interest) is met. For standardised retail loans, the assessment is based on product characteristics while for non standardised (mainly corporate) loans and debt securities the assessment is based on the characteristics of the individual asset.

Finally, the Bank is in the process of updating policies and designing new classification processes that shall be applied for the classification of financial assets from 1.1.2018.

Impairment work stream

The Bank will be required to record an allowance for expected losses for all loans and other debt financial assets not held at fair value through profit or loss, together with loan commitments and financial guarantee contracts.

The allowance is based on the expected credit losses associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination, in which case, the allowance is based on the probability of default over the life of the asset.

When determining whether the risk of default has significantly increased since initial recognition, the Bank intends to consider reasonable and supportable information, both quantitative and qualitative, that could vary between portfolios.

The Bank is currently developing its detailed methodologies for assessing when there is an increase in credit risk.

The key inputs to the measurement of the expected credit loss are the following variables:

- Probability of default
- Loss Given default
- Exposure at default

The Bank expects to derive these parameters from internally developed statistical models and other historical data that will be adjusted to reflect forward looking information. The Bank intends to develop at least two scenarios to estimate future economic environment.

Finally, the Bank is designing the processes and the governance framework for impairment calculations, including the new elements introduced by IFRS 9, with the aim to establish detailed process flow to be implemented in the system for impairment calculations and to update accordingly policy and process manuals.

Hedge accounting

The Bank is still examining whether it will exercise the accounting policy choice to continue applying IAS 39 hedge accounting. The current intention is to continue to apply IAS 39.

Transition approach

The classification and measurement and impairment requirements are applied retrospectively by adjusting the opening balance sheet at the date of initial application, with no requirement to restate comparative periods. The current intention of the Bank is not to restate comparatives.

Quantitative Impact

It is estimated that until IFRS 9 Implementation Program has progressed to such a degree that important decisions affecting implementation have been taken and incorporated in the models for the calculation of impairment losses there would be no reliable estimate of the impact of IFRS 9, especially with regards to the interaction with regulatory capital requirements. Therefore, no reliable information can be disclosed regarding expected impact on the Bank's financial position and regulatory capital.

The Bank, however, intends to quantify the potential impact of IFRS 9 once allowed by the degree of Program Implementation and no later than the audited annual financial statements of 31.12.2017.

- **International Financial Reporting Standard 15** "Revenue from Contracts with Customers" (Regulation 2016/1905/22.9.2016)

Effective for annual periods beginning on or after 1.1.2018

IFRS 15 "Revenue from Contracts with Customers" was issued on 28.5.2014 by the International Accounting Standards Board. The new standard is the outcome of a joint project by the IASB and the Financial Accounting Standards Board (FASB) to develop common requirements as far as the revenue recognition principles are concerned.

The new standard shall be applied to all contracts with customers, except those that are in scope of other standards, such as financial leases, insurance contracts and financial instruments.

According to the new standard, an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A new revenue recognition model is introduced, by applying the following five steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The performance obligation notion is new and in effect represents a promise in a contract with a customer to transfer to the customer either: (a) a good or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The new IFRS 15 supersedes:

(a) IAS 11 "Construction Contracts";

(b) IAS 18 "Revenue";

(c) IFRIC 13 "Customer Loyalty Programmes";

(d) IFRIC 15 "Agreements for the Construction of Real Estate";

(e) IFRIC 18 "Transfers of Assets from Customers";and

(f) SIC-31 "Revenue—Barter Transactions Involving Advertising Services".

The Bank is examining the impact from the adoption of IFRS 15 on its financial statements.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards as well as IFRIC 22 which have not yet been adopted by the European Union and they have not been early applied by the Bank.

- **Amendment to International Financial Reporting Standard 2** "Share-based Payment": Classification and Measurement of Share-based Payment Transactions

Effective for annual periods beginning on or after 1.1.2018

On 20.6.2016 the International Accounting Standards Board issued an amendment to IFRS 2 with which the following were clarified:

- in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions shall follow the same approach as for equity-settled share-based payments,
- where tax law requires an entity to withhold a specified amount of tax (that constitutes a tax obligation of the employee) that relates to share-based payments and shall be remitted to the tax authority, such an arrangement shall be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature,
- if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Financial Reporting Standard 4** "Insurance Contracts": applying IFRS 9 **Financial Instruments** with IFRS 4 **Insurance Contracts**

Effective for annual periods beginning on or after 1.1.2018

On 12.9.2016 the International Accounting Standards Board issued an amendment to IFRS 4 with which:

- It provides insurers, whose activities are predominantly connected with insurance, with a temporary exemption from application of IFRS 9 and
- following full adoption of IFRS 9, it gives all entities with insurance contracts the option to present changes in fair value on qualifying designated financial assets in other comprehensive income instead of profit or loss.

The above amendment does not apply to the Bank.

- **Amendment to International Financial Reporting Standard 10** "Consolidated Financial Statements" and **to International Accounting Standard 28** "Investments in Associates and Joint Ventures": Sale or contribution of assets between an investor and its associate or joint venture

Effective date: To be determined

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent loses control of a subsidiary, which does not contain a business, as defined in IFRS 3, it shall recognise to profit or loss only the part of the gain or loss which is related to the unrelated investor's interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture. In addition, in case the investor retains an investment in the former subsidiary and the former subsidiary is now an associate or joint venture, it recognises the part of the gain or loss resulting from the remeasurement at fair value of the investment retained in that former subsidiary in its profit or loss only to the extent of the unrelated investor's interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary.

In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognised.

On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

- **International Financial Reporting Standard 14** "Regulatory deferral accounts"

Effective for annual periods beginning on or after 1.1.2016

On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.

The above standard does not apply to the financial statements of the Bank.

- **Amendment to International Financial Reporting Standard 15** "Revenue from Contracts with Customers": Clarifications to IFRS 15 *Revenue from Contracts with Customers*

Effective for annual periods beginning on or after 1.1.2018

On 12.4.2016 the International Accounting Standards Board issued an amendment to IFRS 15 with which it clarified mainly the following:

- when a promised good or service is separately identifiable from other promises in a contract, which is part of an entity's assessment of whether a promised good or service is a performance obligation,
- how to apply the principal versus agent application guidance to determine whether the nature of an entity's promise is to provide a promised good or service itself (i.e., the entity is a principal) or to arrange for goods or services to be provided by another party (i.e., the entity is an agent),
- for a licence of intellectual property, which is a factor in determining whether the entity recognises revenue over time or at a point in time.

Finally, two practical expedients to the transition requirements of IFRS 15 were added for completed contracts under full retrospective transition approach as well as for contract modifications at transition.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

- **International Financial Reporting Standard 16** "Leases"

Effective for annual periods beginning on or after 1.1.2019

On 13.1.2016 the International Accounting Standards Board issued IFRS 16 "Leases" which supersedes:

- IAS 17 " Leases"
- IFRIC 4 "Determining whether an arrangement contains a lease"
- SIC 15 "Operating Leases – Incentives" and
- SIC 27 "Evaluating the substance of transactions involving the legal form of a lease".

The new standard significantly differentiates the accounting of leases for lessees while essentially maintaining the existing requirements of IAS 17 for the lessors. In particular, under the new requirements, the classification of leases as either operating or finance is eliminated. A lessee is required to recognize, for all leases with term of more than 12 months, the right-of-use asset as well as the corresponding obligation to pay the lease payments. The above treatment is not required when the asset is of low value.

The Bank is examining the impact from the adoption of IFRS 16 on its financial statements.

- **Amendment to International Accounting Standard 7** "Statement of Cash Flows": Disclosure Initiative

Effective for annual periods beginning on or after 1.1.2017

On 29.1.2016 the International Accounting Standards Board issued an amendment to IAS 7 according to which an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities for which cash flows are classified in the statement of cash flows as cash flows from financing activities. The changes that shall be disclosed, which may arise both from cash flows and non-cash changes, include:

- changes from financing cash flows,
- changes arising from obtaining or losing control of subsidiaries or other businesses,
- the effect of changes in foreign exchange rates,
- changes in fair values and
- other changes.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Accounting Standard 12** "Income Taxes": Recognition of Deferred Tax Assets for Unrealised Losses

Effective for annual periods beginning on or after 1.1.2017

On 19.1.2016 the International Accounting Standards Board issued an amendment to IAS 12 with which the following were clarified:

- Unrealised losses on debt instruments measured at fair value for accounting purposes and at cost for tax purposes may give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the asset by sale or by use.
- The recoverability of a deferred tax asset is assessed in combination with other deferred tax assets. However, if tax law offsets specific types of losses only against a particular type of income, the relative deferred tax asset shall be assessed in combination with other deferred tax assets of the same type.
- During the deferred tax asset recoverability assessment, an entity compares the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences.
- The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

- **Amendment to International Accounting Standard 40** "Investment Property": Transfers of Investment Property

Effective for annual periods beginning on or after 1.1.2018

On 8.12.2016 the International Accounting Standards Board issued an amendment to IAS 40 with which it clarified that an entity shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. In addition, the examples of evidence of a change in use were expanded to include assets under construction and not only transfers of completed properties.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

- **Improvements to International Accounting Standards – cycle 2014-2016**

Effective for annual periods beginning on or after 1.1.2017 and 1.1.2018

As part of the annual improvements project, the International Accounting Standards Board issued, on 8.12.2016, non- urgent but necessary amendments to various standards.

The Bank is examining the impact from the adoption of the above amendments on its financial statements.

- **IFRIC Interpretation 22** "Foreign Currency Transactions and Advance Consideration"

Effective for annual periods beginning on or after 1.1.2018

On 8.12.2016 the International Accounting Standards Board issued IFRIC 22. The Interpretation covers foreign currency transactions when an entity recognizes a non monetary asset or liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation clarified that the date of the transaction, for the purpose of determination of exchange rate to use on initial recognition of the asset, the income or expense, is the date of initial recognition of the non monetary asset or liability (i.e. advance consideration). Additionally, if there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

The Bank is examining the impact from the adoption of the above Interpretation on its financial statements.

1.2 Operating Segments

Operating segments are determined and measured based on the information provided to the Executive Committee of the Bank, which is the body responsible for the allocation of resourses between the Bank's operating segments and the assessment of their performance.

Based on the above, as well as the Bank's administrative structure and activities, the following operating segments have been determined:

- Retail Banking
- Corporate Banking
- Asset Management and Insurance
- Investment Banking and Treasury
- South Eastern Europe
- Other

Since the Bank operates in various geographical areas, apart from the operating segments identified above, the financial statements contain information based on the below distinction:

- Greece
- Other Countries

It is noted that the methods used to measure operating segments for the purpose of reporting to the Executive Committee are not different from those required by the International Financial Reporting Standards.

Detailed information relating to operating segments is provided in note 37.

1.3 Transactions in foreign currency and translation of foreign operations

a. Transactions in foreign currency

The financial statements are presented in Euro, which is the functional currency and the currency of the Bank's country of incorporation.

Items included in the financial statements of each of the foreign branches are measured at the functional currency which is the currency of the country of incorporation in which the branch operates or the currency used in the majority of the transactions held.

Transactions in foreign currencies are translated into the functional currency at the closing exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency at the closing exchange rate at that date. Foreign exchange differences arising on translation are recognized in the income statement.

Non-monetary assets and liabilities are recognized at the exchange rate ruling at initial recognition, except for non-monetary items denominated in foreign currencies that are measured at fair value.

The exchange differences relating to these items are part of the change in fair value and they are recognized in the income statement or recorded directly in equity depending on the classification of the non-monetary item.

b. Translation of foreign operations

The results and financial position of all foreign branches that have a functional currency that is different from the presentation currency of the Bank's financial statements are translated as follows:

i. Assets and liabilities are translated to Euro at the closing rate applicable on the balance sheet date. The comparative figures presented are translated to Euro at the closing rates at the respective date of the comparative balance sheet.

ii. Income and expense items are translated to Euro at average exchange rates applicable for each period presented.

The resulting exchange differences from the above translation and those arising from other monetary items designated as a part of the net investment in a foreign entity are recorded in equity. These translation differences are reclassified to the income statement when a foreign branch is sold.

1.4 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents consists of:

a. Cash on hand

b. Non-restricted placements with Central Banks and

c. Short-term balances due from banks and Reverse Repo agreements

Short-term balances due from banks are amounts that mature within three months of the balance sheet date.

1.5 Classification and measurement of financial instruments

Initial recognition

The Bank recognises financial assets or financial liabilities in its statement of financial position when it becomes a party to the contractual provisions of the instrument.

Upon initial recognition the Bank measures financial assets and liabilities at fair values. Financial instruments not measured at fair value through profit or loss are initially recognised at fair value plus transaction costs and minus income or fees that are directly attributable to the acquisition or issue of the financial instrument.

Subsequent measurement of financial assets

The Bank classifies its financial assets as:

- Loans and receivables
- Held-to-maturity investments
- Financial assets at fair value through profit or loss
- Available-for-sale financial assets

For each of the above categories the following apply:

a) Loans and receivables

Non derivative financial assets, with fixed or determinable payments, that are not quoted in an active market and for which the Bank does not expect not to recover substantially its investment, other than because of credit deterioration of the issuer, can be classified as loans and receivables. The Bank has classified the following as loans and receivables:

i. loans to customers,

ii. amounts paid to acquire a portion or the total of series of bonds that are not quoted in an active market,

iii. all receivables from customers, banks etc.,

iv. bonds with fixed or determinable payments that are not quoted in an active market.

This category is measured at amortized cost using the effective interest rate method and is periodically tested for impairment based on the procedures described in note 1.13.

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the interest income or expense during the relative period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the contractual life of a financial instrument or the next repricing date.

b) Held-to-maturity investments

Non derivative financial assets with fixed or determinable payments and fixed maturity that the Bank has the positive intention and ability to hold until maturity can be classified as Held to maturity investments.

The Bank has classified bonds and other debt securities in this category.

Held to maturity investments are measured at amortized cost using the effective interest rate method and are tested for impairment at each reporting date. In cases when objective evidence exists that an impairment loss has occurred, the carrying amount of the financial asset is reduced to the recoverable amount, and the difference is recognised in profit and loss.

c) Financial assets at fair value through profit or loss

Financial assets included in this category are:

i. Financial assets which are acquired principally for the purpose of selling in the near term to obtain short term profit (held for trading).

   The Bank has included in this category bonds, treasury bills and a limited number of shares.

ii. Financial assets the Bank designated, at initial recognition, as at fair value through profit and loss.

This classification is used in the following circumstances:

- When management monitors and manages the financial instruments on a fair value basis in accordance with a documented risk management or investment strategy.
- When the designation eliminates an accounting mismatch which would otherwise arise from measuring financial assets and liabilities on a different basis (i.e. amortized cost) in relation to another financial asset or liability (i.e. derivatives which are measured at fair value through the profit or loss).
- When a financial instrument contains an embedded derivative that significantly modifies the cash flows, or the separation of these derivatives from the main financial instruments is not prohibited.

As at the reporting date, the Bank had not designated, at initial recognition, any financial assets as at fair value through profit and loss.

d) Available-for-sale investments

Available-for-sale financial assets are financial assets that have not been classified in any of the previous categories.

The Bank has included in this category bonds, treasury bills, debt securities, shares and mutual fund units.

This category is measured at fair value. Changes in fair value are recognized directly in equity until the financial asset is sold, where upon, the cumulative gains and losses previously recognized in equity are recognized in profit or loss.

The financial assets included in this category are reviewed at each balance sheet date to determine whether there is any indication of impairment. For investments in shares, in particular, a significant or prolonged decline in their fair value below their acquisition cost is considered as an objective evidence of impairment. The Bank considers as "significant" a decrease of over 20% compared to the cost of the investment. Respectively, "prolonged" is a decrease in the fair value below amortised cost for a continuous period exceeding one year. The above criteria are assessed in conjunction with the general market conditions.

In case of impairment, the cumulative loss already recognised in equity is reclassified in profit and loss. When a subsequent event causes the amount of impairment loss recognised on an available-for-sale bond or debt security to decrease, the impairment loss is reversed through profit or loss, if it can objectively be related to an event occurring after the impairment loss was recognized. However, impairment losses recognised for investments in shares and mutual funds are not reversed through profit and loss.

The measurement principles noted above are not applicable when a specific financial asset is the hedged item in a hedging relationship, in which case the principles set out in note 1.6 apply.

Reclassification of financial assets

Reclassification of non-derivative financial assets is permitted as follows:

i. Reclassification out of the "held-for-trading" category to the "loans and receivables" category, "investments held to maturity" category or "available-for-sale" category is permitted only when there are rare circumstances and the financial assets are no longer held for sale in the foreseeable future.

ii. Reclassification out of the "held-for-trading" category to either "loans and receivables", or "available-for-sale" is permitted, even when there are no rare circumstances, only if the financial assets meet the definition of loans and receivables and there is the intention to hold them for the foreseeable future or until maturity.

iii. Reclassification out of the "available-for-sale" category to the "loans and receivables" category is permitted for financial assets that would have met the definition of loans and receivables and the entity has the intent to hold the financial asset for the foreseeable future or until maturity.

iv. Reclassification out of the "available-for-sale" category to the "held to maturity" category is permitted for financial assets that meet the relevant characteristics and the entity has the intent and ability to hold them until maturity.

v. Reclassification out of the "held-to-maturity" category to the "available-for-sale" category occurs when the entity has no longer the intention or the ability to hold these instruments until maturity.

It is noted that in case of a sale or reclassification of a significant amount of held-to-maturity investments, the remaining investments in this category are mandatorily transferred to the available-for-sale category. This would prohibit the classification of any securities as held-for-maturity for the current and the following two financial years. Exceptions apply in cases of sales and reclassifications of investments that:

i. are so close to maturity or the financial asset's call date that changes in the market rate of interest would not have a significant effect on the financial asset's fair value;

ii. occur after the Bank has collected substantially all of the financial asset's original principal through scheduled payments or prepayments; or

iii. are attributable to an isolated, nonrecurring event that is beyond the Bank's control.

Derecognition of financial assets

The Bank derecognizes financial assets when:

- the cash flows from the financial assets expire,
- the contractual right to receive the cash flows of the financial assets is transferred and at the same time both risks and rewards of ownership are transferred,

- loans or investments in securities are no longer recoverable and consequently are written off.

In case of transactions, where despite the transfer of the contractual right to recover the cash flows from financial assets both the risk and rewards remain with the Bank, no derecognition of these financial assets occurs. The amount received by the transfer is recognized as a financial liability. The accounting practices followed by the Bank in such transactions are analysed further in notes 1.20 and 1.21.

In case of transactions whereby the Bank neither retains or transfers risks and rewards of the financial assets, but retains control over them, the financial assets are recognized to the extent of the Bank's continuing involvement. If the Bank does not retain control of the assets then they are derecognised, and in their position the Bank recognizes, distinctively, the assets and liabilities which are created or retained during the transfer. No such transactions occurred upon balance sheet date.

Subsequent measurement of financial liabilities

The Bank classifies financial liabilities in the following categories for measurement purposes:

a) Financial liabilities measured at fair value through profit or loss

i. This category includes financial liabilities held for trading, that is:

   - financial liabilities acquired or incurred principally with the intention of selling or repurchasing in the near term for short term profit, or
   - derivatives not used for hedging purposes. Liabilities arising from either derivatives held for trading or derivatives used for hedging purposes are presented as "derivative financial liabilities" and are measurement according to the principles set out in note 1.6.

ii. this category also includes financial liabilities which are designated by the Bank as at fair value through profit or loss upon initial recognition, according to the principles set out above for financial assets (point cii).

In the context of the acquisition of Emporiki Bank, the Bank issued a bond which was classified in the above mentioned category.

b) Financial liabilities carried at amortized cost

The liabilities classified in this category are measured at amortized cost using the effective interest rate method.

Liabilities to credit institutions and customers, debt securities issued by the Bank and other loan liabilities are classified in this category.

In cases when financial liabilities included in this category are designated as the hedged item in a hedge relationship, the accounting principles applied are those set out in note 1.6.

c) Liabilities arising from financial guarantees and commitments to provide loans at a below market interest rate

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment.

The financial guarantee contracts and the commitments to provide loans at a below market interest rate are initially recognized at fair value, and measured subsequently at the higher of:

- the amount of the provision (determined in accordance with IAS 37) when an outflow of resources is considered probable and a reliable estimate of this outflow is possible,
- the amount initially recognised less cumulative amortization.

Derecognition of financial liabilities

The Bank derecognizes a financial liability (or part thereof) when its contractual obligations are discharged or cancelled or expire.

In cases that a financial liability is exchanged with another one with substantially different terms, the exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new one. The same applies in cases of a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor). The terms are considered substantially different if the discounted present value of the cash flows under the new terms (including any fees paid net of any fees received), discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability.

In cases of derecognition, the difference between the carrying amount of the financial liability (or part of the financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the balance sheet, only in cases when the Bank has both the legal right and the intention to settle them on a net basis, or to realize the asset and settle the liability simultaneously.

1.6 Derivative financial instruments and hedge accounting

Derivative financial instruments

Derivatives are financial instruments that upon inception have a minimal or zero value that subsequently changes in accordance with a particular underlying instrument (foreign exchange, interest rate, index or other variable).

All derivatives are recognized as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives are entered into for either hedging or trading purposes and they are measured at fair value irrespective of the purpose for which they have been transacted.

In the cases when derivatives are embedded in other financial instruments, such as bonds, loans, deposits, borrowed funds etc. and the host contract is not itself carried at fair value through profit or loss, then they are accounted for as separate derivatives when the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. These embedded derivatives are measured at fair value and are recognized as derivative assets or liabilities.

In the cases where derivatives are embedded in financial instruments that are measured at fair value through profit or loss, the changes in the fair value of the derivative are included in the fair value change of the combined instrument and recognized in gains less losses on financial transactions.

The Bank uses derivatives as a means of exercising asset-liability management within the guidelines established by the Asset-Liability Committee (ALCO).

In addition the Bank uses derivatives for trading purposes to exploit short-term market fluctuations, within the Bank risk level set by the Asset-Liability Committee (ALCO).

Valuation differences arising from these derivatives are recognized in gains less losses on financial transactions.

When the Bank uses derivatives for hedging purposes it ensures that appropriate documentation exists on inception of the transaction. The effectiveness of the hedge is monitored on inception and on an ongoing basis at each balance sheet date.

We emphasize the following:

a. Synthetic Swaps

The Bank, in order to increase the return on deposits to selected customers, uses synthetic swaps.

This involves the conversion of a Euro deposit to JPY or other currency with a simultaneous forward purchase of the related currency to cover the foreign exchange exposure.

The result arising from the forward transaction is recognized as interest expense, which is included in deposits' interest expense, foreign exchange differences and other gains less losses on financial transactions.

b. FX Swaps

These types of swaps are entered into primarily to hedge the exposures arising from customer loans and deposits.

As there is no documentation to support hedge accounting they are accounted for as trading instruments.

The result arising from these derivatives is recognized as interest and foreign exchange differences, in order to match with the interest element and foreign exchange differences resulting from the deposits and loans, and as other gains less losses on financial transactions.

Hedge accounting

Hedge accounting establishes the valuation rules to offset the gain or loss of the fair value of a hedging instrument and a hedged item which would not have been possible if the normal measurement principles were applied.

Documentation of the hedging relationship upon inception and of the effectiveness of the hedge on an on-going basis are the basic requirements for the adoption of hedge accounting.

The hedging relationship is documented upon inception and the hedge effectiveness test is carried out upon inception and is repeated at each reporting date.

a. Fair value hedges

A fair value hedge of a financial instrument offsets the change in the fair value of the hedged item in respect of the risks being hedged.

Changes in the fair value of both the hedging instrument and the hedged item, in respect of the specific risk being hedged, are recognized in the income statement.

When the hedging relationship no longer exists, the hedged items continue to be measured based on the classification and valuation principles set out in note 1.5. Specifically any adjustment, due to the fair value change of a hedged item for which the effective interest rate method is used up to the point that the hedging relationship ceases to be effective, is amortized to interest income or expense based on a recalculated effective interest rate, over its remaining life.

The Bank uses interest rate swaps (IRS's, caps) to hedge risks relating to borrowings, bonds and loans. It also uses foreign exchange derivatives to hedge the foreign exchange risk of investments in subsidiaries.

b. Cash flow hedge

A cash flow hedge changes the cash flows of a financial instrument from a variable rate to a fixed rate.

The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, whereas the ineffective portion is recognized in profit or loss. The accounting treatment of the hedged item does not change.

When the hedging relationship is discontinued, the amount recognized in equity remains there separately until the cash flows or the future transaction occur. When the cash flows or the future transaction occur the following apply:

- If the result is the recognition of a financial asset or a financial liability, the amount is reclassified to profit or loss in the same periods during which the hedged forecast cash flows affect profit or loss.

- If the result is the recognition of a non-financial asset or a non-financial liability or a firm commitment for which fair value hedge accounting is applied, the amount recognized in equity either is reclassified to profit or loss in the same periods during which the asset or the liability affect profit or loss or adjusts the carrying amount of the asset or the liability.

If the expected cash flows or the transaction are no longer expected to occur, the amount is reclassified to profit or loss.

The Bank applies cash flow hedge accounting for specific groups of term deposits as well as for the currency risk of specific assets. The amount that has been recognized in equity, as a result of revoked cash flow hedging relationships for term deposits, is linearly amortized in the periods during which the hedged cash flows from the aforementioned term deposits affect profit or loss.

c. Hedges of net investment in a foreign operation

Hedge accounting of net investment in a foreign operation is similar to cash flow hedge accounting. The cumulative gain or loss recognized in equity is reversed and recognized in profit or loss, at the time that the disposal of the foreign operation takes place.

1.7 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Bank measures the fair value of assets and liabilities traded in active markets based on available quoted market prices. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Especially, for the measurement of securities, the Bank uses a particular range of prices, within the bid-ask spread, in order to characterize the prices as prices of an active market.

The fair value of financial instruments that are not traded in an active market is determined by the use of valuation techniques, appropriate in the circumstances, and for which sufficient data to measure fair value are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If observable inputs are not available, other model inputs are used which are based on estimations and assumptions such as the determination of expected future cash flows, discount rates, probability of counterparty default and prepayments. In all cases, the Bank uses the assumptions that 'market participants' would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Assets and liabilities which are measured at fair value or for which - fair value is disclosed-, are categorized according to the inputs used to measure their fair value as follows:

- Level 1 inputs: quoted market prices (unadjusted) in active markets,
- Level 2 inputs: directly or indirectly observable inputs,
- Level 3 inputs: unobservable inputs used by the Bank, to the extent that relevant observable inputs are not available.

In particular, the Bank applies the following:

Financial instruments

For financial instruments the best evidence of fair value at initial recognition is the transaction price, unless the fair value can be derived by other observable market transactions relating to the same instrument, or by a valuation technique using mainly observable inputs. In these cases, if the fair value differs from the transaction price, the difference is recognized in the statement of comprehensive income. In all other cases, fair value is adjusted to defer the difference with the transaction price. After initial recognition, the deferred difference is recognized as a gain or loss only to the extent that it arises from a change in a factor that market participants would take into account when pricing the instrument.

When measuring fair value, the Bank takes into consideration the effect of credit risk. Specifically, for derivative contracts, the Bank estimates the credit risk of both counterparties (bilateral credit valuation adjustments).

The Bank measures fair value for all assets and liabilities separately. Regarding derivative exposures, however, that the Bank manages as a group on a counterparty basis and for which it provides information to the key management personnel, the fair value measurement for credit risk is performed based on the net risk exposure per counterparty. Credit valuation adjustments arising from the aforementioned process are allocated to either assets or liabilities, depending on whether the net exposure to the counterparty is long or short respectively.

Furthermore, the fair value of deposit accounts with a demand feature (such as saving deposits) is no less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The principal inputs to the valuation techniques used by the Bank are:

- Bond prices - quoted prices available for government bonds and certain corporate securities.
- Credit spreads - these are derived from active market pric-

es, prices of credit default swaps or other credit based instruments, such as debt. Values between and beyond available data points are obtained by interpolation and extrapolation.

- Interest rates - these are principally benchmark interest rates such as the LIBOR, OIS and other quoted interest rates in the swap, bond and futures markets. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Foreign currency exchange rates - observable markets both for spot and forward contracts and futures.
- Equity and equity index prices - quoted prices are generally readily available for equity shares listed on stock exchanges and for major indices on such shares.
- Price volatilities and correlations - Volatility and correlation values are obtained from pricing services or derived from option prices.
- Unlisted equities - financial information specific to the company or industry sector comparables.
- Mutual Funds- for open-ended investments funds listed on a stock exchange the published daily quotations of their net asset values (NAVs).

Non financial assets and liabilities

The most important category of non financial assets for which fair value is estimated is real estate property.

The process, mainly, followed for the determination of the fair value is summarized below:

- Assignment to the engineer- valuer
- Case study- Setting of additional data
- Autopsy - Inspection
- Data processing - Calculations
- Preparation of the valuation report

To derive the fair value of the real estate property, the valuer chooses among the three following valuation techniques:

- Market approach (or sales comparison approach), which measures the fair value by comparing the property to other identical ones for which information on transactions is available.
- Income approach, which capitalizes future cash flows arising from the property using an appropriate discount rate.
- Cost approach, which reflects the amount that would be required currently to replace the asset with another asset with similar specifications, after taking into account the required adjustment for impairment.

Examples of inputs used to determine the fair value of properties and which are analysed to the individual valuations, are the following:

- **Commercial property**: price per square meter, rent growth per annum, long-term vacancy rate, discount rate, expense rate of return, lease term, rate of non leased properties/units for rent.
- **Residential property**: Net return, reversionary yield, net rental per square meter, rate of continually non leased properties/units, expected rent value per square meter, discount rate, expense rate of return, lease term etc.
- **General assumptions such as** the age of the building, residual useful life, square meter per building etc. are also included in the analysis of the individual valuation assessments.

It is noted that the fair value measurement of a property takes into account a market's participant ability to generate economic benefits by using the asset in it's highest and best use or by selling it to another market participant that would use the asset in it's highest and best use.

1.8 Investments in subsidiaries, associates and joint ventures

This caption includes Bank's investments in subsidiaries, associates and joint ventures.

Investments in subsidiaries, associates and joint ventures are carried at cost, plus any expenses directly attributable to their acquisition less impairment losses.

Dividends received by the Bank from the above investments are recognised in the income statement when the dividend distribution is approved by the appropriate body of the company that the Bank has invested in.

In case of absorption of a subsidiary, the Bank applies the provisions of IFRS 3 for business combinations, as described in more detail in note 1.2 of the consolidated financial statements as at 31.12.2016.

1.9 Property, plant and equipment

This caption includes: land, buildings used by the branches or for administrative purposes, additions and improvements of leased property and equipment.

Property, plant and equipment are initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit.

Expenditure on repairs and maintenance is recognized in profit or loss as an expense as incurred.

Depreciation is charged on a straight line basis over the estimated useful lives of property, plant and equipment and it is calculated on the asset's cost minus residual value.

The estimated useful lives are as follows:

- Buildings: up to 40 years.
- Additions to leased fixed assets and improvements: duration of the lease.
- Equipment and vehicles: 5 to 33 years.

Land is not depreciated but it tested for impairment.

The residual value of property and equipment and their useful lives are periodically reviewed and adjusted if necessary at each reporting date.

Property, plant and equipment are reviewed at each reporting date to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss.

Gains and losses from the sale of property and equipment are recognized in profit or loss.

1.10 Investment property

The Bank includes in this category buildings or portions of buildings together with their respective portion of land that are held to earn rental income.

Investment property is initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, investment property is measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit.

All costs for repairs and maintenance are recognized in profit or loss as incurred.

The estimated useful lives over which depreciation is calculated using the straight line method are the same as those applied to property, plant and equipment.

In case of a change in the Bank's intention regarding the use of property, reclassifications to or from the "Investment Property" category occur. In particular, property is reclassified to "Property, plant and equipment" if the Bank's intention is to use the asset in its own business operations, whereas in case the Bank decides to sell the property, it is reclassified to the "Assets held-for-sale" category, provided that all conditions mentioned in paragraph 1.16 are met. Conversely, property not classified as "Investment Property" is transferred to this category in case a decision for its lease is made.

1.11 Goodwill and other intangible assets

The Bank has included in this caption:

a) Intangible assets which are recognized from business combinations in accordance with IFRS 3 or which were individually acquired. The intangible assets are carried at cost less accumulated amortization and impairment losses.

Intangible assets include the value attributed to the acquired customer relationships as well as to the acquired deposit bases. Their useful life has been determined from 2 to 9 years

b) Software, which is measured at cost less accumulated amortization and impairment losses. The cost of separately acquired software comprises of its purchase price and any directly attributable cost of preparing the software for its intended use, including employee benefits or professional fees. The cost of internally generated software comprises of expenditure incurred during the development phase, including employee benefits arising from the generation of the software. Amortization is charged over the estimated useful life of the software, which the Bank has estimated up to 15 years. Expenditure incurred to maintain software programs is recognized in the income statement as incurred. Software that is considered to be an integral part of hardware (hardware cannot operate without the use of the specific software) is classified in property, plant and equipment.

c) Brand names and banking rights which are measured at cost less accumulated amortization and impairment losses. Amortization is charged over the estimated useful life, which the Bank has estimated up to 3 years.

Intangible assets are amortised using the straight line method, excluding those with indefinite useful life, which are not amortized. All intangible assets are tested for impairment.

No residual value is estimated for intangible assets.

1.12 Leases

The Bank enters into leases either as a lessee or as a lessor.

When the risks and rewards incident to ownership of an asset are transferred to the lessee they are classified as finance leases.

All other lease agreements are classified as operating leases.

The accounting treatment followed depends on the classification of the lease, which is as follows:

a) When the Bank is the lessor

i. Finance leases:

For finance leases where the Bank is the lessor the aggregate amount of lease payments is recognized as loans and advances.

The difference between the present value (net investment) of lease payments and the aggregate amount of lease payments is recognized as unearned finance income and is deducted from loans and advances.

The lease rentals received decrease the aggregate amount of lease payments and finance income is recognized on an accrual basis.

The finance lease receivables are subject to the same impairment testing as applied to customer loans and advances as described in note 1.13.

ii. Operating leases:

When the Bank is a lessor of assets under operating leases, the leased asset is recognized and depreciation is charged over its estimated useful life. Income arising from the leased asset is recognized as other income on an accrual basis.

b) When the Bank is the lessee

i. Finance leases:

For finance leases, where the Bank is the lessee, the leased asset is recognized as property, plant and equipment and a respective liability is recognized in other liabilities.

At the commencement of the lease, the leased asset and liability are recognized at amounts equal to the fair value of leased property or, if lower, the present value of the minimum lease payments.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease or, if this is not available, the Bank's borrowing rate for similar financing.

Subsequent to initial recognition the leased assets are depreciated over their useful lives unless the duration of the lease is less than the useful life of the leased asset and the Bank is not expected to obtain ownership at the end of the lease, in which case the asset is depreciated over the term of the lease.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

ii. Operating leases:

For operating leases the Bank as a lessee does not recognize the leased asset but charges in general administrative expenses the lease payments on an accrual basis.

1.13 Impairment losses on loans and advances

The Bank assess as at each balance sheet date whether there is evidence of impairment in accordance with the general principles and methodology set out in IAS 39 and the relevant implementation guidance.

Specifically, the steps performed are the following:

a. The criteria of assessment on an individual or collective basis

The Bank assesses for impairment on an individual basis the loans that it considers individually significant. Significant are the loans of the wholesale sector as well as specific loans of the retail sector. For the remaining loans impairment test is performed on a collective basis.

The Bank has determined the criteria that consist trigger events for the assessment of impairment.

Loans which are individually assessed for impairment and found not impaired are included in groups, based on similar credit risk characteristics, and assessed for impairment collectively.

The Bank groups the portfolio into homogenous populations, based on common risk characteristics, and has a strong historical statistical basis, in which it performs an analysis with which it captures and defines impairment testing, by segment population.

In addition, as part of the collective assessment, the Bank recognizes impairment for loss events that have been incurred but not reported (IBNR). The calculation of the impairment loss in these cases takes into account the period between the occurance of a specific event and the date it becomes known (Loss Identification Period).

A detailed analysis of the loans that belong to the wholesale and retail sectors, of the trigger events for impairment as well as of the characteristics used for the determination of the groups for the collective assessment is included in note 38.1.

b. Methodology in determining future cash flows from impaired loans

The Bank has accumulated a significant amount of historical data, which includes the loss given default for loans after the completion of forced recovery, or other measures taken to secure collection of loans, including the realization of collaterals.

Based on the above, the amount of the recoverable amount of each loan is determined after taking into account the time value of money. The cash flows are discounted at the loans' original effective interest rate.

An impairment loss is recognized to the extent that the recoverable amount of the loan is less than its carrying amount.

c. Interest income recognition

Interest income on impaired loans is recognized based on the carrying value of the loan net of impairment at the original effective interest rate.

d. Impairment recognition – Write-offs

Amounts of impaired loans are recognized on allowance accounts until the Bank decides to write them down/write them off.

The policy of the Bank regarding write downs/write offs is presented in detail in note 38.1.

e. Recoveries

If in a subsequent period, after the recognition of the impairment loss, events occur which require the impairment loss to be reduced, or there has been a collection of amounts from loans and advances previously written-off, the recoveries are recognized in impairment losses and provisions to cover credit risk.

1.14 Impairment losses on non-financial assets

The Bank assess at each balance sheet date non-financial assets for impairment, particularly property, plant and equipment, investment property, goodwill and other intangible assets as well as its investment in subsidiaries, associates and joint ventures.

In assessing whether there is an indication that an asset may be impaired both external and internal sources of information are considered, of which the following are indicatively mentioned:

- The asset's market value has declined significantly, more than would be expected as a result of the passage of time or normal use.
- Significant changes with an adverse effect have taken place during the period or will take place in the near future, in the technological, economic or legal environment in which the entity operates or in the market to which the asset is dedicated.
- Significant unfavorable changes in foreign exchange rates.
- Market interest rates or other rates of return of investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use.
- The carrying amount of the net assets of the entity is greater than its market capitalization.
- Evidence is available of obsolescence or physical damage of an asset.

In addition, collection of dividends from subsidiaries, associates and joint ventures is considered as a possible impairment indicator when investments are tested for impairment at each reporting date.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Fair value less costs to sell is the amount received from the sale of an asset (less the cost of disposal) in an orderly transaction between market participants.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash –generating unit through their use and not from their disposal.

For the valuation of property, plant and equipment, value in use incorporates the value of the asset as well as all the improvements which render the asset perfectly suitable for its use by the Bank.

1.15 Income tax

Income tax consists of current and deferred tax.

Current tax for a period includes the expected amount of income tax payable in respect of the taxable profit for the current reporting period, based on the tax rates enacted at the balance sheet date.

Deferred tax is the tax that will be paid or for which relief will be obtained in future periods due to the different period that certain items are recognized for financial reporting purposes and for taxation purposes. It is calculated based on the temporary differences between the tax base of assets and liabilities and their respective carrying amounts in the financial statements.

Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply when the temporary difference reverses, based on the tax rates (and laws) enacted at the balance sheet date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Income tax, both current and deferred, is recognized in profit or loss except when it relates to items recognized directly in equity. In such cases, the respective income tax is also recognized in equity.

1.16 Non-current assets held for sale

Non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, are classified as held-for-sale.

The above classification is used if the asset is available for immediate sale in its present condition and its sale is highly probable. The sale is considered highly probable when it has been decided by Management, an active programme to locate a buyer has been initiated, the asset is actively marketed for sale at a price which is reasonable in relation to its current fair value, and the sale is expected to be completed within one year. Non-current assets that are acquired exclusively with a view to their subsequent disposal are classified as held for sale at the acquisition date when the one-year requirement is met and it is highly probable that the remaining criteria will be met within a short period following the acquisition (usually within three months).

Non-current assets held for sale mainly consist of assets acquired through the enforcement of security over customer loans and advances.

Before their classification as held for sale, the assets are remeasured in accordance with the respective accounting standard.

Assets held for sale are initially recognised and subsequently remeasured at each balance sheet date at the lower of their carrying amount and fair value less cost to sell.

Any loss arising from the above measurement is recorded in profit or loss and can be reversed in the future. When the loss relates to a disposal group it is allocated to assets within the disposal group with the exception of specific assets that are not within the scope of IFRS 5. The impairment loss on a disposal group is first allocated to goodwill and then to the remaining assets and liabilities on a pro-rata basis.

Assets in this category are not depreciated.

Gains or losses from the sale of these assets are recognized in the income statement.

Non-current assets that are acquired through enforcement procedures but are not available for immediate sale or are not expected to be sold within a year are included in Other Assets and are measured at the lower of cost (or carrying amount) and fair value. Non-current assets held for sale, that the Bank subsequently decides either to use or to lease, are reclassified to the categories of property, plant and equipment or investment property respectively. During their reclassification, they are measured at the lower of their recoverable amount and their carrying amount before they were classified as held for sale, adjusted for any depreciation, amortization or revaluation that would have been recognized had the assets not been classified as held for sale.

1.17 Employee benefits

The Bank has both defined benefit and defined contribution plans.

A defined contribution plan is where the Bank pays fixed contributions into a separate entity and the Bank has no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in current or prior years. The contributions are recognized as employee benefit expense on an accrual basis. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement which is dependent, among others, on years of service and salary on date of retirement and it is guaranteed by the Bank.

The defined benefit obligation is calculated, separately for each plan, based on an actuarial valuation performed by independent actuaries using the projected unit credit method.

The net liability recognized in the financial statements is the present value of the defined benefit obligation (which is the expected future payments required to settle the obligation resulting from employee service in the current and prior periods) less the fair value of plan assets. The amount determined by the above comparison may be negative, an asset. The amount of the asset recognised in the financial statements cannot exceed the total of the present value of any economic benefits available to the Bank in the form of refunds from the plan or reductions in future contributions to the plan.

The present value of the defined benefit obligation is calculated based on the return of high quality corporate bonds with a corresponding maturity to that of the obligation, or based on the return of government bonds in cases when there is no deep market in corporate bonds.

Interest on the net defined benefit liability (asset), which is recognised in profit or loss, is determined by multiplying the net defined benefit liability (asset) by the discount rate used to discount post-employment benefit obligation, as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset).

Service cost, which is also recognised in profit or loss, consists of:

- Current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period;
- Past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from the introduction or withdrawal of, or changes to, a defined benefit plan or a curtailment (a significant reduction by the entity in the number of employees covered by a plan) and
- Any gain or loss on settlement.

Before determining past service cost or a gain or loss on settlement, the Bank remeasures the net defined benefit liability (asset) using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan before its amendment, curtailment or settlement.

Past service cost, in particular, is directly recognized to profit or loss at the earliest of the following dates:

- When the plan amendment or curtailment occurs; and
- When the Bank recognizes related restructuring costs (according to IAS 37) or termination benefits.

Likewise, the Bank recognises a gain or loss on the settlement when the settlement occurs.

Remeasurements of the net defined benefit liability (asset) which comprise:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- any change in the effect of the limitation in the asset recognition, excluding amounts included in net interest on the net defined benefit liability (asset),

are recognized directly in other comprehensive income and are not reclassified in profit or loss in a subsequent period.

Finally, when the Bank decides to terminate the employment before retirement or the employee accepts the Bank's offer of benefits in exchange for termination of employment, the liability and the relative expense for termination benefits are recognized at the earlier of the following dates:

- when the Bank can no longer withdraw the offer of those benefits; and
- when the Bank recognizes restructuring costs which involve the payment of termination benefits.

1.18 Share options granted to employees

The granting of share options to the employees, their exact number, the price and the exercise date are decided by the Board of Directors in accordance with Shareholders' Meeting approvals and after taking into account the current legal framework.

The fair value calculated at grant date is recognized over the period from the grant date to the exercise date and recorded as an expense in payroll and related costs with an increase of a reserve in equity respectively. The amount paid by the beneficiaries of share options on the exercise date increases the share capital of the Bank and the reserve in equity from the previously recognized fair value of the exercised options is transferred to share premium.

1.19 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are, also, recognized in cases of restructuring plans with which management attempts either to change the subject of a corporate activity or the manner in which it is conducted (e.g. close down business locations). The recognition of provision is accompanied with the relevant, authorized by the Management, program and with the suitable actions of disclosure.

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision is equal to the present value of the expenditures expected to settle the obligation.

Amounts paid for the settlement of an obligation are set against the original provisions for these obligations. Provisions are reviewed at the end of each reporting period. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Additionally, provisions are not recognized for future operating losses.

Future events that may affect the amount required to settle the obligation, for which a provision has been recognized, are taken into account when sufficient objective evidence exists that they will occur.

Reimbursements from third parties relating to a portion of or all of the estimated cash outflow are recognized as assets, only when it is virtually certain that they will be received. The amount recognized for the reimbursement does exceed the amount of the provision. The expense recognized in profit or loss relating to the provision is presented net of the amount of the reimbursement.

The Bank does not recognize in the statement of financial position contingent liabilities which relate to:

- possible obligations resulting from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank, or
- present obligations resulting from past events for which:
  - it is not probable that an outflow of resources will be required, or
  - the amount of liability cannot be measured reliably.

The Bank provides disclosures for contingent liabilities taking into consideration their materiality.

1.20 Sale and repurchase agreements and securities lending

The Bank enters into purchases of securities under agreements to resell at a certain date in the future at a fixed price. Securities purchased subject to commitments to resell them at future dates are not recognized as investments.

The amounts paid are recognized in loans and advances to either banks or customers. The difference between the purchase price and the resale price is recognized as interest on an accrual basis.

Securities that are sold under agreements to repurchase continue to be recognized in the balance sheet and are measured in accordance with the accounting policy of the category that they have been classified in and are presented as investments.

The proceeds from the sale of the securities are reported as liabilities to either banks or customers. The difference between the sales price and the repurchase price is recognized on an accrual basis as interest.

Securities borrowed by the Bank under securities lending agreements are not recognized in the balance sheet except when they have been sold to third parties whereby the liability to deliver the security is recognized and measured at fair value.

1.21 Securitization

The Bank securitises financial assets, by transferring these assets to special purpose entities, which in turn issue bonds.

In each securitization of financial assets the Bank considers the contractual terms and the economic substance of transactions, in order to decide whether the Bank should proceed with the derecognition of the securitized assets, as referred in note 1.5.

1.22 Equity

Distinction between debt and equity

Financial instruments issued by the Bank to obtain funding are classified as equity when, based on the substance of the transaction, the Bank does not undertake a contractual obligation to deliver cash or another financial asset or to exchange financial instruments under conditions that are potentially unfavorable to the issuer.

In cases when the Bank is required to issue equity instruments in exchange for the funding obtained, the number of equity instruments must be fixed and determined on the initial contract, in order for the obligation to be classified as equity.

Incremental costs of share capital increase

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from retained earnings.

Share premium

Share premium includes the difference between the nominal value of the shares and the cost consideration received in the case of a share capital increase.

It also includes the difference between the nominal value of the shares issued and their market value, in cases of exchanges of shares as consideration for the acquisition of a business by the Bank.

Treasury shares

The cost of acquiring treasury shares is recognized as a reduction of equity. Subsequent gains or losses from the sale of treasury shares, after deducting all direct costs and taxes, are recognized directly in retained earnings.

Retained earnings

Dividends are deducted from retained earnings and recorded as a liability in the period that the dividend is approved by the Shareholders' General Meeting.

1.23 Interest income and expense

Interest income and expense is recognized in the income statement for all interest bearing financial assets and liabilities.

Interest income and expense is recognised on an accrual basis and measured using the effective interest rate method. Interest on impaired financial assets is determined on their balance after impairment using the effective interest rate.

Borrowing costs that are directly attributable to assets that require a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of the asset. Capitalisation ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

1.24 Fee and commission income

Fee and commission income is recognized in the income statement on an accrual basis when the relevant service has been provided.

Transaction revenues relating to the recognition of a financial instrument not measured at fair value through profit and loss are capitalized and amortised in the income statement using the effective interest rate method over the life of the financial instrument.

1.25 Gains less losses on financial transactions

Gains less losses on financial transactions include the fair value changes of financial assets and liabilities, gains or losses on their disposal and the exchange differences arising from the translation of financial instruments denominated in foreign currencies. Impairment losses on bonds, shares and other securities of variable return are also included in gains less losses on financial transactions.

Differences that may arise between the carrying amount of financial liabilities settled or transferred and the consideration paid are also recognised in gains less losses on financial transactions.

1.26 Discontinued operations

A discontinued operation is a component of the Bank that either has been disposed of, or has been classified as held for sale and represents:

- a major line of the Bank's business; or
- a geographical area of operations.

The assets and liabilities of discontinued operations are presented separately from other assets and liabilities in the balance sheet and are not offset.

Any cumulative income or expense recognized directly in equity relating to a discontinued operation is presented separately (as a separate line in equity).

The post tax profit or loss from discontinued operations and any losses recognized on the measurement to fair value less costs to sell of the disposal group are presented in a separate line in the face of the income statement after net profit from continuing operations.

The comparative financial statements are restated only for the income statement and the cash flow statement.

1.27 Related parties definition

According to IAS 24, a related party is a person or entity that is related to the entity that is preparing its financial statements. For the Bank, in particular, related parties are considered:

a) An entity that constitutes for the Bank:

i) a subsidiary,

ii) a joint venture,

iii) an associate and

iv) a Post-Employment Benefit Plan, in this case the Supplementary Fund of former Alpha Credit Bank's employees.

b) A person or an entity that have control, or joint control, or significant influence over the Bank.

This category includes Hellenic Financial Stability Fund and its subsidiaries, because, in the context of the L.3864/2010, the HFSF participates in the Board of Directors and in significant committees of the Bank and as a result is considered to have significant influence over it.

c) A person and his close family members, if that person is a member of the key management personnel.

The Bank considers as key management personnel all the members of the Bank's Board of Directors and of the Bank's Executive Committee while as their close family members it considers their children and spouses or domestic partners and their dependants and the dependants of their spouses or domestic partners.

Moreover, the Bank discloses all transactions and outstanding balances with entities which are controlled or jointly controlled by the above mentioned persons. This disclosure concerns participations of the above persons in entities that exceed 20%.

1.28 Comparatives

To the extent considered necessary the comparatives have been adjusted to facilitate changes in presentation of the current year amounts.

1.29 Estimates, decision making criteria and significant sources of uncertainty

The Bank, in the context of applying accounting policies and preparing financial statements in accordance with the International Financial Reporting Standards, makes estimates and assumptions that affect the amounts that are recognized as income, expenses, assets or liabilities. The use of estimates and assumptions is an integral part of recognizing amounts in the financial statements that mostly relate to the following:

Fair value of assets and liabilities

For assets and liabilities traded in active markets, the determination of their fair value is based on quoted, market prices. In all other cases the determination of fair value is based on valuation techniques that use observable market data to the greatest extent possible. In cases where there is no observable market data, the fair value is determined using data that are based on internal estimates and assumptions eg. determination of expected cash flows, discount rates, prepayment probabilities or potential counterparty default.

Impairment losses of financial assets

The Bank, when performing impairment tests on loans and advances to customers, makes estimates regarding the amount and timing of future cash flows. Given that these estimates are affected by a number of factors such as the financial position of the borrower, the net realizable value of any collateral or the historical loss ratios per portfolio, actual results may differ from those estimated. Similar estimates are used in the assessment of impairment losses of securities classified as available for sale or held to maturity.

Impairment losses of non – financial assets

The Bank, at each year end balance sheet date, assesses for impairment non – financial assets, and in particular property, plant and equipment, investment property, goodwill and other intangible assets, as well as its investments in subsidiaries, associates and joint ventures. Internal estimates are used to a significant degree to determine the recoverable amount of the assets, i.e. the higher between the fair value less costs to sell and the value in use.

Income Tax

The Bank recognizes assets and liabilities for current and deferred tax, as well as the related expenses, based on estimates concerning the amounts expected to be paid to or recovered from tax authorities in the current and future periods. Estimates are affected by factors such as the practical implementation of the relevant legislation, the expectations regarding the existence of future taxable profit and the settlement of disputes that might exist with tax authorities etc. Future tax audits, changes in tax legislation and the amount of taxable profit actually realised may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Bank. Any adjustments are recognized within the year that they become final.

Employee defined benefit obligations

Defined benefit obligations are estimated based on actuarial valuations that incorporate assumptions regarding discount rates, future changes in salaries and pensions, as well as the return on any plan assets. Any change in these assumptions will affect the amount of obligations recognized.

Provisions and contingent liabilities

The Bank recognises provisions when it estimates that it has a present legal or constructive obligation that can be estimated reliably and it is almost certain that an outflow of economic benefits will be required to settle the obligation. In contrast, when it is probable that an outflow of resources will be required, or when the amount of liability cannot be measured reliably, the Bank does not recognise a provision but it provides disclosures for contingent liabilities, taking into consideration their materiality. The estimation for the probability of the outflow as well as for the amount of the liability are affected by factors which are not controlled by the Bank, such as court decisions, the practical implementation of the relevant legislation and the probability of default of the counterparty, for those cases which are related to the exposure to off-balance sheet items.

The estimates and judgments applied by the Bank in making decisions and in preparing the financial statements are based on historical information and assumptions which at present are considered appropriate. The estimates and judgments are reviewed on an ongoing basis in order to take into account current conditions, and the effect of any changes is recognized in the period in which the estimates are revised.

1.29.1 Going concern principle

The Bank applied the going concern principle for the preparation of the financial statements as at 31.12.2016. For the application of this principle, the Bank takes into consideration current economic developments in order to make projections for future economic conditions of the environment in which it operates. The main factors that cause uncertainties regarding the application of this principle relate to the unstable economic environment in Greece and abroad and to the liquidity levels of the Hellenic Republic and the banking system.

Specifically, the high degree of uncertainty that characterizes the internal economic environment in recent years, as a result of the prolonged recession of the Greek economy, led to a significant deterioration in the creditworthiness of corporate and individuals, to an increase of non performing loans and therefore to the recognition of significant impairment losses by the Bank and by the Greek banking system in general. Additionally, during the first semester of 2015, the internal economic environment was adversely affected by the uncertainties that were created during the negotiations of the Hellenic Republic with the European Commission, the European Central Bank and the International Monetary Fund for the financing of the Hellenic Republic, a fact that led to significant outflows of deposits, to the imposition of capital controls and of a bank holiday which was announced on 28.6.2015 and lasted until 19.7.2015. Capital controls remain in place until the date of approval of the financial statements, while the detailed provisions for their application are amended where appropriate by the adoption of a legislative act.

At the same time the liquidity needs of Greek banks continue to be mostly satisfied by the emergency liquidity mechanisms of the Bank of Greece.

The completion, in the third quarter of 2015, of the negotiations of the Hellenic Republic for the coverage of the financing needs of the Greek economy, led to an agreement for new financial support by the European Stability Mechanism. The agreement provided for the coverage of the financing needs of the Hellenic Republic for the medium-term period, under the condition that economic reforms are made, while additionally it provided for the allocation of resources to cover the recapitalization needs of the banks as a result of their assessment by the Single Supervisory Mechanism. With respect to the Bank specifically, a recapitalization of a total amount of €2,563 million took place in the fourth quarter of 2015, exclusively from private funds, as further analyzed in note 39.

In June 2016 the first evaluation of the Hellenic Republic financial support program was completed and the partial disbursement of the second installment of the program, amounting to €10.3 billion, was approved. The first disbursement of €7.5 billion took place in June and covered the short-term public debt servicing needs as well as the clearance of part of amounts overdue by the Hellenic Republic to individuals. The remaining amount of €2.8 billion was disbursed in October 2016 after the completion of the prerequisite actions that had been set. The completion of the first evaluation and the disbursement of installments contributed to the enhancement of the real economy and the improvement of the economic environment. Meanwhile, in the fourth quarter of 2016 the second evaluation of the financial support program begun and is expected to be completed in the near time. The above, combined with the continuation of reforms and the measures described in the Eurogroup statement for the enhancement of the sustainability of the Greek debt (note

1.29.2), are expected to contribute to the gradual improvement of the economic environment in Greece and to the return of the economy to positive growth rates, noting, however, the negative consequences that would have in these sectors any further delay in the completion of the second evaluation of the program.

In parallel to the above, the Bank, in the context of its strategy to address the issue of non performing loans, is taking a series of actions and initiatives, as specifically mentioned in the relevant section of the Board of Director's Annual Management Report of 2016, which, combined with the changes in the legislative framework, are expected to contribute to the effective management of the non performing loans portfolio.

With regards to the liquidity levels and funding costs of the Bank and the banking system in general, they have been positively affected by the reinstatement of Greek government securities in the perimeter of collaterals accepted by the European Central Bank, by the reduction of the haircut applied on eligible collaterals and by the ability to transfer part of the securities issued by the European Financial Stability Fund that the Bank holds to the European Central Bank, as mentioned in note 18 of the financial statements.

Based on the above and taking into account the Bank's high capital adequacy and its ability to access the liquidity mechanisms of the eurosystem, the Bank estimates that the conditions for the application of the going concern principle for the preparation of its financial statements are met.

1.29.2 Estimation of the Bank's exposure to the Hellenic Republic

The Bank's total exposure to Greek Government securities and loans related to the Hellenic Republic are presented in note 38.1. The main uncertainties regarding the estimations for the recoverability of the Bank's total exposure relate to the debt service capacity of the Hellenic Republic, which, in turn, is affected by the development of the macroeconomic environment in Greece and the Eurozone as well as by the levels of liquidity of the Hellenic Republic.

The financing agreement with the European Stability Mechanism, signed on 19.8.2015, is expected to cover the financing needs of the Hellenic Republic and in parallel to contribute to the growth of the Greek economy provided that specific commitments that relate to the achievement of specific financial targets and the implementation of reforms in the Greek economy will be respected. In addition, the completion of the second assessment of the program is expected to be accompanied by measures for Greek debt relief in order to enhance its sustainability.

Pursuant to the above, in the Eurogroup of 9.5.2016 the framework based on which the sustainability of the Greek debt will be assessed was set. In the Eurogroup of 24.5.2016 the measures for the enhancement of the sustainability of the Greek debt were broadly described, separately for the short, the medium and the long term. Based on this framework, under the baseline scenario, gross financing needs of the Hellenic Republic should remain below 15% of GDP during the post programme period for the medium term and below 20% of GDP thereafter. Out of the above measures for debt relief, only the short-term ones have been specified and come into force. By taking the above measures (short, medium and long term), it is estimated that the service capacity of the Greek debt will be improved.

Based on the above, the Bank has not recognized impairment losses on the Greek Government securities that it holds as at 31.12.2016, however, it assesses the developments relating to the Greek Government debt in conjunction with the market conditions and it reviews its estimations for the recoverability of its total exposure at each reporting date.

1.29.3 Recoverability of deferred tax assets

The Bank recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized.

The main categories of deferred tax assets which have been recognized by the Bank relate to tax losses carried forward, to losses from the Greek government bonds exchange program (PSI) and the December 2012 Greek government bond buyback program and to deductible temporary differences arising from loans' impairment.

Deferred tax assets on tax losses carried forward relate to the years 2012-2014. Tax losses can be offset against taxable profits within five years from their formation. The Bank recognized the aforementioned assets since, according to the estimated future taxable profits of the Bank, for the coming years until the expiry of the right to set-off tax losses, these are recoverable even after the deduction of the temporary differences that are expected to occur within these years. The estimation of future taxable profits was based on forecasts for the development of the accounting results, as these are reflected in the updated business plan of the Bank, which also includes the strategy plan for non performing loans submitted to the Single Supervisory Mechanism (SSM), as well as the provisions of the law voted on 29.3 2017 (note 48f). The existence of significant tax profits in the last decade, with the exception of the years from 2012 to 2014, because of the unexpected major recession of the Greek economy and the loss from the PSI, was also taken into account.

Deferred tax assets associated with tax losses incurred by the PSI and the participation of the Bank in the December 2012 Greek government bond buyback program were recognized as a "debit difference" according to Law 4046/14.2.2012, Law 4110/23.1.2013 and a respective legal opinion. According to Law 4110/23.1.2013 the "debit difference" is deductible for tax purposes, gradually in equal installments, within 30 years, a fact which, according to the Bank's estimation, provides a sufficient time period for its gradual utilization against taxable profits.

Regarding the temporary differences arising from loans' impairment, there are no time constraints concerning their recovery, as it also applies to the other deferred tax assets categories. The Bank assessed their recoverability based on estimates for future taxable profits, as these are estimated to be formed on the basis of the aforementioned business plan, after extending the period of estimation for a limited number of years compared to the business plan.

The Bank, based on the above, estimates that the total deferred tax assets it has recognized and that has been derived both from temporary differences and from tax losses carried forward is recoverable.

In addition, and regardless of the assessment of the recoverability of deferred tax assets that it is carried out based on what is mentioned above, Law 4303/2014 provides that in case that the after tax accounting result for the period is a loss, deferred tax assets arising from the PSI debit difference and from the accumulated provisions and other general losses due to credit risk are eligible to be converted into a final and settled claim against the Greek State, as described in detail in note 11.

The main uncertainties concerning the estimations for the recoverability of the deferred tax assets relate to the achievement of the goals set in the Bank's business plan, which is affected by the general macroeconomic environment in Greece and internationally. At each balance sheet date, the Bank reassesses its estimation regarding the recoverability of deferred tax assets in conjunction with the development of the factors that affect it.

INCOME STATEMENT

2. Net interest income

	From 1 January to	
	31.12.2016	31.12.2015
Interest and similar income		
Due from banks	12,874	11,388
Loans and advances to customers	1,751,600	1,902,312
Securitized loans	258,880	288,933
Trading securities	205	168
Available for sale securities	216,722	254,644
Held to maturity securities	62	4,675
Loans and receivables securities	6,758	16,068
Derivative financial instruments	112,715	157,772
Other	13,024	11,134
Total	**2,372,840**	**2,647,094**
Interest expense and similar charges		
Due to banks	(276,257)	(299,669)
Due to customers	(153,950)	(286,691)
Debt securities in issue and other borrowed funds	(60,609)	(180,986)
Derivative financial instruments	(124,314)	(172,725)
Other	(91,163)	(97,857)
Total	**(706,293)**	**(1,037,928)**
Net interest income	**1,666,547**	**1,609,166**

During 2016 there was a decrease in interest expense mainly attributed to the exchange of senior, subordinated and hybrid securities in the context of the Liability Management Exercise (LME) with shares dated on November of 2015, to the decrease in the yield of securities guaranteed by Greek Government (Law 3723/2008) following the reduction in the total nominal value of an amount of € 8.2 billion and to the reduction in borrowing cost. In addition, interest income was decreased mainly due to the decrease in interest income from loans and advances to customers as a result from the significant impairment losses recognized in the previous year (note 10).

3. Net fee and commission income

	From 1 January to	
	31.12.2016	31.12.2015
Net fee and commission income		
Loans	30,449	29,303
Letters of guarantee	63,086	69,906
Imports-exports	10,355	10,368
Credit cards	61,035	52,154
Fund Transfers	37,032	36,585
Mutual funds	24,712	29,778
Advisory fees and securities transaction fees	1,761	1,031
Foreign exchange trades	17,712	15,568
Issuance of securities of Law 3723/2008		(11,509)
Other	24,507	22,635
Total	**270,649**	**255,819**

Net fee and commission income during fiscal year 2016 increased, mainly due to the cancellation in October 2015 of the bonds issued by the Greek State under the Pillar III of Law 3723/2008 framework and the increase in income from credit cards' commission due to the increase in the volume of transactions. Previous year credit cards commissions were restated due to the change in the presentation of the figures related to the bonus cards loyalty program, as mentioned in note 47.

4. Dividend income

	From 1 January to	
	31.12.2016	31.12.2015
Available for sale securities	532	747
Subsidiaries and associates	448,443	34,718
Total	**448,975**	**35,465**

On 31.12.2016 the Bank proceeded to the accounting of dividends whose distribution has been approved by the Ordinary General Meetings of its subsidiaries.

Dividend income for fiscal year 2016 mainly relates to €325 million from Alpha Group Ltd., €56 million from Ionian Holdings AE and €30 million from ABC Factors AE.

5. Gains less losses on financial transactions

	From 1 January to	
	31.12.2016	31.12.2015
Foreign exchange differences	20,336	(8,553)
Trading securities:		
- Bonds	1,122	1,954
- Shares	29	
Investment securities:		
- Bonds	66,984	(80,713)
- Shares	54,523	(7,591)
- Other securities	(1,143)	(3,499)
Investments	(314,540)	(24,207)
Derivative financial instruments	(6,224)	87,186
Other financial instruments	8,884	(55,857)
Total	**(170,029)**	**(91,280)**

Gains less losses on financial transactions of fiscal year 2016 have mainly been affected by the following:

- a loss of €139.1 million, included in "Investments", relating to the impairment of subsidiary Alpha Group Investment Ltd (note 19),
- a loss of €51.2 million, included in "Investments", from the valuation of participations to APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE due to their classification as Assets held for sale (note 44),
- a loss of €82 million, included in "Investments", from the valuation of subsidiary Alpha Bank Srbjia due to its classification as Asset held for sale (note 44),
- a loss of €35 million, included in "Investments", relating to the sale of the Bank's participation in Ionian Hotel Enterprises AE (note 44),
- profit of €36.1 million, included in "Bonds" of investment securities, which relates to the sale of bonds issued by the European Financial Stability Facility (note 18c) and
- acquisition of Visa Europe shares, owned by the Bank, from Visa Inc.

On June 21, 2016, Visa Inc. completed the acquisition of Visa Europe. According to the agreement (as amended on 10.5.2016), on the date of completion of the transaction, Visa Inc. purchased the shares held from member firms of Visa Europe. The price for this acquisition consists of:

i. The payment of a total amount of €12.25 billion upon completion of the transaction.
ii. The distribution of preferred shares.
iii. The payment of an amount of €1 billion on the third anniversary of the closing of the transaction plus interest.

The transaction price was calculated based on Visa Europe's net revenue contributed by each member for a specific period of time.

Therefore, within the year, the Bank recognized in gains less losses on financial transactions from shares the amount of €44.9 million which consists of cash received on the closing date of the transaction and from the recognition of the present value of the amount due from collecting the surplus amount on the third anniversary.

In addition, the Bank recognized the preference shares of Visa Inc. acquired in the context of the transaction. These shares, which were classified as available for sale portfolio, were recognized at fair value of €13.2 million by crediting gains less losses on financial transactions.

6. Other income

	From 1 January to	
	31.12.2016	31.12.2015
Rental income	3,775	3,283
Sale of fixed assets	533	710
Insurance indemnities	1,060	145
Preparation of business plans and financial studies	991	610
Other	5,135	8,597
Total	**11,494**	**13,345**

The insurance indemnities of the current fiscal year mainly relate to compensation against building destruction.

"Other income" of fiscal year 2015 includes income from professional employee training programs (LAEK) amounting to €2.8 million.

7. Staff costs

	From 1 January to	
	31.12.2016	31.12.2015
Wages and salaries	274,713	278,994
Social security contributions	83,663	83,822
Common Insurance Fund of Bank Employees	2,650	5,195
Employee defined benefit obligation (note 29)	4,318	4,058
Bank's employee indemnity provision due to retirement in accordance with Law 2112/1920 (note 29)	7,118	4,064
Other charges	28,459	25,648
Total	**400,921**	**401,781**

The total number of employees in the Bank as at 31.12.2016 was 8,580 (31.12.2015: 9,729) out of which 8,543 (31.12.2015: 9,012) are employed in Greece and 37 (31.12.2015: 717) are employed abroad.

Defined contribution plans

All the employees of the Bank are insured for their main pension plans by the Social Insurance Fund (IKA-ETAM). The Social Insurance Fund (IKA-ETAM) as of 1.1.2017 consists part of the Single Social Security Body (E.F.K.A.), Public law entity established under the provisions of Law 4387/2016. In addition for the Bank's employees, the following also apply:

a. The supplementary pension plan for employees of the former Ionian and Popular Bank of Greece is T.A.P.I.L.T.A.T., a multi-employer plan. The Bank has obtained legal opinions that indicate that it has no obligation if this fund does not have sufficient assets to pay employee benefits. Therefore the Bank considers that the fund is a defined contribution plan and has accounted for it as such.

b. Employees of former Ioniki and Popular Bank of Greece and former Emporiki Bank are insured for the lump sum benefit in the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) which is a defined contribution plan with contributions paid only by employees. In accordance with article 74 of Law 4387/2016, the Care Sectors of the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) consist part of the "Joint Supplementary Insurance Fund" (E.T.E.A.) which is renamed to "Joint Supplementary Insurance Fund and Lump Sum Benefits" (E.T.E.A.E.P.).

c. All employees of the Bank receive medical benefits from the National Organization of Health Care (EOPYY). As of 1.1.2017, EOPYY consists part of E.F.K.A.

d. Employees of former Alpha Credit Bank, which were insured, for supplementary pension in T.A.P. (the Insurance Fund of employees of Alpha Credit Bank), from 1.1.2008, onwards are insured for supplementary pension in E.T.A.T according to article 10, Law 3620/2007. The Bank pays to E.T.A.T. an annual installment, of the ten interest bearing installments, that relates to the total cost of joining E.T.A.T. which amounts to €543 million, this was calculated with the reference date being 31.12.2006, in accordance with a special economic study as stipulated by Law 3371/2005. The outstanding balance including accrued interest amounts to €67.3 million as at 31.12.2016, corresponding to the last installment that will be paid within the first quarter of 2017.

The implementation of Law 3371/2005 for Emporiki Bank was done in accordance with Law 3455/2006. According to this law, the pensioners and members insured by Emporiki Bank, who were also insured for supplementary pension in T.E.A.P.E.T.E. were absorbed by I.K.A- E.T.E.A.M. and E.T.A.T on 31.12.2004.

Emporiki Bank S.A. paid a total amount of specific contribution of €786.6 million for the pensioners to the insurance funds I.K.A-E.T.E.A.M and E.T.A.T. in ten annual interest bearing installments. The repayment of the total amount was completed with the payment of the last installment on January 2014. In addition, in accordance with the amendments of Law 3455/2006 for the active insured members, who were hired before 31.12.2004 in Emporiki Bank, additional social contributions are paid for the supplementary pension compared to the respective contributions which are stipulated by the Law of E.T.E.A.M.

When E.T.A.T. was absorbed by E.T.E.A. (Joint Supplementary Insurance Fund) :

a) the members of T.E.A.P.E.T.E. and T.A.P. who were insured until 31.12.1992 receive a pre-pension amount from E.T.A.T. (main and supplementary pension until the date of retirement from the Main Pension Fund and E.T.E.A.) and

b) the members of T.E.A.P.E.T.E. who were insured until 31.12.1992 receive the difference between the amount of pensions which arose from the calculation of supplementary pension in accordance with the provisions of Article of Association of E.T.E.A. (former E.T.E.A.M) and T.E.A.P.E.T.E.

Law 4387/2016 provides for the incorporation of both E.T.A.T. and the pre-retirement scheme pensioners of E.T.E.A. to E.F.K.A., as of 1.1.2017. Particularly, EFKA grants pre-pensions and other benefits to the pensioners who were insured by E.T.A.T. until 31.12.1992 and who are entitled to receive respective benefits until 12.5.2016, as well as to the pre-retirement scheme pensioners of E.T.E.A. who, as pensioners of T.E.A.P.E.T.E., joined former I.K.A.-E.T.E.A.M. and currently E.T.E.A. pursuant to Law 3455/2006. The members of E.T.E.A. insured until 31.12.1992 that are not entitled to receive a pre pension amount until 12.5.2016 and have paid higher contributions than the ones provided by E.T.E.A., will obtain an increased supplementary pension from E.T.E.A. in accordance to Law 4387/2016.

e. The Bank, in cooperation with AXA Insurance, has created a savings plan for its employees that were hired and insured for the first time on 1.1.1993 and onwards. The plan's effective date is January 1, 2011 and its aim is to provide a lump sum monetary benefit to retiring employees. The plan assets consist of investment from the fixed monthly contributions of the Bank and its employees in low risk mutual funds. After signing the Collective Labor Agreement for the 3-year period of 2016-2019, the personnel of the Bank may be included in the savings plan. For the personnel, except for a certain group that was hired by the Bank and were members of the main pension scheme for the period from 1.1.1993 until 31.12.2004 and for which is provided guarantee of the minimum benefit (Law 2084/1992), are considered as a defined contributions plan as the benefit is paid from a savings fund that was accumulated up to the date they left the plan.

Employee defined benefit obligations

An analysis of liabilities arising from defined benefit plans is included in note 29.

Separation Scheme

The Bank conducted in 2014 a voluntary separation scheme for their employees in Greece, in order to achieve substantial benefits to operating costs, as provided in the Restructuring Plan of the Bank approved by the European Competition Committee based on which a total number of 2,193 employees left in 2014 and 15 employees also retired during the first half of 2015 with an amount of €200.8 million recognized as cost in income statement.

Moreover, the Bank committed to further reduce its Greek Personnel (including non-financial subsidiaries) in 2015 , in accordance with the framework for implementation of the updated restructuring plan resulting in 9.504 maximum number of employees until 2017.

The reduction of personnel will contribute to the achievement of significant gains in the operational costs, achieving the commitment to reduce the overall cost in Greece in specific level.

Following the above commitments, and relevant decisions for their implementation, on 31.12.2015 the Bank recorded provision amounted to €64.3 million. In 2016, €35.3 million from the recognized provision was utilized (note 31) resulting to a balance amounting to €29 million for future use.

8. General administrative expenses

	From 1 January to	
	31.12.2016	31.12.2015
Rent for buildings	30,799	32,918
Rent and maintenance of EDP equipment	18,414	17,323
EDP expenses	21,987	37,087
Marketing and advertisement expenses	21,218	19,331
Telecommunications and postage	19,733	21,537
Third party fees	38,739	31,825
Consultants fees	6,522	5,548
Contribution to the Deposit guarantee fund - Investment fund and Solvency Fund	50,992	65,980
Insurance	7,600	6,910
Consumables	4,636	5,502
Electricity	8,007	10,584
Taxes (VAT, real estate etc)	66,868	66,515
Building and equipment maintenance	5,707	5,768
Cleaning fees	3,160	3,194
Security	8,112	8,690
Transportation	2,958	3,409
Services from collection agencies	29,048	17,985
Other	72,897	79,392
Total	**417,397**	**439,498**

General Administrative Expenses of fiscal year 2016 present a decrease compared to last year, mainly due to the fact that fiscal year 2015 was burdened with the payment of the extraordinary contribution for the resolution of Greek credit institution and merger costs, which mainly concerned the maintenance of computer applications. In addition, collection activities were intensified within 2016, which led to an increase of the corresponding figures.

Regarding the regulatory framework governing the resolution of credit institutions, the following are noted:

On 23.7.2015 under Law 4335/2015, European Directive 2014/59 was incorporated in to Greek Law to establish a framework for the recovery and resolution of credit institutions and investment entities. In particular, the Resolution Scheme of Hellenic Deposit and Investment Guarantee Fund (HDIGF) is defined as the National Resolution Fund which within ten years (until 31 December 2024) should gradually, create a reserve equal to at least 1% of the deposits guaranteed by the HDIGF. From 1.1.2016, the Single Resolution Mechanism (SRM) is responsible for the resolution of credit institutions established in country-member states of the Eurozone. It operates in cooperation with the Single Resolution Fund (SRF), which will cover the resolution costs of non-sustainable credit institutions.

According to Law no. 4335/2015 (Article 98), credit institutions authorized to operate in Greece, including branches operating in third countries, should make at least an annual contribution to the Resolution Fund. According to Law 4370/2016 (Article 36), in case a new credit institution is included in the Resolution Fund or if one ceases its participation during the fiscal year, the credit institution is still obliged for its annual contribution in proportion to the time of its operation. In addition with law 4370/2016, Directive 2014/49 / EU of the European Parliament and the Decision of the Council of 16 April 2014 were incorporated into Greek law which enacts the same rules for all Deposit Guarantee Schemes intended to provide a uniform level of protection to all EU depositors and to ensure the same level of stability as regards the DGS.

The Single Resolution Board, determined that the 2016 contribution for credit institutions may provide irrevocable payment commitments amounting up to 15% of their total obligation which for the Bank amounts to €21 million. These irrevocable payment commitments have to be fully covered by cash collateral. On 20.05.2016, the Bank signed a contract with the Single Resolution Board to provide irrevocable payment commitment and establish the necessary cash collateral for the 2016 contribution.

"Contribution to the Deposit Guarantee Fund – Investment Fund and Solvency Fund" of the comparative fiscal year includes the Bank's proportional contribution to the resolution of a Greek Credit Institution.

9. Other expenses

	From 1 January to	
	31.12.2016	**31.12.2015**
Losses from write off / impairments on fixed assets	16,623	5,896
Impairment losses of other assets	3,181	
Provisions	7,916	1,161
Other	2,561	
Total	**30,281**	**7,057**

Losses from write off / impairments on fixed assets as at 31.12.2016 include an amount of €10.8 million (31.12.2015: €3.4 million) which concerns the recognition of impairment loss of investment property, property, plant and equipment and property obtained through auctions.

Provisions relate to legal cases against the Bank (note 31).

Impairment losses of other assets relate to inventories and other receivables of the Bank.

10. Impairment losses and provisions to cover credit risk

	From 1 January to	
	31.12.2016	**31.12.2015**
Impairment losses on loans and advances to customers (note 17)	1,181,097	2,694,001
Impairment losses on credit institutions (note 14)		2,552
Impairment losses of other receivables	4,191	
Provisions to cover credit risk relating to off balance sheet items (note 31)	4,135	18,886
Recoveries	(19,223)	(16,202)
Total	**1,170,200**	**2,699,237**

For the preparation of 2015 financial statements, the Bank took into consideration the specific conditions that existed in the Greek economy, affecting the macroeconomic environment especially after the end of the second quarter and the imposition of capital controls. As a result, significant impairment losses were recognized due to the adjustments when required of the parameters applied by the Bank when calculating impairments.

The results of fiscal year 2016, were significantly burden by the recognition of impairment losses, which mainly related to:

- corporate groups, for which impairment assessment took into account the conditions existing at the reporting date, the ongoing process and the various scenario prevailing for theit restructuring up to the publication date of the 31.12.2016 Financial Statements,
- the increase in provisions of selected retail portfolios, which contributes to the optimal management of non-performing loans and
- the impairment of a loan granted to a subsidiary of the Bank equal to the amount that will be capitalized within 2017. Upon the completion of the procedures, the impairment will be transferred to the participation resulting from the capitalization.

11. Income tax

In accordance with Article 1 par 4 of Law 4334/2015 "Urgent prerequisites for the negotiation and conclusion of an agreement with the European Stability Mechanism (ESM)" the corporate income tax rate for legal entities increased from 26% to 29%. The increased rate will apply for profits arising in fiscal years commencing on or after 1 January 2015 on the absence of an explicit definition in the law regarding the retrospective application of income tax rate for profits of fiscal year 2014.

In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (AE), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. This tax certificate is submitted to the entity being audited within the first ten days of the seventh month after the end of the audited financial year, as well as, electronically to the Ministry of Finance, no later than the end of the seventh month after the end of the audited financial year. In accordance with article 56 of Law 4410/03.08.2016 for the fiscal years from 1.1.2016 and onwards, the issuance of tax certificate is optional. However, the Bank's intention is to continue to obtain the tax certificate.

For fiscal years 2011 up to 2015 the Bank has obtained the relevant tax certificate without any qualifications on the tax issues covered.

The income tax is analyzed as follows:

	From 1 January to	
	31.12.2016	**31.12.2015**
Current		(54,942)
Deferred	(123,155)	(768,163)
Total	**(123,155)**	**(823,105)**

Deferred tax recognized in the income statement is attributable to temporary differences, the effect of which is analyzed in the table below:

	From 1 January to	
	31.12.2016	**31.12.2015**
Debit difference of Law 4046/2012	44,554	(79,891)
Depreciation and write-offs of fixed assets	8,997	17,129
Valuation/impairment of loans	(136,973)	(687,009)
Valuation of loans due to hedging	(840)	(943)
Employee defined benefit obligations and insurance funds	26,378	7,899
Valuation of derivatives	(6,033)	26,491
Effective interest rate	190	(9,970)
Fair value change of liabilities to credit institutions and other borrowed funds due to fair value hedge	3,778	(3,202)
Valuation of investments	(116,238)	(9,061)
Valuation/impairment of bonds and other securities	18,447	(12,942)
Tax losses carried forward	41,391	(12,326)
Other temporary differences	(6,806)	(4,338)
Total	**(123,155)**	**(768,163)**

During fiscal year 2016, the Bank recognized a deferred tax asset of €84.4 million relating to the impairment of its investment to the Group's subsidiary, Alpha Bank Srbija AD. The loss from the sale of an investment to a foreign subsidiary is recognized as deductible from the gross expenses during the year that the transfer is completed, in accordance with article 124 of Law 4446/22.12.2016 "Bankruptcy Code, Administration Justice, Duties-Fees, Voluntary Disclosure of Previous Years' Taxable Income, Online Transactions, Amendments of Law 4270/2014 and other provisions". Furthermore, the loss from the sale of the Group subsidiary Alpha Bank AD Skopje was recognized in the taxable financial results.

A reconciliation between the effective and nominal tax rate is provided below:

	From 1 January to			
	31.12.2016		31.12.2015	
	%		%	
Profit/(loss) before income tax		**137,789**		**(1,812,457)**
Income tax (nominal tax rate)	29	39,959	29	(525,613)
Increase/(decrease) due to:				
Non taxable income	(95.63)	(131,766)	1.28	(23,238)
Non deductible expenses	1.85	2,545	(1.18)	21,433
Tax recognition for prior periods temporary differences	(64.05)	(88,248)		
Credit balances of reserves			(5.88)	106,659
Other temporary differences	39.45	54,355	0.56	(10,084)
Total	**(89.38)**	**(123,155)**	**23.77**	**(430,843)**
Effect of changes of tax rates used for deferred tax on temporary differences as at 31.12.2014			21.64	(392,262)
Income tax		**(123,155)**		**(823,105)**

According to article 5 of Law 4303/17.10.2014 "Ratification of the Legislative Act "Emergency legislation to replenish the General Secretary of Revenue upon early termination of office (A 136)" and other provisions", deferred tax assets of legal entities supervised by the Bank of Greece, under article 26 paragraphs 5, 6 and 7 of Law 4172/2013 that have been or will be recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, with respect to existing amounts up to 31 December 2014, are converted into final and settled claims against the Government , if, the accounting result for the period, after taxes, is a loss, according to the audited and approved financial statements by the Ordinary Shareholders' General Meeting.

The inclusion in the Law is implemented by the General Meeting of Shareholders, related to tax assets from 2016 and onwards, relating to fiscal year 2015 whereas it is envisaged the end of inclusion in the Law with the same procedure and after obtaining relevant approval from the Regulatory Authority.

According to article 4 of Law 4340/1.11.2015 "Recapitalization of financial institutions and other provisions of the Ministry of Finance" the above were amended regarding the time of the application which is postponed for a year. In addition the amount of deferred tax asset for credit risk which is included in the same legislation is limited to the amount related to debit charge of PSI and provisions for credit risk which were accounted until 30 June 2015. Furthermore, it is clarified that in cases of conversion of deferred tax assets into a final and a settled claim against the Greek Government the "resolution process" of credit institutions is not included.

On 31.12.2016 the amount of deferred tax assets which is estimated to be within the scope of the aforementioned Law amounts to €3,341,802 (31.12.2015: €3,386,356).

During 2015 as a result of recent decision by the Government Council's, the Bank recognized in current income tax the recovery of tax that was related to prior year untaxed reserves. These reserves of €367.8 million were netted with tax losses carrying forward according to article 72 par 12 and 13 of Law 4172/2013, resulting to the reduction of the related deferred tax assets by €106.7 million.

Income tax of other comprehensive income recognized directly in equity

	From 1 January to					
	31.12.2016			31.12.2015		
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
Amounts that may be reclassified to the Income Statement						
Net change in available for sale securities reserve	133,659	(38,439)	95,220	67,378	(19,016)	48,362
Net change in cash flow hedge reserve	(57,273)	16,609	(40,664)	52,408	(15,198)	37,210
Tax rate adjustments (Law 4334/2015)					14,708	14,708
Total	**76,386**	**(21,830)**	**54,556**	**119,786**	**(19,506)**	**100,280**
Amounts that will not be reclassified to the Income Statement						
Net change in actuarial gains/(losses) of defined benefit obligations	(10,529)	3,052	(7,477)	1,025	(78)	947
Tax rate adjustments (Law 4334/2015)					2,154	2,154
Total	**65,857**	**(18,778)**	**47,079**	**120,811**	**(17,430)**	**103,381**

During the year of 2016, "Retained earnings" includes a credit tax amount of €281 which derives from the share capital increase expenses which were recognized in the same account and relates to the share capital increase which took place during 2015.

During 2015 "Retained earnings" includes tax amounting to €17,770 resulting from the share capital increase expenses which were recognized in the same account when the share capital increase took place in 2015 (note 32).

Furthermore in 2015 "Retained earnings" there is a credit deferred tax of €6,261, referring to the income tax rate adjustment on the share capital increase expenses which were recorded in the same account in previous years.

12. Earnings/(losses) per share

a. Basic

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

b. Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding to the presumed conversion amount of all dilutive potential ordinary shares. The Bank does not have any dilutive potential ordinary shares and in addition, based on the issuance terms of the convertible bond loan covered by Credit Agricole S.A., basic and dilutive earnings/(losses) per share should not differ as the issue price of the ordinary shares will not be less than their average market price.

It is noted that on 23.2.2017 the Bank increased its share capital due to the conversion of the total convertible bond loan, by issuing 6,818,181 new ordinary shares (note 48).

	From 1 January to	
	31.12.2016	**31.12.2015**
Profit/(loss) attributable to equity owners of the Bank	**260,618**	**(1,032,276)**
Weighted average number of outstanding ordinary shares	1,536,881,200	385,286,677
Basic and diluted earnings/(losses) per share (in €)	0.1696	(2.6792)

	From 1 January to	
	31.12.2016	**31.12.2015**
Profit/(loss) from continuing operations attributable to equity owners of the Bank	**260,944**	**(989,352)**
Weighted average number of outstanding ordinary shares	1,536,881,200	385,286,677
Basic and diluted earnings/(losses) from continuing operations per share (in €)	0.1698	(2.5678)

	From 1 January to	
	31.12.2016	**31.12.2015**
Profit/(loss) from discontinued operations attributable to equity owners of the Bank	**(326)**	**(42,924)**
Weighted average number of outstanding ordinary shares	1,536,881,200	385,286,677
Basic and diluted earnings/(losses) from discontinued operations per share (in €)	(0.0002)	(0.1114)

The weighted average number of ordinary shares as at 31.12.2015, has been retrospectively restated from the beginning of the year, after the decrease of the total number of shares due to the merger in proportion of 50 voting common shares of old nominal value to 1 voting common share of new nominal value which took place in November 2015.

ASSETS

13. Cash and balances with Central Banks

	31.12.2016	31.12.2015
Cash	291,446	332,305
Cheques receivable	1,840	4,074
Balances with Central Banks	381,153	362,351
Total	**674,439**	**698,730**
Less: Deposits pledged to Central Banks	(293,775)	(277,496)
Balance	**380,664**	**421,234**

The Bank is required to maintain a current account with the Bank of Greece (Central Bank) in order to facilitate interbank transactions with the Central Bank and other financial institutions through the Trans European – Automated Real Time Gross Settlement Express Transfer System (TARGET).

The Bank of Greece also requires, that all financial institutions established in Greece maintain reserve deposits with the Central Bank equal to 1% of customer deposits.

These deposits are interest bearing based on the refinancing rate set by the European Central Bank which as at 31.12.2016 was 0% (31.12.2015: 0.05%).

Cash and cash equivalents (as presented in the Statement of cash flows)

	31.12.2016	31.12.2015
Cash and balances with Central Banks	380,664	421,234
Short-term placements with other banks	267,427	316,673
	648,091	**737,907**
Cash and cash equivalents from discontinued operations		27,341
Total	**648,091**	**765,248**

14. Due from banks

	31.12.2016	31.12.2015
Placements with other banks	1,746,498	2,334,554
Guarantees for derivative securities coverage and repurchase agreements (note 36e)	1,148,274	1,067,405
Sale and repurchase agreements (Reverse Repos)	50,475	
Loans to credit institutions	9,027	13,865
Less:		
Allowance for impairment losses	(41,961)	(8,965)
Total	**2,912,313**	**3,406,859**

In 2016, the Bank transferred the amount of €32,996 concerning a bond issued by a foreign Credit Institution that matured, from the investment portfolio securities to due from banks. The bond has been fully impaired in prior years.

In 2015, the Bank proceeded in the impairment and write off of €2,552 for a loan to a foreign credit institution.

15. Trading securities

	31.12.2016	31.12.2015
Bonds		
- Greek Government	2,256	1,888
Shares		
- Listed	609	
Total	**2,865**	**1,888**

16. Derivative financial instruments (assets and liabilities)

	31.12.2016		
	Contractual nominal amount	Fair value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	273,850	2,411	7,083
Foreign exchange swaps	2,152,638	16,120	4,046
Cross currency swaps	2,007,165	74,107	153,821
Currency options	68,547	227	491
Currency options embedded in customer products	8,991	69	108
Total non-listed	**4,511,191**	**92,934**	**165,549**
b. Interest rate derivatives			
Interest rate swaps	7,302,153	465,907	528,853
Interest rate options (caps and floors)	240,395	15,204	4,275
Total non-listed	**7,542,548**	**481,111**	**533,128**
c. Commodity derivatives			
Commodity swaps	126,458	8,341	7,841
Commodity options	1,413	422	419
Total non-listed	**127,871**	**8,763**	**8,260**
d. Index derivatives			
OTC options	49,312	75	75
Total non-listed	**49,312**	**75**	**75**
e. Other derivatives			
GDP linked security	1,663,143	4,224	
Total listed	**1,663,143**	**4,224**	
Derivatives for hedging purposes			
a. Foreign exchange derivatives			
Foreign exchange swaps	24,826	304	
Total non-listed	**24,826**	**304**	
b. Interest rate derivatives			
Interest rate swaps	1,046,541	57,025	630,547
Total non-listed	**1,046,541**	**57,025**	**630,547**
Grand total	**14,965,432**	**644,436**	**1,337,559**

As part of the daily settlement and providing guarantee for derivatives with credit institutions as counterparty, on 31.12.2016 the Bank has pledged as collateral the net amount of €1.1 billion (31.12.2015: €1 billion). The respective net fair value of derivatives with credit institutions amounted on 31.12.2016 to €1.1 billion (31.12.2015: €0.9 billion).

	31.12.2015		
	Contractual nominal amount	Fair value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	177,192	720	4,163
Foreign exchange swaps	1,515,071	6,546	8,382
Cross currency swaps	4,052,181	248,200	435,865
Currency options	113,833	1,078	1,174
Currency options embedded in customer products	1,534	4	51
Total non-listed	**5,859,811**	**256,548**	**449,635**
b. Interest rate derivatives			
Interest rate swaps	7,942,561	452,079	506,190
Interest rate options (caps and floors)	462,883	19,538	4,655
Total non-listed	**8,405,444**	**471,617**	**510,845**
c. Commodity derivatives			
Commodity swaps	142,415	17,106	16,605
Total non-listed	**142,415**	**17,106**	**16,605**
d. Index derivatives			
OTC options	49,000	176	176
Total non-listed	**49,000**	**176**	**176**
e. Other derivatives			
GDP linked security	1,665,055	6,660	
Total listed	**1,665,055**	**6,660**	
Derivatives for hedging purposes			
a. Foreign exchange derivatives			
Cross currency swaps	29,187		4,932
Total non-listed	**29,187**		**4,932**
b. Interest rate derivatives			
Interest rate swaps	1,153,639	42,364	574,362
Total non-listed	**1,153,639**	**42,364**	**574,362**
Grand total	**17,304,551**	**794,471**	**1,556,555**

17. Loans and advances to customers

	31.12.2016	31.12.2015
Individuals		
Mortgages		
- Non-securitized	16,231,470	16,589,955
Consumer:		
- Non-securitized	3,546,181	3,448,236
- Securitized	1,272,572	1,299,934
Credit cards:		
- Non-securitized	680,502	653,766
- Securitized	540,376	565,583
Total	**22,271,101**	**22,557,474**
Companies:		
Corporate loans:		
- Non-securitized	25,474,333	26,275,219
- Securitized	2,514,014	2,126,179
Other receivables	387,432	376,383
	50,646,880	**51,335,255**
Less:		
Allowance for impairment losses *	(10,385,356)	(9,777,241)
Total	**40,261,524**	**41,558,014**

The Bank has proceeded in securitization of consumer, corporate loans and credit cards through special purpose entities controlled by them.

In addition, in 2016, the Bank proceeded in securitizing SMEs loans by transferring the loans to the special purpose entity, Alpha Proodos Designated Activity Company (note 27v).

Based on the contractual terms and structure of the above transactions (e.g. allowance of guarantees or/and credit enhancement or due to the Bank owing the bonds issued by the special purpose entities) the Bank retained in all cases the risks and rewards deriving from securitized portfolios.

The Bank has proceeded on 8.7.2015 in the cancelation of amount €3.75 billion of covered bonds that had issued, secured by mortgage loans. As at 31.12.2016, the balance of the covered bonds amounted to €5 million (note 27ii). The value of mortgage loans provided as coverage for these bonds amounted to €15.5 million.

Loans and advances to customers of 31.12.2015 include loans obtained from the acquisition of Diners Club Greece (note 43).

Allowance for impairment losses

Balance 1.1.2015	**6,944,450**
Changes for the period 1.1 - 31.12.2015	
Impairment losses for the year from continuing operations (note 10)	2,694,001
Impairment losses for the year from discontinued operations	174
Transfer of accumulated provisions to assets held for sale	(103,690)
Change in present value of the impairment losses from continuing operations	474,933
Change in present value of the impairment losses from discontinued operations	1,435
Foreign exchange differences	8,897
Loans written-off	(242,959)
Balance 31.12.2015	**9,777,241**
Changes for the period 1.1 - 31.12.2016	
Impairment losses for the year (note 10)	1,181,097
Transfer of accumulated provisions to assets held for sale	(100,000)
Utilization of accumulated provisions for other movements	(16,425)
Sales of impaired loans	(1,693)
Change in present value of impairment losses	324,829
Foreign exchange differences	5,199
Loans written-off	(784,892)
Balance 31.12.2016	**10,385,356**

* *In addition to the allowance of impairment losses regarding loans and advances to customers, a provision of €299,128 (31.12.2015: €294,993) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to €10,684,484 (31.12.2015: €10,072,234).*

18. Investment securities

a. Available for sale

	31.12.2016	31.12.2015
Greek Government:		
- Bonds	1,931,293	1,737,204
- Treasury bills	1,478,384	2,094,275
Other issuers:		
- Listed	857,719	917,330
- Non-listed	9,863	8,947
Shares		
- Listed	54,558	118,809
- Non-listed	21,078	7,136
Other variable yield securities	7,152	7,190
Total	**4,360,047**	**4,890,891**

During 2016 the Bank has recognized impairment losses amounting to €2,651 which is analyzed to €1,508 that relates to shares, €1,143 that relates to other variable yield securities.

During 2015 the Bank has recognized impairment losses amounting to €11,971 which is analyzed as €5,522 that relates to shares, €3,499 that relates to other variable yield securities and an amount of €2,950 which relates to bonds of other issuers.

These impairment amounts are included in "Gains less losses on financial transactions".

b. Held to maturity

	31.12.2016	31.12.2015
Other issuers:		
- Listed	9,342	2,823
Total	**9,342**	**2,823**

The variation compared to prior year is due to the maturity of a bond with a book value of €2.5 million and to the purchase of a bond with the book value €9 million.

c. Loans and receivables

Loans and receivables include bonds issued by the European Financial Stability Facility (EFSF) with a nominal value of €3,960,544 received by the Bank as a result of the share capital increase which was completed on 6.6.2013 and a nominal value of €284,628 which were transferred to the Bank from the Hellenic Financial Stability Fund (HFSF) for the undertaking of customer deposits from the former Cooperative Banks of West Macedonia, Evia and Dodecanese in December 2013.

These bonds under the original agreement could only be used as collateral to obtain liquidity from the Eurosystem or from interbank counterparties in the form of repos.

In April 2016 the subscription agreement revision between the European Financial Stability Facility (EFSF), the Hellenic Financial Stability Fund (HFSF) and the Bank was signed. The revision refers to the terms of use of the above bonds. The revision states that the Bank may participate with the EFSF bonds in the purchase programme for the bonds issued by central governments, special bodies-securities issuers and European supranational institutions of the Eurozone (Public Sector Purchase Programme-PSPP) conducted by ECB. According to the ECB's decision, a total up to 50% of each EFSF issue can be purchased until the completion of the program in March 2017. During 2016, the Bank conducted sale transactions of EFSF securities at a nominal value of €1,583 million and within 2017 (until 23.1.2017) at a nominal value of €140 million. The total book value of these bonds on 31.12.2016 was €2,682,655 (31.12.2015: €4,289,482).

In the context of the implementation of short-term measures for public debt relief, the European Stability Mechanism (ESM), the European Financial Stability Facility (EFSF), the Hellenic Financial Stability Fund (HFSF), the Greek State and the four Greek systemic banks signed a bond exchange agreement in March 2017. Under this contract, floating rate bonds issued by EFSF and held by the Banks are gradually exchanged with long-term fixed rate bonds issued by EFSF with equal nominal value, which will be repurchased within one month from EFSF against cash. For the use of long-term fixed rate bonds the same restrictions apply to these of floating-rate bonds, i.e. they consist eligible instruments for providing financing from the Eurosystem and the participation of the ECB's bond purchase program (PSPP) and can be pledged as collateral under repurchase transactions with interbank counterparties.

19. Investments in subsidiaries, associates and joint ventures

	From 1 January to	
	31.12.2016	**31.12.2015**
Subsidiaries		
Opening balance	**2,017,859**	**2,015,422**
Additions	69,720	68,955
Disposals	(139,083)	(41,113)
Transfer to assets held for sale	(140,245)	(26,753)
Valuation of investments due to fair value hedge *	(7,261)	1,348
Closing balance	**1,800,990**	**2,017,859**
Associates		
Opening balance	**631**	**631**
Closing balance	**631**	**631**
Joint ventures		
Opening balance	**68,896**	**56,636**
Additions	6,682	12,310
Disposals		(50)
Transfer due to reclassification to assets held for sale	(61,944)	
Closing balance	**13,634**	**68,896**
Total	**1,815,255**	**2,087,386**

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

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

The additions in subsidiaries amounting to €69,720 relate to participation of the Bank to the share capital increase of subsidiary company Alpha Group Investment Ltd (notes 46c and 46g).

The disposals in subsidiaries amounting to €139,083 relate to the impairment of Alpha Group Investments Ltd. This impairment was based on the estimation of the fair value of Alpha Group Investments Ltd and its subsidiaries. The valuation is classified in Level 3 of the fair value hierarchy, since unobservable inputs were used for the assessment.

The transfer of subsidiaries due to reclassification to assets held for sale of €140,245 relates to:

a) The subsidiary APE Fixed Assets A.E. for the amount of €35,245, which on 31.12.2016 met the conditions required by IFRS 5, as presented in detail in note 44 and

b) The subsidiary Alpha Bank Srbija A.D. for the amount of €105,000, which on 31.12.2016 met the conditions required by IFRS 5, as presented in detail in note 44.

The additions in joint ventures amounting to €6,682 relate:

a. €5,926 to the establishment cost of the joint venture Aktua Hellas Holdings AE,

b. €615 to participation of the Bank to the share capital increase of the same joint venture and

c. €141 to participation of the Bank to the share capital increase of ALPHA-TANEO AKES (notes 46b and 46k).

The transfer of joint ventures to assets held for sale amounting to €61,944 relates to the joint ventures APE Commercial Property and APE Investnment Property amounting to €50,150 and €11,794 respectively, which on 31.12.2016 met the conditions required by IFRS 5 as presented in detail in note 44.

* *The Bank uses FX swaps and money market loans to hedge the foreign exchange risk of its investments in subsidiaries abroad.*

Subsidiary financial information

A. SUBSIDIARIES

Name	Country	Balance 31.12.2016			1.1 - 31.12.2016		
		Assets	Equity	Liabilities	Turnover	Profit/(Loss) before taxes	Bank's ownership interest % 31.12.2016
Banks							
1. Alpha Bank London Ltd	United Kingdom	847,147	57,942	789,205	14,509	4,469	100.00
2. Alpha Bank Cyprus Ltd	Cyprus	2,610,251	424,665	2,185,586	142,569	(18,740)	98.73
3. Alpha Bank Romania S.A.	Romania	3,246,447	341,725	2,904,722	152,356	27,173	99.92
4. Alpha Bank AD Skopje	FYROM				2,059	(1,005)	0.00
5. Alpha Bank Srbija A.D.	Serbia	603,853	95,676	508,177	40,246	5,510	100.00
6. Alpha Bank Albania Sh.A.	Albania	548,833	76,655	472,178	22,924	(10,238)	100.00
Leasing companies							
1. Alpha Leasing A.E.	Greece	767,079	201,836	565,243	23,499	(37,600)	100.00
2. Alpha Leasing Romania IFN S.A.	Romania	40,469	1,361	39,108	2,463	66	99.00
3. ABC Factors A.E.	Greece	527,543	103,161	424,382	41,561	14,187	100.00
Investment Banking							
1. Alpha Finance A.E.P.E.Y.	Greece	44,619	30,681	13,938	6,732	(2,300)	99.72
2. SSIF Alpha Finance Romania S.A.	Romania	2,559	798	1,761	179	(180)	73.30
3. Alpha A.E. Ventures	Greece	42,360	41,009	1,351	318	(223)	99.42
4. Emporiki Ventures Capital Developed Markets Ltd	Cyprus	25,964	25,955	9	381	366	100.00
5. Emporiki Ventures Capital Emerging Markets Ltd	Cyprus	20,808	20,793	15	395	380	100.00
6. Emporiki Diachirisis A.E.	Greece	3,425	3,314	111	266	36	99.65
Asset Management							
1. Alpha Asset Management A.E.D.A.K.	Greece	47,782	43,132	4,650	17,360	3,257	88.40
Insurance							
1. Alpha Insurance Agents A.E.	Greece	3,185	2,850	335	1,080	915	100.00
2. Alphalife A.A.E.Z.	Greece	272,849	49,766	223,083	5,793	4,414	99.90
Real Estate and Hotel							
1. Oceanos A.T.O.E.E.	Greece	23,735	23,634	101	1,040	519	100.00
2. Emporiki Development & Real Estate Management A.E.	Greece	37,697	37,532	165	402	348	100.00
3. APE Fixed Assets A.E.	Greece	39,807	39,500	307	10	(267)	72.20
Special purpose and holding entities							
1. Alpha Credit Group Plc	United Kingdom	9,263	8,974	289	(24)	(481)	100.00
2. Alpha Group Jersey Ltd	Jersey	14,726	181	14,545	454	(79)	100.00
3. Alpha Group Investments Ltd	Cyprus	321,940	321,519	421	906	796	100.00
4. Ionian Holdings A.E.	Greece	353,355	351,158	2,197	4,054	3,971	100.00
5. Ionian Equity Participations Ltd	Cyprus	37,465	37,455	10	(216)	(235)	100.00
6. Emporiki Group Finance Plc	United Kingdom	1,431	1,379	52	(17)	(180)	100.00
7. Katanalotika Plc	United Kingdom	1,681,150	73	1,681,077	90,949	5	
8. Epihiro Plc	United Kingdom	1,622,559	51	1,622,508	48,062	5	
9. Pisti 2010-1 Plc	United Kingdom	851,048	39	851,009	77,947	5	
10. Alpha Group Ltd	Cyprus	50,937	50,866	71	869	690	100.00
11. Alpha Shipping Finance Ltd	United Kingdom	588,213	(966)	589,179	12,984	(49)	
Other companies							
1. Kafe Alpha A.E.	Greece	252	211	41	347	52	99.00
2. Alpha Supporting Services A.E.	Greece	78,436	70,420	8,016	13,876	(532)	99.00
3. Evisak A.E.	Greece	4,546	3,718	828	3,227	90	85.71

B. ASSOCIATES

1. AEDEP Thessalias and Stereas Ellados	Greece	309	147	162	634		50.00
2. Bank Information Systems A.E.	Greece	4,455	1,123	3,331	9,474	(1,446)	23.77
3. OLGANOS A.E.	Greece	9,529	(490)	10,019	103	(299)	30.44
4. Aktua Hellas Holdings A.E.	Greece	2,782	1,681	1,101		(2,355)	45.00

C. JOINT VENTURES

Name	Country	Balance 31.12.2016			1.1 - 31.12.2016		
		Assets	Equity	Liabilities	Turnover	Profit/(Loss) before taxes	Bank's ownership interest % 31.12.2016
1. APE Commercial Property A.E.	Greece	52,459	52,442	17	(3,236)	(3,259)	72.20
2. APE Investment Property A.E.	Greece	220,111	(80,062)	301,173	6,754	(22,070)	72.80
3. Alpha TANEO A.K.E.S.	Greece	6,483	6,300	183	802	639	51.00

As at 31.12.2016 the Bank, following the related loans restructuring agreements with the companies, Selonda A.E.G.E. and Nireus S.A., owns 21.97% and 20.65% of their shares, respectively. The Bank intends to transfer these companies in the near future. As a result these companies were classified in assets held for sale at their fair value, which was determined in the amount of €1.

20. Investment property

	Land and Buildings
Balance 1.1.2015	
Cost	46,149
Accumulated depreciation and impairment losses	(14,210)
1.1.2015 - 31.12.2015	
Net book value 1.1.2015	31,939
Additions	7
Impairments	(546)
Reclassification to "Other assets"	(939)
Reclassification to "Assets held for sale"	(1,268)
Depreciation charge for the year from discontinued operations	(9)
Depreciation charge for the year from continuing operations	(371)
Net book value 31.12.2015	**28,813**
Balance 31.12.2015	
Cost	43,847
Accumulated depreciation and impairment losses	(15,034)
1.1.2016 - 31.12.2016	
Net book value 1.1.2016	28,813
Additions	33
Impairments	(289)
Reclassification to "Other assets"	(361)
Depreciation charge for the year	(360)
Net book value 31.12.2016	**27,836**
Balance 31.12.2016	
Cost	43,471
Accumulated depreciation and impairment losses	(15,635)

In 2016, an impairment loss of €289 was recognized (31.12.2015: €546), in order for the carrying amount of investment property not to exceed their recoverable amount as at 31.12.2016, as estimated by certified appraisers. The impairment amount was recorded in "Other expenses".

The fair value of investment property as at 31.12.2016 amounts to €27,518 (31.12.2015: €29,828). The recoverable amount of investment property which was impaired during the current year amounted to €4,700 and it was calculated as the fair value less costs of sale.

The fair value of investment property is calculated in accordance with the methods mentioned in note 1.7 and are classified, in terms of fair value hierarchy, in Level 3, since they have made use of research inputs, assumptions and inputs relating to properties of relevant characteristics and therefore encompass a wide range of non-observable market inputs.

The capitalization rate used ranges between 7.0% and 8.5%.

21. Property, plant and equipment

	Land and Buildings	Leasehold	Equipment	Total
Balance 1.1.2015				
Cost	984,065	784	383,690	1,368,539
Accumulated depreciation and impairment losses	(306,185)	(144)	(332,625)	(638,954)
1.1.2015 - 31.12.2015				
Net book value 1.1.2015	677,880	640	51,065	729,585
Additions	5,984		13,590	19,574
Additions from discontinued operations	127		70	197
Impairments	(1,061)			(1,061)
Disposals/Write offs	(2,429)		(24)	(2,453)
Disposals/Write offs from discontinued operations	(119)		(25)	(144)
Reclassification to "Other Assets"	(14,106)	(18)	(450)	(14,574)
Reclassification from "Other Assets"			19	19
Reclassification from "Equipment" to "Land and buildings"	5		(5)	
Reclassification to "Assets held for sale"	(3,583)		(2,349)	(5,932)
Depreciation charge for the year from continuing operations	(18,114)	(107)	(14,553)	(32,774)
Depreciation charge for the year from discontinued operations	(349)		(241)	(590)
Net book value 31.12.2015	**644,235**	**515**	**47,097**	**691,847**
Balance 31.12.2015				
Cost	954,445	752	361,921	1,317,118
Accumulated depreciation and impairment losses	(310,210)	(237)	(314,824)	(625,271)
1.1.2016 - 31.12.2016				
Net book value 1.1.2016	644,235	515	47,097	691,847
Additions	7,029		17,956	24,985
Impairments	(3,956)			(3,956)
Disposals/Write offs	(1,541)		(23)	(1,564)
Reclassification to "Other Assets"	(4,036)			(4,036)
Reclassification from "Leasehold" to "Equipment"		(471)	471	
Depreciation charge for the year	(17,106)	(44)	(14,256)	(31,406)
Net book value 31.12.2016	**624,625**		**51,245**	**675,870**
Balance 31.12.2016				
Cost	951,390		373,058	1,324,448
Accumulated depreciation and impairment losses	(326,765)		(321,813)	(648,578)

The carrying amount of owned land and buildings included in the above balances amounts to €600,348 as at 31.12.2016 (31.12.2015: €614,844).

In 2016, an impairment loss of €3,956 was recognized (31.12.2015: €1,061) and was recorded in "Other Expenses".

During the impairment test of property, plant and equipment, the estimation is based on the value in use incorporating the carrying amount of an asset and all the improvements which render it absolutely suitable for use from the Bank.

The recoverable amount of "Property, plant and equipment" which was impaired during the current year amounted to €23,023.

22. Goodwill and other intangible assets

	Software	Banking rights	Other	Total
Balance 1.1.2015				
Cost	385,793	1,785	115,342	502,920
Accumulated amortization and impairment losses	(221,775)	(1,785)	(18,009)	(241,569)
1.1.2015-31.12.2015				
Net book value 1.1.2015	164,018		97,333	261,351
Additions	57,025		72	57,097
Additions from discontinued operations	74			74
Additions from the acquisition of Diners			22,995	22,995
Reclassification to "Assets held for sale"	(3,352)			(3,352)
Amortization charge for the year from continuing operations	(16,589)		(21,602)	(38,191)
Amortization charge for the year from discontinued operations	(153)			(153)
Net book value 31.12.2015	**201,023**	**-**	**98,798**	**299,821**
Balance 31.12.2015				
Cost	441,920	1,785	138,339	582,044
Accumulated amortization and impairment losses	(240,897)	(1,785)	(39,541)	(282,223)
1.1.2016 - 31.12.2016				
Net book value 1.1.2016	201,023		98,798	299,821
Additions	73,387			73,387
Amortization charge for the year	(20,990)		(18,292)	(39,282)
Net book value 31.12.2016	**253,420**		**80,506**	**333,926**
Balance 31.12.2016				
Cost	515,055	1,785	138,339	655,179
Accumulated amortization and impairment losses	(261,635)	(1,785)	(57,833)	(321,253)

The additions of the current year mainly concern acquisitions of user rights for computer applications.

The amount reported as "Additions from the acquisition of Diners" in 2015 relates to the recognition of an intangible asset regarding the customer relationships from the acquired operation of credit cards, whose useful life was estimated at 7 years.

23. Deferred tax assets

	31.12.2016	31.12.2015
Assets	4,477,144	4,372,486
Total	**4,477,144**	**4,372,486**

Deferred tax assets and liabilities are analyzed as follows:

	1.1 - 31.12.2016					
		Recognized in				
	Balance 1.1.2016	Income Statement	Equity	Discontinued operations	Acquisition of Diners	Balance 31.12.2016
Debit difference of Law 4046/2012	1,158,424	(44,554)				1,113,870
Depreciation and fixed assets write-offs	34,440	(8,997)				25,443
Valuation/impairment of loans	2,298,441	136,973				2,435,414
Valuation of loans due to hedging	(1,154)	840				(314)
Valuation of derivatives	153,856	6,033	16,609			176,498
Employee defined benefit obligations and insurance funds	68,875	(26,378)	3,052			45,549
Tax losses carried forward	471,731	(41,391)	281			430,621
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(35,920)	(3,778)				(39,698)
Valuation of investments	11,074	116,238				127,312
Valuation/impairment of bonds and other securities	134,012	(18,447)	(38,439)			77,126
Effective interest rate	5,251	(190)				5,061
Other temporary differences	73,456	6,806				80,262
Total	**4,372,486**	**123,155**	**(18,497)**	**-**	**-**	**4,477,144**

	1.1 - 31.12.2015					
		Recognized in				
	Balance 1.1.2015	Income Statement	Equity	Discontinued operations	Acquisition of Diners	Balance 31.12.2015
Debit difference of Law 4046/2012	1,078,533	79,891				1,158,424
Depreciation and fixed assets write-offs	51,287	(17,129)	6,261		(5,979)	34,440
Valuation/impairment of loans	1,611,432	687,009				2,298,441
Valuation of loans due to hedging	(2,097)	943				(1,154)
Valuation of derivatives	187,998	(26,491)	(7,651)			153,856
Employee defined benefit obligations and insurance funds	74,698	(7,899)	2,076			68,875
Tax losses carried forward	441,635	12,326	17,770			471,731
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(39,122)	3,202				(35,920)
Valuation of investments	2,013	9,061				11,074
Valuation/impairment of bonds and other securities	132,924	12,942	(11,854)			134,012
Effective interest rate	(4,719)	9,970				5,251
Other temporary differences	69,497	4,338		334	(713)	73,456
Total	**3,604,079**	**768,163**	**6,602**	**334**	**(6,692)**	**4,372,486**

The amount of €281 (31.12.2015: €17,770) which is recognized in Equity in the category "Tax losses carried forward" relates to share capital increase expenses which according to Law 4308/14 (Greek Accounting Standards) are recognized in the tax results of the year.

24. Other assets

	31.12.2016	31.12.2015
Tax advances and withholding taxes	341,409	378,879
Deposit and Investment Guarantee Fund	625,417	613,377
Assets obtained from auctions	184,320	195,746
Prepaid expenses	12,161	35,362
Employee advances	7,234	8,321
Accrued income	4,085	3,707
Other	203,664	186,378
Total	**1,378,290**	**1,421,770**

Hellenic Deposit and Investment Guarantee Fund included in other assets relates to the Bank's participation in assets of investment and deposit cover scheme. The above figure consists of:

1. the amount contributed relating to investment cover scheme, and
2. the difference between the regular annual contribution of credit institutions resulting from the application of article 6 of Law 3714/2008 "Borrowers protection and other regulations", which raised the amount of deposits covered from Deposit Guarantee scheme from € 20 thousands to €100 thousands per each depositor.

   The above difference is included according to Law 4370/7.3.2016 Deposit Gurantee Scheme (incorporating Directive 2014/49/EE), Deposit and Investment Guarantee Fund and other regulations in a special group of assets, whose elements are owned in common by the participant credit institutions, according to the participation percentage of each one.

On 31.12.2016 the Bank measured its fixed assets classified in other assets at the lowest value between the carrying amount and its fair value. In cases where the fair value was less than the carrying amount, an impairment loss was recognized which amounted to €6.6 million in total and is included in "Other expenses" of the Income Statement. On 31.12.2015, the relevant impairment loss amounted to €1.8 million. The fair value of fixed assets is calculated in accordance with the methods mentioned in note 1.7 and are classified in terms of fair value hierarchy in Level 3, since they have made use of research inputs, assumptions and inputs relating to properties of relevant characteristics and therefore encompass a wide range of non-observable market inputs. The capitalization rate used was between 7.0% and 8.5%.

LIABILITIES

25. Due to Banks

	31.12.2016	31.12.2015
Deposits:		
- Current accounts	59,210	126,267
- Term deposits		
Central Banks	18,331,086	24,404,828
Other credit institutions	125,546	62,821
Cash collateral for derivative margin accounts and repurchase agreements	25,465	56,960
Sale of repurchase agreements (Repos)	612,449	269,292
Borrowing funds	274,952	250,469
Other liabilities to credit institutions	4,293	
Total	**19,433,001**	**25,170,637**

Eurosystem funding decreased by €6.1 billion mainly due to the sale of EFSF bonds through the PSPP programme (note 18), new repurchase agreements (Repos) and the increase in customer deposits.

In June 2016, the European Central Bank carried out a new program of targeted long term refinancing operations (TLTRO-II) with a four year duration. The Bank participates in this program with an amount of €1.5 billion.

26. Due to customers

	31.12.2016	31.12.2015
Deposits:		
- Current accounts	8,012,949	7,293,215
- Saving accounts	9,366,367	9,790,672
- Term deposits:		
Synthetic swaps	104	157
Other	11,510,096	10,539,977
Sale and repurchase agreements (Repos)	46,112	46,140
	28,935,628	**27,670,161**
Cheques payable	74,351	63,518
Total	**29,009,979**	**27,733,679**

27. Debt securities in issue and other borrowed funds

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

Under the programme for the enhancement of the Greek's economy liquidity, according to Law 3723/2008, during 2016, the Bank proceeded to the issuance of senior debt securities guaranteed by the Greek Government amounting to €6.15 billion while the maturities/redemptions for the same period amounted to €14.37 billion.

The total balance of senior debt securities guaranteed by the Greek Government as at 31.12.2016 amounts to €1 billion (31.12.2015: €9.22 billion).

These securities are not included in the "Debt securities in issue and other borrowed funds", as they are held by the Bank.

ii. Covered bonds*

Covered bonds are not included in caption "Debt securities in issue and other borrowed funds" as these securities are held by the Bank.

The total balance of covered bonds as at 31.12.2016 amounts to €5 million.

* *Financial disclosures regarding covered bond issues, as determined by the 2620/28.8.2009 Act of the Bank of Greece, have been published on the Bank's website.*

iii. Senior debt securities

Balance 1.1.2016	**29,742**
Changes for the period 1.1 - 31.12.2016	
Maturities/Repayments	(4,128)
Fair value change	38
Accrued interest	1,262
Foreign exchange differences	(80)
Balance 31.12.2016	**26,834**

The variation is mainly related to an early redemption of senior debt security of a nominal value of USD 3 million which took place on 23.5.2016.

iv. Liabilities from the securitization of shipping loans

Balance 1.1.2016	**310,268**
Changes for the period 1.1 - 31.12.2016	
Maturities/Repayments	(81,299)
Accrued interest	8,567
Foreign exchange differences	(10,049)
Balance 31.12.2016	**227,487**

The Bank proceeded to a shipping loan securitization transaction, transferring them to the Special Purpose Entity, Alpha Shipping Finance Ltd, which in turn raised funding from third parties. The liability of the Bank to special purpose entity on 31.12.2016 which relates to the securitized shipping loans amounts to €227 million.

v. Liabilities from the securitization of corporate loans(SMEs)

Balance 1.1.2016	
Changes for the period 1.1 - 31.12.2016	
New issues	299,357
Maturities/Repayments	(10,349)
Accrued interest	152
Balance 31.12.2016	**289,160**

During the year, the Bank proceeded with the securitization of SME's loans, by transferring the afore mentioned loans to the fully consolidated special purpose entity, Alpha Proodos Designated Activity Company (D.A.C.), which in turn raised funding from third parties and the Bank. The Bank's liability to the special purpose entity on 31.12.2016 amounts to €289 million.

vi. Liabilities from the securitization of other loans

Liabilities arising from the securitization of consumer loans, corporate loans and credit cards are not included in "Debt securities in issue and other borrowed funds" since these securities of nominal value €3.7 billion have been issued by special purpose entities and held by the Bank.

vii. Subordinated debt

Balance 1.1.2016	**26,382**
Changes for the period 1.1 - 31.12.2016	
Maturities/Repayments	(367)
Accrued interest	(9)
Balance 31.12.2016	**26,006**

viii. Hybrid securities

Balance 1.1.2016	**15,239**
Changes for the period 1.1 - 31.12.2016	
Maturities/Repayments	
Accrued interest	38
Balance 31.12.2016	**15,277**

ix. Convertible bond loan

Balance 1.1.2016	**24,600**
Changes for the period 1.1 - 31.12.2016	
Fair value change	(10,605)
Balance 31.12.2016	**13,995**

The convertible bond concerns bond issuance with nominal value €150 million issued by the Bank on 1.2.2013 under an agreement with Credit Agricole SA for the acquisition of former Emporiki Bank. The decrease in the liability from the convertible bond at the amount of €10.6 million was recognized in Gains less losses on financial transactions of the year.

The convertible bond matured on 1.2.2017 (note 48c).

Total of Debt securities in issue and other borrowed funds, not held by the Bank, as at 31.12.2016	**598,759**

28. Liabilities for current income tax and other taxes

	31.12.2016	31.12.2015
Other taxes	19,419	21,108
Total	**19,419**	**21,108**

29. Employee defined benefit obligations

The total amounts recognized in the financial statements for defined benefit obligations are presented in the table below:

	Balance Sheet - Liabilities	
	31.12.2016	**31.12.2015**
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	78,597	70,643
TAP – Lump sum benefit		27,445
Savings program guarantee	4,225	2,556
Plans for Diners (pension and health care)	6,304	5,172
Total Liabilities	**89,126**	**105,816**

	Income Statement Expenses/(Income) From 1 January to	
	31.12.2016	**31.12.2015**
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920 (note 7)	7,118	4,064
TAP – Lump sum benefit	3,972	3,987
Savings program guarantee	206	41
Plans for Diners (pension and health care)	140	30
Total	**11,436**	**8,122**

Balance Sheet item and Income Statement amounts are analyzed per fund and type of benefit as follows:

a. Employee indemnity due to retirement in accordance with Law 2112/1920

The employment contracts of the employees are considered open term employee contracts and when cancelled, the provisions of Law 2112/1920 and 3198/1955 apply, as amended by Law 4093/2012, which provide a lump sum benefit payment.

The amounts recognized in the balance sheet are as follows:

	31.12.2016	31.12.2015
Present value of defined obligations	78,597	70,643
Liability	**78,597**	**70,643**

The amounts recognized in the income statement are as follows:

	From 1 January to	
	31.12.2016	**31.12.2015**
Current service cost	2,082	1,962
Net interest cost resulted from net asset/liability	1,760	1,294
Past service cost	2,343	
(Gain)/Loss from Settlement/Curtailment/Termination	933	808
Total (included in staff costs)	**7,118**	**4,064**

The movement in the present value of defined obligation is as follows:

	2016	2015
Opening balance	**70,643**	**64,906**
Liability from the acquisition of Diners		121
Current service cost	2,082	1,962
Interest cost	1,760	1,294
Benefits paid	(7,225)	(1,600)
(Gain)/Loss from Settlement/Curtailment/Termination	933	808
Past service cost	2,343	
Actuarial (gain)/loss - financial assumptions	8,690	3,576
Actuarial (gain)/loss – experience adjustments	(629)	(424)
Closing balance	**78,597**	**70,643**

The amounts recognized in equity during the year are analyzed as follows:

	31.12.2016	31.12.2015
Change in liability gain/(loss) due to changes in financial and demographic assumptions	(8,690)	(3,576)
Change in liability gain/(loss) due to experience adjustments	629	424
Total actuarial gain/(loss) recognized in Equity	**(8,061)**	**(3,152)**

The movement in the obligation in the balance sheet is as follows:

	2016	2015
Opening balance	**70,643**	**64,906**
Liability from the acquisition of Diners		121
Benefits paid	(7,225)	(1,600)
Loss /(Gain) recognized in Income Statement	7,118	4,064
Loss/(Gain) recognized in Equity	8,061	3,152
Closing balance	**78,597**	**70,643**

b. Supplementary Pension Fund (TAP) of former Alpha Credit Bank Employees

The obligation to the Supplementary Pension Fund (TAP) of former Alpha Credit Bank employees, after it was absorbed by the Common Insurance Fund of Bank Employees for the supplementary pension (Article 10, Law 3620/2007) is restricted to paying a lump sum benefit to retiring employees, which is guaranteed by the Bank. On 18.11.2013 the Bank signed a new operational agreement with the Association of Personnel, whereby the amount paid by the Supplementary Pension Fund, will not exceed the difference between the amount corresponding to the overall lump sum provision, according to the statute of the Supplementary Pension Fund (TAP), and the amount of compensation that the Bank must pay, according to the current labor legislation, on the termination of employment contracts. This adjustment is not affected by a potential reduction of the compensation amount in the future.

On 20.05.2016 the General Meeting of the representatives of TAP's members decided the liquidation of TAP under the terms of the agreement signed on 21.04.2016 between the Bank, the staff association and TAP. Based on the decision, contribution from TAP were returned to its members along with their returns according to the articles of association. This resulted in the settlement of the respective obligation.

The amounts included in the balance sheet are as follows:

	31.12.2016	31.12.2015
Present value of defined obligation		62,947
Fair value of plan assets		(35,502)
Liability	**-**	**27,445**

The amounts included in the income statement are as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Current service cost	1,155	2,651
Net interest cost resulted from net asset/liability	284	354
General expenses	2	5
Total of current service cost	**1,441**	**3,010**
(Gain)/Loss from Settlement/Curtailment/Termination	2,531	977
Total (included in staff costs)	**3,972**	**3,987**

The movement in the present value of the defined benefit obligations is as follows:

	2016	2015
Opening balance	**62,947**	**82,475**
Current service cost	1,155	2,651
Interest cost	654	1,179
Employee contributions	124	366
Benefits paid	(72,125)	(26,357)
Contributions paid directly by the Bank		(230)
(Gain)/Loss from Settlement/Curtailment/Termination	2,531	977
Actuarial (gain)/loss - financial assumptions		1,983
Actuarial (gain)/loss – experience adjustments	4,714	(97)
Closing balance	**-**	**62,947**

The movement in the fair value of plan assets is as follows:

	2016	2015
Opening balance	**35,502**	**53,245**
Expected return	370	825
Employee contributions	124	366
Bank's contributions	31,417	
Benefits paid	(72,125)	(26,357)
Expenses	(2)	(5)
Actuarial losses	4,714	7,428
Closing balance	**-**	**35,502**

The amounts recognized directly in equity during the year are analyzed as follows:

	2016	2015
Change in liability due to financial and demographic assumptions – gain/(loss)		(1,983)
Change in liability due to experience adjustments – gain/(loss)	(4,714)	97
Return on plan assets excluding amounts included in Income Statement – gain/(loss)	4,714	7,428
Total actuarial gain/(loss) recognized in equity	**-**	**5,542**

The movement of the liability/(asset) in the balance sheet is as follows:

	2016	2015
Opening balance	**27,445**	**29,230**
Benefits paid directly by the Bank		(230)
Bank's contributions	(31,417)	
Loss/(Gain) recognized in Income Statement	3,972	3,987
Loss/(Gain) recognized in Equity		(5,542)
Closing balance	**-**	**27,445**

c. Guarantee of the minimum benefit for newly insured employees (after 1993) that were hired up to 31.12.2004 and joined the new Bank's savings plan

For employees hired by the Bank and insured from 1.1.1993 until 31.12.2004 the final amount to be received upon retirement has, according to the provisions of the insurance plan, as minimum limit the benefit as defined in Law 2084/1992 and the Cabinet Act 2/39350/0022/2.3.99.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2016	31.12.2015
Present value of defined obligation	4,225	2,556
Liability	**4,225**	**2,556**

The amounts included in the income statement are analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Current service cost	142	30
Net interest cost resulted from the net asset/liability	64	11
Total (included in staff costs)	**206**	**41**

The movement in the present value of defined benefit obligation is as follows:

	2016	2015
Opening balance	**2,556**	**547**
Current service cost	142	30
Interest cost	64	11
Actuarial (gain)/loss - financial assumptions	1,631	1,947
Actuarial (gain)/loss – experience adjustments	(168)	21
Closing balance	**4,225**	**2,556**

The amounts recognized directly in equity during the year are analyzed as follows:

	2016	2015
Change in liability gain/(loss) due to financial and geographical assumption	(1,631)	(1,947)
Change in liability gain/(loss) due to experience adjustments	168	(21)
Total actuarial gain/(loss) recognized in equity	**(1,463)**	**(1,968)**

The movement in the obligation is as follows:

	2016	2015
Opening balance	**2,556**	**547**
Loss/(Gain) recognized in Income Statement	206	41
Loss/(Gain) recognized in Equity	1,463	1,968
Closing balance	**4,225**	**2,556**

d. Supplementary Pension Fund and Healthcare of Diners

The Bank guarantees from 30.9.2014, date of acquisition of Diners Club Greece A.E. the Supplementary Pension Fund and Health Care Plan of the Company, which is managed by an independent insurance company.

On 2.6.2015, the merger via absorption of the company was completed. These plans cover the pensioners and those who have retired and have the right to receive supplementary pension in the future.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2016	31.12.2015
Present value of defined obligation	9,726	8,941
Fair value of plan assets	(3,422)	(3,769)
Liability	**6,304**	**5,172**

The amounts included in the income statement are analyzed as follows:

	From 1 January to	
	31.12.2016	**31.12.2015**
Net interest cost resulted from net asset/liability	129	30
Expenses	11	
Total (included in staff costs)	**140**	**30**

The movement in the present value of defined benefit obligation is as follows:

	2016	2015
Opening balance	**8,941**	**-**
Merger via absorption of Diners		9,726
Interest cost	219	104
Benefits paid directly by the Bank	(13)	(11)
Benefits paid by the plan	(336)	(200)
Actuarial (gain)/loss - financial assumptions	1,000	(825)
Actuarial (gain)/loss – experience adjustments	(85)	147
Closing balance	**9,726**	**8,941**

The movement in the fair value of plan assets is as follows:

	2016	2015
Opening balance	**3,769**	**-**
Merger via absorption of Diners		3,970
Expected return	90	74
Benefits paid	(336)	(200)
Expenses	(11)	
Actuarial losses	(90)	(75)
Closing balance	**3,422**	**3,769**

The amounts recognized directly in equity during the year are analyzed as follows:

	2016	2015
Change in liability gain/(loss) due to financial and demographic assumptions	(1,000)	825
Change in liability gain/(loss) due to experience adjustments	85	(147)
Return on plan assets excluding amounts included in income statement - gain/(loss)	(90)	(75)
Total actuarial gain/(loss) recognized in equity	**(1,005)**	**603**

The movement in the obligation is as follows:

	2016	2015
Opening balance	**5,172**	**-**
Merger via absorption of Diners		5,756
Benefits paid directly by the Bank	(13)	(11)
Amount recognized in Income Statement	140	30
Amount recognized in Equity	1,005	(603)
Closing balance	**6,304**	**5,172**

The results of the abovementioned valuations are based on the assumptions of the actuarial studies.

The principal actuarial assumptions used for the above mentioned defined benefit plans are as follows:

	31.12.2016	31.12.2015
Discount rate	1.80%	2.50%
Inflation rate	1.50%	1.75%
Return on plan assets	2.00%	2.50%
Future salary growth	1.80%	1.80%
Future pension growth	0.00%	0.00%

The discount rate was based on the iBoxx Euro Corporate AA+ adopted to the characteristics of the programs.

The average duration per program is depicted in the table below:

	31.12.2016	31.12.2015
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	17.7	17.9
TAP – Lump sum benefit		13.0
Savings program guarantee	19.5	20.0
Programms of Diners (Pension and Healthcare)	16.3	17.1

The table below presents the sensitivity of the obligations of the above programs on the financial assumptions:

	Percentage variation in liability (%)
Increase in discount rate by 0,5%	(8.2)
Decrease in discount rate by 0.5%	9.1
Increase in future salary growth rate by 0.5%	9.0
Decrease in future salary growth rate by 0.5%	(8.3)

30. Other liabilities

	31.12.2016	31.12.2015
Suppliers	45,306	38,080
Deferred income	5,173	7,664
Accrued expenses	54,519	54,203
Liabilities to third parties	79,396	68,681
Liabilities to Insurance Funds (E.T.A.T., I.K.A. – E.T.E.A.M.) (note 7)	67,281	131,911
Liabilities to merchants from the use of credit cards	301,009	307,390
Other	253,816	223,628
Total	**806,500**	**831,557**

31. Provisions

Balance 1.1.2015	**333,520**
Changes for the period 1.1 - 31.12.2015	
Transfer of provisions to "Liabilities related to assets held for sale"	(623)
Other provisions from continuing operations	7,225
Other provisions from discontinued operations	26
Reversal of other provisions	(6,048)
Other provisions used from continuing operations	(6,657)
Other provisions used from discontinued operations	(186)
Provision for separation scheme (note 7)	64,300
Provisions to cover credit risk relating to off-balance sheet items from continuing operations (note 7)	18,886
Provisions to cover credit risk relating to off-balance sheet items from discontinued operations	3
Balance 31.12.2015	**410,446**
Changes for the period 1.1 - 31.12.2016	
Other provisions (note 9)	7,916
Other provisions used	(4,047)
Use of provision for separation scheme (note 7)	(35,262)
Provisions to cover credit risk relating to off-balance sheet items (note 10)	4,135
Balance 31.12.2016	**383,188**

The amounts of other provisions charged to profit and loss account are included in "Other Expenses" of the income statement.

On 31.12.2016 the balance of provisions to cover credit risk relating to off-balance sheet items amounts to €299.1 million (31.12.2015: €295 million) and other provisions to €84.1 million (31.12.2015: €115.4 million) out of which, €29 million (31.12.2015: €26.8 million) relates to pending legal cases and €29 million (31.12.2015 €64.3 million) relates to provision of separation scheme.

EQUITY

32. Share capital

The Bank's share capital on 31.12.2015 and 31.12.2016 is analysed as follows:

	Opening balance of shares as at 1.1.2015	Changes for the period from 1.1.2015 to 31.12.2015 (units)				Balance of shares as at 31.12.2015/ 31.12.2016	Paid-in capital as at 31.12.2015/ 31.12.2016
		Reverse split	Capitalization of special reserve	Share capital increase in cash	Share capital increase through capitalization of money claims		
a. Ordinary shares							
Number of ordinary shares	12,769,059,858.00	(12,513,678,660.84)	2.84			255,381,200.00	76,614
Share capital increase				776,084,586.00	505,415,414.00	1,281,500,000.00	384,450
Total	**12,769,059,858.00**	**(12,513,678,660.84)**	**2.84**	**776,084,586.00**	**505,415,414.00**	**1,536,881,200.00**	**461,064**

On 24.11.2015 the following took place:

a) Increase the nominal value of each ordinary, registered, with voting rights, non-paper share issued by the Bank from €0.30 to €15.00, by reverse split, with a respective decrease of the total number of shares at a ratio of 50 old shares to 1 new ordinary, with voting rights share,

b) increase of share capital of the Bank, with capitalization of part of special reserve of the Bank with an amount of €42.6 by the virtue of the paragraph 4a of the article 4 of the Codified Law 2190/1920, in order to create an integer number of shares,

c) decrease, by the virtue of the paragraph 4a of the article 4 of the Codified Law 2190/1920, of the share capital of the Bank by an amount of €3,754,103,640 as a result of the decrease of the nominal value of each ordinary, non-paper, registered, with voting rights share issued by the Bank from €15.00 to €0.30 with a respective increase of special reserve of the Bank, by virtue of the paragraph 4a of the article 4 of the Codified Law 2190/1920, and

d) increase of the share capital of the Bank for an amount €1,010,830,828.00 through capitalization of the monetary claims in the context of the voluntary exchange of securities that participated in the liability management exercise and payment in cash of an amount of €1,552,169,172.00 via a private placement.

The increase of the share capital aimed to the coverage in full of its total recapitalization requirement under the adverse scenario of the Single Supervisory Mechanism comprehensive assessment.

Following the above, the Bank's share capital as at 31.12.2015 amounts to €461,064,360.00 divided to 1,536,881,200 ordinary, registered, with voting rights shares with nominal value of €0.30 and a share premium of €10,790,869,872.46. The number of the ordinary shares that the Hellenic Financial Stability Fund (HFSF) held at 31.12.2015 was 169,175,146.

There was no change in the Bank's share capital during 2016.

Finally, with the decision of the Board of Directors on 23.2.2017, the Bank proceeded with a share capital increase due to a bond's conversion as mentioned in note 48.

Regarding the process of warrant's exercise on the shares of Hellenic Financial Stability Fund, held on 15.6.2015, 13,800 warrants were exercised by the common shareholders which corresponded to 102,239 ordinary shares. The exercise of warrants did not affect the Bank's share capital but the number of shares owned by the Hellenic Financial Stability Fund. During 2016 no warrants on the shares of Hellenic Financial Stability Fund were exercised.

33. Share premium

Opening balance 1.1.2015	**4,858,216**
Decrease of nominal value of ordinary shares from €15 to €0,30	3,754,104
Share capital increase - share premium on issuance of ordinary shares	2,178,550
Balance 31.12.2015 / 31.12.2016	**10,790,870**

As at 24.11.2015 following the share capital increase and the issuance of 1,281,500,000 new ordinary shares with a nominal amount of €0.30 and an offer price of €2, the total difference of €2,178.5 million between the nominal value and the shares' offer price increased the caption "Share Premium".

34. Reserves

Reserves are analyzed as follows:

a. Statutory reserve

	31.12.2016	31.12.2015
Statutory reserve	420,425	420,425

According to the Bank's article of association (article 26), the Bank is required to transfer 5% of its annual profit after tax to a statutory reserve, until this reserve amounts to one third of its share capital. This reserve can only be used to offset losses according to article 44 of Codified Law 2190/1920.

b. Available for sale securities reserve

	2016		2015	
Opening balance 1.1		**(125,129)**		**(180,652)**
Changes for the period 1.1 - 31.12				
Net change in fair value of available for sale securities, after income tax	111,310		38,882	
Net change in fair value of available for sale securities transferred to profit and loss	(16,090)		16,641	
Total		**95,220**		**55,523**
Balance 31.12		**(29,909)**		**(125,129)**

c. Other reserves

	2016	2015
Opening balance 1.1	**(141,665)**	**(186,422)**
Changes for the period 1.1 - 31.12		
Cash flow hedge reserve after income tax	(40,664)	44,757
Total 31.12	**(182,329)**	**(141,665)**

Total reserves (a+b+c)	**208,187**	**153,631**

35. Retained earnings

a. Due to the Bank's accumulated losses for the year 2015 and after taking into account article 44a of Codified Law 2190/1920, the Ordinary General Meeting of Shareholders on 30.6.2016 decided the non distribution of dividend to ordinary shareholders of the Bank.

b. Since the above are valid for 2016 the Bank's Board of Directors will suggest the non - distribution of dividend to the Ordinary General Meeting of shareholders of the Bank.

c. The caption "Retained Earnings" as of 31.12.2016 includes expenses concerning the share capital increase, amounting to €0.7 million (31.12.2015: €43.5 million) net of income tax.

ADDITIONAL INFORMATION

36. Contingent liabilities and commitments

a) Legal issues

The Bank, in the ordinary course of business, is a defendant in claims from customers and other legal proceedings. In the context of managing the operational risk events and on the basis of the accounting principles followed, the Bank records all the filed lawsuits or similar actions performed by third parties against the Bank and considers any possibility of their success, as well as the possible outcome.

For cases where there is a significant probability of a negative outcome, and the result may be sufficiently estimated, the Bank creates a provision that is included in the Balance Sheet under the caption "Provisions". On 31.12.2016 the amount of the provision stood at € 29 million.

For cases where according to their progress and the evaluation of the Legal department on December 31, 2016, a negative outcome is not probable or the potential outflow cannot be estimated reliably due to the complexity of the cases, the time period they will last and the uncertainty of their outcome, the Bank has not recognized a provision. As of 31.12.2016 the legal claims against the Bank for the above cases amount to € 270.3 million.

According to the estimations of the legal department, the ultimate settlement of these matters is not expected to have a material effect on the financial position or the operations of the Bank.

b) Tax issues

Alpha Bank has been audited by the tax authorities for the years up to and including 2009. For 2010 a tax audit is currently in progress. For 2011 up to 2015 a tax certificate with no qualifications has been issued. Emporiki Bank has been audited by the tax authorities for the years up to and including 2008. For the years 2011 up to 2013 it has obtained a tax certificate with no qualifications.

The Bank's branches in London and Bulgaria have been audited by the tax authorities for 2013 and 2015 respectively, while Bulgaria Branch is currently being audited by the tax authorities for 2016. Emporiki Bank's Cyprus branch has not been audited by the tax authorities since the commencement of its operations (year 2011), until its deletion from department of Registrar of companies of Cyprus (August 2015), meanwhile it has ceased its operations from September of 2014.

On 2.6.2015, the merger via absorption of Diners Club of Greece was completed. Diners Club of Greece has been audited by the tax authorities for the years up to and including 2010. For the years 2011 up to 2013 it has obtained a tax certificate with no qualifications.

Additional taxes and penalties may be imposed for the unaudited years due to the fact that some expenses may not be recognized as deductible by the tax authorities.

c) Operating leases

The Bank as lessee

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

The duration of the lease agreements is initially for twelve years with a renewal or extension option according to the lease agreements. The policy of the Bank is to renew these contracts

The minimum future lease payments are:

	31.12.2016	31.12.2015
Less than one year	29,163	32,553
Between one and five years	76,014	84,840
More than five years	77,699	86,496
Total	**182,876**	**203,889**

The total lease expenses of Bank in 2016 relating to rental of buildings amounted to €30,799 (31.12.2015: €32,918) and are included in "General administrative expenses".

The Bank as a lessor

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

The minimum future lease revenues are:

	31.12.2016	31.12.2015
Less than one year	4,199	3,394
Between one and five years	11,118	7,770
More than five years	13,954	6,717
Total	**29,271**	**17,881**

The lease revenues for the year 2016 amounted to €3,775 (31.12.2015: €3,283) and are included in "Other income".

d) Off balance sheet liabilities

The Bank pursuant to its normal operations, is bound by contractual commitments, that in the future may result to changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee, undrawn credit facilities and credit limits, as well as guarantees provided for bonds issued by subsidiaries and other guarantees to subsidiaries.

In addition, contingent liabilities for the Bank arise from undrawn loan commitments and credit limits that may not be fulfilled immediately or may be partly fulfilled as long as the agreed upon requirements are fulfilled by counterparties.

The outstanding balances are as follows:

	31.12.2016	31.12.2015
Letters of credit	16,215	21,938
Letters of guarantee and other guarantees	4,116,824	4,525,710
Guarantees relating to bonds issued by subsidiaries of the Bank	15,542	15,542

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

The liability from limits that can not be recalled (committed) in case where counterparties fail to meet their contractual obligations as at 31.12.2016 amounts to €421.7 million (31.12.2015: €211.2 million) and are included in the calculation of risk weighted assets.

The Bank has committed to contribute in the share capital of the joint venture Alpha TANEO AKES up to the amount of €0.3 million.

e) Assets pledged

Assets pledged, as at 31.12.2016 are analyzed as follows:

- Deposits pledged amounting to €0.3 billion concerning the Bank's obligation to maintain deposits in the Bank of Greece, corresponding to 1% of total customer deposits.
- Deposits pledged amounting to €0.2 billion concerning guarantees provided on behalf of the Greek Government.
- Deposits pledged to credit institutions amounting to €1.1 billion which have been provided as guarantee for derivative transactions.
- Deposits pledged to credit institutions amounting to €0.07 billion, that were given as letters of credit or guarantee letters issued by the Bank in order to facilitate the clients imports.
- Deposits of €3 million were pledged to the Resolution Fund as irrevocable payment commitment as part of 2016 contribution. The commitment has to be fully secured by cash as decided by the Single Resolution Board.
- Due from banks:
  - i. amount of €0.6 billion pledged to central banks for liquidity purposes.
  - ii. amount of €0.34 billion given to foreign subsidiaries as collateral for credit risk.
  - iii amount of €10.5 million pledged to Central Banks for the purpose of participating in main refinancing operations.
- Loans and advances to customers:
  - i amount of nominal value of €22 billion pledged to Central Banks for liquidity purposes.
  - ii a carrying amount of €2.75 billion, which relates to corporate, consumer loans and credit cards, has been securitized for the issuance of Special Purpose Entities' bonds of a nominal value of €3.7 billion, which are held

by the Bank and pledged to Central Banks for liquidity purposes.

iii. a carrying amount of €0.6 billion, which relates to shipping loans, has been securitized for the issuance of securities for the purpose of financing the Bank through a Special Purpose Entity, which amounts to €0.3 billion at 31.12.2016.

iv. an amount of €0.6 billion relating to corporate loans has been securitized for the issuance of Special Purpose Entities' bonds, which on 31.12.2016 amounted to €0.6 billion, out of which €0.3 billion is held by the Bank.

v. an amount of nominal value of €0.2 billion relating to corporate loans has been pledged for other loan facilities.

- Securities held for trading and investment securities portfolio:

i. an amount of nominal value of €3.92 billion of Greek Government securities, of which a nominal amount of €3.53 billion has been pledged to central banks for liquidity purposes, a nominal amount of €0.03 billion has been pledged for other loan facilities, while an amount of €0.36 billion of other corporate securities has been given as a collateral of the repurchase agreements (repo).

In addition, a nominal amount of €0.06 billion refers to Greek Government securities received as collateral for reverse repo and have been pledged to Central Banks for liquidity purposes.

ii. an amount of nominal value of €2.66 billion relates to securities issued by the European Financial Stability Facility (EFSF), received from the Bank by the HFSF in the context a) its participation to the share capital increase that was completed on 6.6.2013, and, b) due to the coverage of the difference between the values of assets and liabilities transferred from Cooperative Banks, of which an amount of €2.46 billion has been pledged to Central Banks for participation in main refinancing operations and an amount of nominal value of €0.2 billion has been given as a collateral for other repo agreement.

iii. An amount of nominal value of €0.5 billion relates to bonds issued from the securitization of receivables of finance leases of a Group's entity, has been pledged to Central Banks for liquidity purposes.

iv. The amount of €0.3 billion of other corporate securities has been given as a collateral of the repurchase transactions.

In addition an amount of nominal value of €1 billion that relates to securities issued with the guarantee of the Greek Government in accordance with Law 3723/2008 and are held by the Bank, are pledged as collateral to Central Banks for liquidity purposes.

37. Operating segments

a. Analysis of operating segment

(In millions of Euro)

	1.1 - 31.12.2016						
	Retail	**Corporate Banking**	**Asset Management/ Insurance**	**Investment Banking/ Treasury**	**South-Eastern Europe**	**Other**	**Total**
Net interest income	997.7	669.9	1.1	(20.0)		17.8	1,666.5
Net fee and commission income	110.8	128.7	27.2	3.9			270.6
Other income	6.9	4.7	1.5	63.6		213.7	290.4
Total income	**1,115.4**	**803.3**	**29.8**	**47.5**	**-**	**231.5**	**2,227.5**
Total expenses	**(675.8)**	**(129.1)**	**(14.3)**	**(16.3)**		**(84.1)**	**(919.6)**
Impairment losses	(352.2)	(812.4)				(5.6)	(1,170.2)
Profit/(losses) before income tax	**87.4**	**(138.2)**	**15.5**	**31.2**	**-**	**141.8**	**137.7**
Income tax							123.2
Profit / (losses) after income tax from continuing operations							**260.9**
Profit/(losses) after income tax from discontinued operations					(0.3)		(0.3)
Profit/(losses) after income tax							**260.6**
Assets 31.12.2016	24,556.7	17,221.5	84.8	11,578.9		6,960.7	60,402.6
Liabilities 31.12.2016	22,729.6	6,438.5	876.2	21,495.5		137.8	51,677.5
Capital expenditure	74.0	16.4	1.3	1.1		5.7	98.4
Depreciation and Amortization	(53.4)	(11.9)	(0.9)	(0.8)		(4.1)	(71.0)

(In millions of Euro)

	1.1 - 31.12.2015						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other	Total
Net interest income	1,017.1	714.4	2.4	(146.0)		21.3	1,609.2
Net fee and commission income	105.3	125.7	34.7	(9.9)			255.8
Other income	3.1	4.9	3.2	77.4		(131.1)	(42.5)
Total income	**1,125.5**	**845.0**	**40.3**	**(78.5)**	**-**	**(109.8)**	**1,822.5**
Total expenses	**(666.2)**	**(119.8)**	**(16.1)**	**(16.1)**		**(101.5)**	**(919.7)**
Impairment losses	(1,328.3)	(1,370.9)					(2,699.2)
Provision for Separation Scheme						(64.3)	(64.3)
Negative goodwill from acquisitions						48.2	48.2
Profit/(losses) before income tax	**(869.0)**	**(645.7)**	**24.2**	**(94.6)**	**-**	**(227.4)**	**(1,812.5)**
Income tax							823.1
Profit / (losses) after income tax from continuing operations							**(989.4)**
Profit/(losses) after income tax from discontinued operations					(42.9)		(42.9)
Profit/(losses) after income tax							**(1,032.3)**
Assets 31.12.2015	24,753.6	19,187.6	63.6	13,421.4	444.6	7,122.1	64,992.9
Liabilities 31.12.2015	22,575.7	5,818.7	522.2	27,070.1	338.8	249.3	56,574.8
Capital expenditure	58.7	12.0	0.9	0.8		4.3	76.7
Depreciation and Amortization	(54.4)	(11.2)	(0.9)	(0.8)		(4.0)	(71.3)

i. Retail Banking

Includes all individuals (retail banking customers), professionals, small and very small companies, except from those whose relationship management is performed by the branches abroad (South-Eastern Europe).

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

ii. Corporate Banking

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

iii. Asset Management/Insurance

Consists of a wide range of asset management services offered through the Bank's private banking units. In addition, a wide range of insurance products to individuals and companies is provided.

iv. Investment Banking/Treasury

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

v. South Eastern Europe

The Bank's branch in Bulgaria, included in this segment, is presented in "Profit/(losses) from discontinued operations".

vi. Other

This segment consists of administration departments of the Bank and income and expenses that are not related to its operating activities or are non recurring and are due to external factors.

The assets of the operating segments "Retail" and "Corporate Banking" include the following figures of the Bank's loans, which are being managed by the non performing loans retail and wholesale banking units, based on Bank's internal procedures.

	31.12.2016			31.12.2015		
	Total gross amount	Allowance for impairment losses	Total net amount	Total gross amount	Allowance for impairment losses	Total net amount
Mortgages	7,655,203	2,032,511	5,622,692	7,637,046	2,176,285	5,460,761
Consumer loan	4,336,599	2,394,214	1,942,385	4,100,482	2,412,186	1,688,296
Corporate loans	13,704,057	7,686,799	6,017,258	12,919,684	7,481,444	5,438,240
Total	**25,695,859**	**12,113,524**	**13,582,335**	**24,657,212**	**12,069,915**	**12,587,297**

b. Analysis by geographical segment

In millions of Euro

	1.1 - 31.12.2016		
	Greece	Other Countries	Total
Net interest income	1,658.1	8.4	1,666.5
Net fee and commission income	268.1	2.5	270.6
Other income	289.1	1.3	290.4
Total income	**2,215.3**	**12.2**	**2,227.5**
Total expenses	**(912.6)**	**(7.0)**	**(919.6)**
Impairment losses	(1,170.2)		(1,170.2)
Profit/(Losses) before income tax	**132.5**	**5.2**	**137.7**
Income tax			123.2
Profit/(Losses) after income tax from continuing operations			**260.9**
Profit/(losses) after income tax from discontinued operations		(0.3)	(0.3)
Profit/(losses) after income tax			**260.6**
Assets 31.12.2016	60,381.6	21.0	60,402.6

In millions of Euro

	1.1 - 31.12.2015		
	Greece	Other Countries	Total
Net interest income	1,599.2	10.0	1,609.2
Net fee and commission income	253.0	2.8	255.8
Other income	(43.9)	1.4	(42.5)
Total income	**1,808.3**	**14.2**	**1,822.5**
Total expenses	**(913.6)**	**(6.1)**	**(919.7)**
Impairment losses	(2,699.2)		(2,699.2)
Provision for separation scheme	(64.3)		(64.3)
Negative goodwill from acquisition	48.2		48.2
Profit/(Losses) before income tax	**(1,820.6)**	**8.1**	**(1,812.5)**
Income tax			823.1
Profit/(Losses) after income tax from continuing operations			**(989.4)**
Profit/(losses) after income tax from discontinued operations		(42.9)	(42.9)
Profit/(losses) after income tax			**(1,032.3)**
Assets 31.12.2015	64,425.3	567.6	64,992.9

38. Risk Management

The Bank has established a comprehensive risk management framework which has evolved over time, and takes into account the common European legislation and the banking system rules, the regulatory principles and supervisory guidance and the best international practices. This risk management framework is implemented in the course of the day-to-day business enabling corporate governance to remain effective.

The Bank's focus in 2016 was to maintain the highest operating standards, ensure compliance with regulatory risk rules and retain confidence in the conduct of its business activities through sound provision of sustainable financial services.

38.1 Credit Risk Management

RISK MANAGEMENT ORGANIZATION

Board of Directors

The Board of Directors supervises the overall operations of the Risk Management Unit. Regarding Risk Management, the Board of Directors is supported by the Risk Management Committee. The Risk Management Committee through monthly meetings reports to the Board of Directors issues regarding the Group's risk-taking strategy and capital management. It is responsible for the implementation and monitoring compliance of risk management policies.

The Bank re-assesses the effectiveness of the risk management framework on a regular basis in order to ensure compliance with international best practices.

For a more comprehensive and effective identification and monitoring of all risk types, Management Committees have been established: the Assets and Liabilities Management Committee, the Operational Risk Committee and the Credit Risk Committee.

Risk Management Committee

The General Manager and Group Chief Risk Officer supervises the Risk Management Divisions and report on a regular as well as ad hoc basis to the Management Committees, the Risk Management Committee and to the Board of Directors. With respect to credit risk the reporting to the abovementioned committees covers the following areas:

- The portfolio risk profile by rating grade
- The transition among rating grades (migration matrix)
- The estimation of the relevant risk parameters by rating grade, group of clients, etc.
- The trends of basic rating criteria.
- The changes in the rating process, the criteria or in each specific parameter.
- The concentration risk (by risk type, sector, country, collateral and portfolio etc.)

Organizational Structure of Risk Management Divisions

Under the supervision of the General Manager and Group Chief Risk Officer the following Risk Management Divisions operate within the Bank and have been given the responsibility of implementing the risk management framework, according to the directions of the Risk Management Committee:

- Market and Operational Risk Division
- Credit Risk Data and Analysis Division
  - Credit Risk Data Management Division
  - Credit Risk Analysis Division
- Credit Control Division
  - Credit Risk Policy and Control Division
  - Credit Risk Methodologies Division
- Wholesale Credit Division - Greece
- Wholesale Credit Division - International
- Retail Credit Division

For credit risk management purposes the facilities are separated into Wholesale and Retail.

WHOLESALE BANKING PORTFOLIO

Wholesale Banking credit facilities

The Wholesale Banking credit facilities are included in the following categories depending on the characteristics of the credit facility and the obligor, as shown in the table below:

	Portfolio	Characteristics
Obligors under the competence of Wholesale Banking	Corporate	Companies with turnover > Euro 75 million. Includes financing in shipping companies, as well as, obligors under the management of the Investment Banking Division
	SME	Euro 2.5 million < Companies with turnover < Euro 75 million or companies with credit limit > Euro 1m.

1. Credit Risk Approval Process

The limits of the Wholesale Banking Credit Committees are determined in accordance to **Total Credit Exposure**, defined as the sum of all credit facilities of the obligor (single company or group of associated companies) which can be approved by the Bank and include the following:

- Total credit requested exposure.
- Working Capital limits.
- Withdrawal limits from unclear deposits.
- Letters of Credit/Letters of Guarantee limits.

- Factoring limits.
- Derivative transaction limits.
- Corporate Cards limits.
- Medium and long-term loans (current outstanding/exposure for facilities that have been fully drawn or limit amount of undrawn facilities).
- Leasing Facilities (current outstanding/exposure for leasing facilities that have been fully drawn or limit amount for undrawn/unused facilities).
- Special credit limits or loans, or any form of personal financing to the company's business owners (mortgage loans, consumer loans, shares' purchase, credit cards etc.).

Credit Approval Limits Wholesale Banking Credit Committees

Credit Committees Structure:

- General Management Credit Committee
- Wholesale Banking Credit Committees
  - Under the General Managers
  - Under the Divisions Managers
  - Under the Divisions Assistant Managers
  - Commercial Centers Credit Committee

Credit Limit Expiry/Renewal date

The credit limits' expiry/renewal date is determined by the relevant Wholesale Banking Credit Committees. The basic factor for the determination of the credit limit expiry is the obligor's credit rating, which is not a standalone approval or rejection criterion, but the basis for determining the minimum security/collateral required and the respective pricing. As a rule, for obligors that have been rated in the Low, Medium and Acceptable credit risk zones, reviews are carried out on an **annual basis**, for obligors rated in the Moderate Watchlist zone, on a **semi-annual basis,** while obligors that have been rated in the High Risk zone are reviewed on a **quarterly basis**. Deviations from the above rule are not allowed, except when the request by the responsible Business Units is approved by the competent Credit Committee.

2. Credit Risk Measurement and Internal Ratings

The assessment of the borrowers creditworthiness and their rating in credit risk scales is established through rating systems.

The rating of the Bank's borrowers with the use of credit risk rating systems constitutes a basic tool for:

- The decision-making process of Credit Committees for the approval/ renewal of credit limits and the implementation of the appropriate pricing policy (interest rate spreads etc.);
- The estimation of the future behavior of borrowers which belong to a group with similar characteristics;
- The early recognition of potential troubled facilities (early alert mechanism) and the prompt, effective action for the minimization of the expected loss for the Bank; and
- The assessment of the quality of the Bank's loan portfolio and the credit risk undertaken.

The aim of the credit risk rating systems is the estimation of the probability that the borrowers will not meet their contractual obligations to the Bank.

The rating systems employed by the Bank are the Alpha Bank Rating System (ABRS) and the Moody's Risk Advisor (MRA) which incorporate different credit rating models.

All current and future clients of the Bank are assessed based on the appropriate credit risk rating model and within specified time frames.

For the estimation of the probability of default of the obligors of the Bank and the Group's Entities the credit risk rating models evaluate a series of parameters, which can be grouped as follows:

- Financial Analysis: the obligor's financial ability (liquidity ratios, debt to income etc.);
- Peers' Analysis: the obligor's comparative position in the market in which it operates, mostly compared to its peers;
- Behavioral status and history of the obligor with the Bank and to third parties (debt in arrears, adverse transaction records, etc); and
- Obligor's qualitative characteristics (solid and healthy administration, management succession, appropriate infrastructure and equipment etc.).

The credit rating models which are currently employed by the Bank are differentiated according to:

- The turnover of the company;
- The level of the total credit exposure.;
- The credit facility's specific characteristics; and
- The available information for the obligor's assessment -specifically, for financial analysis the type of local accounting standards and the International Financial Reporting Standards.

For each of the credit rating models, different parameters may be used, each of which contributes in a specific manner to the relevant assessment.

The statistical validation of the credit risk rating models is reviewed regularly in order to ensure the maximum predictive ability according to the best international practices.

Obligors Rating Scale

Borrowers are rated in the following rating scales:

AA, A+, A, A-, BB+, BB, BB-, B+, B, B-, CC+, CC, CC-, C, D, D0, D1,D2, E.

For presentation purposes of the table "Analysis of neither past due nor impaired Loans and Advances to customers", the "strong" rating includes the rating scales AA, A+, A, A- and BB+, "satisfactory" rating includes the rating scales BB, BB-, B+, B, B-, CC+ and CC and " under close monitoring" (higher risk) includes the rating scales CC- and lower than CC-.

Facility Rating Model

In the context of the alignment with the current Basel II supervisory requirements and the reinforcement of credit risk management processes, the Bank has developed a risk rating model that incorporates the transaction characteristics (facility rating), in case of a customer's default.

The model is complementary to the existing models of credit risk assessment, calibrating separately each credit facility based on the collateral. The specific assessments of existing and proposed credit facilities are weighted, yielding the final classification of the expected loss at the level of the overall credit risk exposure of the borrower.

The grading scales of the facility rating system consist of 6 grades for covered credit facilities plus 1 grade for the uncovered credit facilities: 1, 2, 3, 4, 5, 6, 7.

3. Impairment Policy

The Bank has defined as "significant for individual assessment" all loans to customers that are managed by the Wholesale Banking Unit.

The assessment for impairment is performed on a quarterly basis, as follows:

The Bank assesses whether objective evidence for individual assessment for impairment exists. The process for identifying loans for impairment and estimating their impairment allowance consists of the following steps:

1. Identification of loans which will be individually assessed and for which events exist which constitute objective evidence that an impairment loss has occurred;
2. Impairment calculation on an individual basis for the loans identified in the previous step, as the difference between the recoverable amount and the carrying amount of the loan; and
3. In cases where the impairment allowance under individual assessment was zero, these loans will be assessed for impairment on a collective basis, based on similar credit risk characteristics. For example, groups of loans are created per collateral coverage, days in arrears, credit rating etc, where the corresponding impairment factor will be applied.

The individual assessment for impairment is performed by the Wholesale Banking Unit and is approved by the Wholesale Banking Credit Division.

Significant loans are assessed individually if one of the following conditions are met:

- Clients that are experiencing or about to experience difficulties in meeting their financial commitments and credit obligations to the Bank ("financial difficulty").
- Clients with credit risk rating D, D0,D1,D2 and E;
- Clients with credit risk rating CC- and C;
- Significant deterioration in the industry outlook in which the borrower operates, taking into account the five sectors that have had the worst deterioration on an annual basis, according to the high risk sectors' segmentation;
- Derogatory items including but not limited to: payment orders, bounced cheques, auctions, bankruptcies, overdue payments to the State, to Social Security Funds, or to employees;
- Occurrence of unexpected, extreme events such as natural disasters, fraud, etc.;
- Interventions and actions by regulatory bodies/local authorities against the borrower (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
- Breach of contractual terms and conditions;
- Adverse changes in the shareholders' structure or the management of the company or serious management issues/ problems;
- Significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit, etc. and
- Significant deterioration of financial ratios of the obligor (Reduction of equity due to losses, debt ratio etc) and of estimated future cash flows of the obligor.

Collective Assessment for Impairment

A collective assessment should be performed for exposures as follows:

- Exposures that have been individually assessed and were found not to be impaired on an individual basis -the impairment allowance estimated was zero- are subsequently assessed for impairment on a collective basis, after they are grouped in pools based on common credit risk characteristics; and
- Exposures with no impairment triggers are assessed collectively in pools formed based on similar credit risk characteristics.

The future cash flows of a group of exposures that are collectively evaluated for impairment are calculated based on the estimated contractual cash flows and historical loss experience for exposures with credit risk characteristics similar to those in the group.The need for objective evidence in order for the loss to be recognized and effectively the impairment loss to be identified on individual loans, may lead to a delay in the recognition of a loan's impairment, which has already occurred. Within this context and in accordance with IAS 39, it is appropriate to recognize impairment losses for those losses "which have been incurred but have not yet been reported» (Incurred But Not Reported - IBNR).

4. Credit Risk Concentration Management

Concentration Risk is a specific form of credit risk and arises due to the low degree of diversification between counterparties, products or group of counterparties, sectors, geographic regions, or collaterals.

The Bank monitors on a regular basis concentration risk through detail reporting which informs senior management and the Board of Directors. According to the supervisory framework, the Bank complies with the regulatory directives regarding large exposures, while the capital requirements for single name and sector concentration risks are estimated in the context of Pillar 2 of Basel II.

5. Credit Control

The Bank has adopted a Credit Control mechanism so as to provide assurance that the credit policy and forbearance frameworks are being consistently followed.

More, specifically, on site credit controls are conducted in Wholesale Banking Business Units of the Bank as well as desktop controls that cover the adherence and the compliance to the Bank's Credit Policy, the portfolio analysis and the confirmation of the completeness and correctness of the data in the Bank's systems through sample checks.

RETAIL BANKING PORTFOLIO

Retail banking involves the lending facilities offered to borrowers covering traditional banking products and servicessuch as:

- Housing loans/Mortgages
- Consumer Loans and Credit Cards
- Small companies and small business (SB): Legal entities with turnover up to Euro 2.5 million and credit limit up to Euro 1million.

1. Credit Risk Approval Process

The Bank monitors customer Total Credit Risk Exposure (for individuals and small businesses), which refers to the sum of all revolving limits of an obligor, all the balances of long term facilities and, for the case of legal entities, the total exposure of facilities given to stakeholders of customer companies. Additionally, facilities for which the client is guarantor or co-debtor are also taken into account.

The Bank has developed and implemented a strict framework for the implementation of its credit policy (taking into account the legislative and supervisory/regulatory framework) and has also formulated and put into effect an internal system of credit principles, procedures and rules clearly applicable to the Bank's lending business, in order to promote sound practices for managing credit risk.

Credit policies establish the framework for lending and guide the credit-granting activities of the Bank through:

- Sound lending management.
- Prudent client selection based on certain credit criteria.
- Assessing the risk/return relationship with a respective determination of pricing policy and collateral coverage after taking into account the level of credit risk.
- Monitoring and management of the total credit risk, i.e. the consolidated risk from any type of credit facility granted by the Bank and the Group's companies.

The enforcement of the Credit Policy requires certain criteria to be met. These criteria, which vary based upon whether the obligor is an individual or legal entity, play a significant role in the achievement and maintenance of a healthy portfolio and in the Bank's Capital allocation. In particular:

Individuals

The approval process for credit to individuals (being individual with earnings from salaries/ pensions or other sources of income that are not related to business activity) is performed on the basis of the classification of the borrowers into risk groups, which represent a certain level of undertaken risk. The level of undertaken risk by the Bank is adjusted, when deemed necessary, according to the credit policy of the Bank.

The credit assessment for individuals is based upon the following pillars:

- Application fraud detection;
- Willingness to pay;
- Ability to pay; and
- Collateral risk.

Small Businesses

Small Business are defined as following:

- Personal Companies with turnover up to €2.5 million and a credit limit up to €1 million
- Entrepreneurs with a credit limit up to €1 million
- Legal entities with turnover up to €2.5 million and a credit limit up to €1 million.

The creditworthiness of Small Businesses in the Retail Banking sector is related to the creditworthiness of agencies/competent of the company and vice versa. Therefore the evaluation of claims in this category is based on two dimensions:

- The valuation of the creditworthiness of entities or business managers.
- The valuation of the creditworthiness of the company.

The creditworthiness of a company is based upon specific pillars:

- Willingness to pay
- Ability to pay

Hence, the credit assessment for the small businesses is based on the following:

- Application fraud detection;
- Demographics;
- Financials;
- Behavior;
- Credit Bureau;
- Qualitative data; and
- Collateral risk.

2. Internal Ratings

The fundamental parameter in assessing Retail Banking Credit Risk is the Credit Scoring Models that are developed and employed throughout the credit cycle in Bank. The above models segments populations into homogenous risk groups (pools) and are categorized as follows:

- Behavior Models, which assess the customer's performance and predict the probability of defaulting within the following months;
- Application Credit Scoring Models, which assess application data—mainly demographic- that predict the probability of defaulting within the following months; and
- Basel II Models, according to the regulatory framework,(e.g., IRB compliant models).

These models and the probabilities of default that derive from them, contribute significantly to risk management and decision making throughout the Bank.

Specifically, the models are used in the following segments:

- Decision making of credit assessment and credit limit assignment;
- Impairment tests;
- Predicting future performance of customers belonging to the same pool of common characteristics;
- Tracing high risk accounts in time to schedule all necessary actions so as to reduce expected losses for the Bank; and
- Assessing the Bank's portfolio quality and credit risk.

The parameters taken into account vary, according to the model's type and product category that it assesses. Indicatively, some factors are:

- Personal/ demographic data: the customer's age, profession, marital status, or current address;
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, maximum delinquency, outstanding loan balance versus loan limit, transaction type;
- Financial data: sales change, liabilities versus sales; and
- Qualitative data: experience, seat of business (company registry).

Models are reviewed, validated and updated on a yearly basis and are subject to quality control so as to ensure at their predictive power at any point in time.

Furthermore, on a regular basis the Bank conducts exercises simulating crisis situations (Stress Tests), which explore the potential impact on the financial results of the Bank due to unfavorable developments both in obligors' transactional behavior as well as in the broader financial macroeconomic environment.

3. Impairment Policy

The process for determining the loans eligible for impairment and the estimation of their provision comprises the following steps:

1. Identification of loans which will be individually assessed and for which events exist which constitute objective evidence that impairment loss has occurred;
2. Impairment calculation on individual basis for the loans identified in the previous step, as the difference between the recoverable amount and the accounting value of the loan;
3. Identification of the loans to be assessed collectively, including cases that have been individually assessed and were found not impaired; and
4. Collective provision calculation for the loans identified in the previous step;

For provision purposes, under collective assessment, loans are seperated based on similar credit risk characteristics. These characteristics are selected based on the future cash flows of the abovementioned Retail Banking loan categories which depict customers' ability to repay their debts according to the contractual agreements.

Loss Rate is calculated based on credit risk characteristics of the segment and portfolio in which the facility or the customer belongs to. The Loss Rate is determined with statistical methods.

Trigger Events for the Individual Assessed Exposures

For the Retail Banking portfolios, loans are assessed on an individual basis if one of the trigger events mentioned below is met and if the following criteria are met:

- Consumer Loans: Customers with total exposures more than €500 thousand;
- Housing Loans: Customers with total exposures more than €2 million; and
- Small Business Loans: Customers with total exposures more than €850 thousand.

Trigger Events for Individuals

1. Customers with loans past due more than 90 days;
2. Customers with loans past due more than 30 days and less than 90 days;
3. Customers with restructured loans;
4. Unemployed Customers;
5. Deceased Customers;
6. Occurrence of unexpected, extreme events such as fraud, natural disasters, etc.;
7. Freelancers or Personal Company owners who ceased their business activity due to retirement;
8. Freelancers or Personal Company owners with significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;
9. Stakeholders of Companies have filled for inclusion in Article 99 (pre-bankruptcy law);
10. Stakeholders of Companies with loans past due more than 90 days (rating D, D0 or D1 or D2 or E) or with rating CC- or C;
11. Stakeholders of Companies with detrimentals (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts to Social Security or employees);
12. Stakeholders of Companies with interventions and actions of regulatory bodies/local authorities against their companies (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
13. Stakeholders of Companies with significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;
14. Stakeholders of Companies which operate in industries with significant deterioration in their outlook (taking into account the five higher risk sectors according to Risk Analyst classification);
15. Customers with impairment amount in the previous impairment test for which none of the above criteria is met; and
16. Customers with detrimental (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts Social Security or employees).

Trigger Events for Legal Entities

- Customers with credit risk rating D, D0 or D1 or D2 or E or with overdue amount above 90 days ;
- Customers with loans past due more than 30 days and less than 90 days;
- Customers with rating CC- or C;
- Customers which operate in industries with significant deterioration in their outlook; (taking into account the five higher risk sectors according to Risk Analyst classification)
- Customers with impairment amount in the previous impairment test for which none of the above criteria is met;
- Customers with detrimentals (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts to Social Security or employees);
- Occurrence of unexpected, extreme events such as fraud, natural disasters, etc.;
- Interventions and actions of regulatory bodies/local authorities against their companies (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
- Breach of contract or credit terms and conditions;
- Adverse changes in the shareholders' structure or the management of the company or serious management issues/problems;
- Significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;

Trigger Events for the Collective assessment per portfolio

The specific trigger events for the collective assessment for the Retail Banking portfolios are the following:

- Accounts up to 89 days past due with or without signs of unlikeliness to pay;
- Accounts more than 90 days past due;
- Forborne exposures; and
- Accounts with partial write off

4. Credit Control

The Bank, in order to ensure that all Credit Units fully comply with the Credit Policy, has adopted and introduced a Credit Control mechanism on a monthly basis, so as to review and assess whether the credit policy framework is being consistently followed. In addition Data Integrity Verification controls are conducted in credit requests elements of Retail Banking Loans. Quality analysis of the credit approval process is also conducted.

INTERNATIONAL FINANCIAL REPORTING STANDARD 9 (IFRS9)

Effective from 1.1.2018 the Bank and the Group companies are obliged to adopt the new IFRS9 standard which specifies the accounting standards for the Classification & Measurement of Financial instruments, impairment methodology and hedge accounting.

Following the issuance of IFRS 9 Financial Instruments, Alpha Bank and the Group companies have already designed their IFRS 9 Implementation Program which include a significant number of projects necessary for the timely alignment with new requirements. The projects extend to the areas of Finance, Risk Management and IT system & data.

Regarding credit risk, the IFRS9 standard completely redesigns the approach for impairment of financial assets. In particular, new impairment rules present a fundamental redesign of the provisioning model, moving from the current incurred loss model to an expected credit loss model. The expected credit loss model provides for lifetime expected credit loss in cases of significant credit deterioration since initial recognition, resulting in earlier recognition of credit losses and increased sensitivity to credit risk parameters and assumptions about future conditions.

CREDIT RISK MITIGATION

1. Collaterals Collaterals are received both for Wholesale and Retail lending in order to mitigate credit risk that may arise from the obligor's inability to fulfill his contractual obligations.

Collaterals include all kind of assets and rights which are made available to the Bank either by their debtors or by third parties, in order to be used as complementary liquidity sources of relative loans.

The mitigation tools applied by the Bank include two broad categories: intangible and tangible collaterals.

2. Intangible Collaterals Intangible collaterals form the framework of the obligations and rights that are typically included and described in specific contractual documents that bind the Bank and the borrowers during the lending process with specific commitments. The commitments involve a third party who substitutes for the primary debtor in the event of the latter's default or the primary debtor itself (natural or legal entities) to honor the contractual loan agreements and their prompt repayment to the Bank and on the other hand the Bank has the right to claim them. The main type of intangible collateral that the Bank uses to protect the Bank against the risk of losses due to debtor insolvency is the Guarantee.

3. Tangible Collaterals Tangible collaterals provide the Bank with the rights over an asset (movable or immovable),owned by the obligor or the guarantor, providing priority in the satisfaction of the creditor by the liquidation preceeds of the asset.

Tangible collaterals are distinguished between mortgages and prenotation on mortgages which are registered over immovable properties and pledges on movable assets (e.g., commodities, checks, bills of exchange) or on claims and rights.

In order to better secure credit facilities granted, all mortgage and pledged assets are covered by an insurance contract, with assignment of the relevant insurance contract to the Bank.

3.1. Mortgages – Prenotation on Mortgages

Mortgages are registered on real estate or immovable assets which can be liquidated as indicatively reported below:

- Residential Real Estate;
- Commercial Real Estate;
- Industrial Buildings;
- Land;
- Mines;
- Ships and aircrafts; and
- Machinery or other facilities (engineering, mechanical, electrical, etc.), if they are permanently and consistently connected with the mortgaged estate

Periodic revaluation of mortgaged property

According to the Alpha Bank Credit Policy, the existence and the valuation of mortgaged property is closely monitored. The frequency of the appraisal does not usually exceed one year.

Valuations are carried out by certified real estate appraisers either:

- Using statistical indicators (such as PropIndex), depending on the type of property; or
- By qualified engineers, after their visit to the property used as collateral or via desktop assessment.

3.2. Pledges

Pledges provide seniority rights over liquidation proceeds from a movable third party asset.

Pledges can be registered on movable assets or on rights that have not been excluded or banned from exchanges and are liquid , including:

- Raw materials, products or commodities;
- Machinery (movable);
- Bill of Lading;
- Bill of exchange;
- Cheques;
- Securities;
- Deposit; and
- Any type of claim that can be pledged

Periodic revaluation of pledges

Depending on the right or the underlying asset on which a pledge is registered, the periodic revaluation varies from one month to one year.

4. Acceptable Value

The Bank calculates the value of the securities/collaterals received based on the potential proceeds that could arise if and when these are liquidated. This calculation refers to the acceptable value/haircut of the securities/collaterals provided to the Bank by its obligors.

For the calculation of the forced-sale value, the following factors are involved in the consideration:

- The quality of the securities/assets;
- Their market value;
- The degree of ability to liquidate;
- The time required for their liquidation;
- Their liquidation cost;
- The current charges on the assets; and
- The privileged priority of third parties on the product of liquidation (e.g. Public Sector, employees, etc.)

The above have to be accounted for when determining the haircuts for each collateral/security. Haircuts, depending on their nature are expressed as a percentage of their market value, their nominal value or their weighted average value.

ENVIRONMENTAL AND SOCIAL RISK

Within Credit Risk Management Framework and Credit Policy, it has been integrated the assessment of the strict compliance of the principles of an environmentally and socially responsible financing towards legal enitites .

The main purpose is the management of potential risk arising from the operations of obligors that may be connected with a damage to the environment or the society or with any direct threat of such a damage, having as a result a negative impact on the business operations and financial results of the Bank.

FORBEARANCE

Maintaining a healthy loan portfolio depends on the constant monitoring and assessment of the borrowers in order to allow early detection of future liquidity problems, which could affect the normal repayment of their obligations to the Bank.

The credit tools which are normally used by the Bank for managing the liquidity problems that borrowers are facing for repaying their obligations are the restructuring of debt through the renegotiation of the original terms and conditions of the loan agreement they have entered into.

The Executive Committee Act 42/30.05.2014 ("Act 42") as amended by the Executive Committee Act 47/09.02.2015 ("Act 47") and the Executive Committee Act 102/30.08.2016 of the Bank of Greece, has determined the supervisory framework for the management of loans in arrears and non-performing loans, over and above the already applicable requirements of Law 4261/2014, the CRR, and delegated the decision authority to the Bank of Greece.

Furthermore, in the context of the Commission Implementing Regulation (EU) 227/2015 of the European Commission dated January 9, 2015 and the executive technical standards of the European Banking Authority, the Bank assumes the resulting regulatory obligations for forborne exposures.

Forbearance measures should be applied on the basis of the risk, cooperativeness and viability of each debtor and consist of concessions that are robust and sustainable, through the renegotiation of the initial terms and conditions of the debt contract duly taking into account the causes of the debtor's financial difficulties.

Forbearance measures may be applied a) on the basis of a customer's request, b) in accordance with the Code of Conduct under Law 4224/2013, as currently is in force, which is a State initiative under the supervision of the Bank of Greece.

Apart from the forbearance measures applied to existing lending exposures, which are initiated by the Bank in accordance with the directives of the Executive Committee Acts of the Bank of Greece (Act 42, 47 & 102) and Arrears Resolution Process (ARP) of the Code of Conduct under L.4224/2013 as currently is in force, there are restructuring solutions according to the Legislative Framework.

The existence of more favorable terms for renegotiating and modifying the terms and conditions of the bilateral arrangement between the Bank and the debtor (concession), who is facing or is about to face difficulties in meeting his financial commitments ("financial difficulty"), are defined with respect to:

- Difference in favour of the debtor between the modified and the previous terms of the contract; and
- Cases where a modified contract includes more favourable terms than other debtors with a similar risk profile could have obtained.

MONITORING OF FORBORNE EXPOSURES

Following Act 42 as subsequently amended by the Acts 47 and 102 of the Bank of Greece, the Bank has undertaken a series of actions to ensure adherence to the supervisory obligations and requirements arising from the above Acts. These changes cover the following distinct sections:

- Adaptation of Information Systems of the Bank;
- Amendments of the existing processes, such as the customization of new types of forborne exposures according to what is provided in Act 42 , Act 47 and Act 102;
- Creation of data structures (Data Marts) aiming at:
  - Automation of the processes related to the production of both internal (Risk Management) and external (Supervisory) reports;
  - Perform analyses on the portfolio of the Bank; and
  - Production of Management Information Reporting (MIS)

Additionally, the Bank has introduced independent operation management for the "Troubled Assets" (Troubled Asset Committee). This is achieved by the representation of the Administrative Bodies in the Evaluation and Monitoring of Denounced Customers Committee as well as in the Arrears Councils.

WRITE-OFFS AND WRITE-DOWNS OF BAD DEBTS

1. Write-offs

Write-offs are defined as the accounting reduction of a debt, which does not entail waiving the legal claim against the debtors and, hence, the debt may be revived.

Proposals for writing-off a part or the whole of the debts may be submitted to the competent committee on condition that the following have been carried out:

- The relevant agreements with the clients have been terminated,
- Payment Orders have been issued against all the liable parties and the procedure for the registration of compulsory encumbrances has commenced;
- At least one real estate property has been auctioned, in order for the privileged claims (through the final creditors priority list) and, as a result, for the possible losses of the Group to be finalized;

Amounts to be written off must be fully provided for from the previous quarter preceding the proposal.

2. Write downs

Write-downs are defined as the permanent accounting reduction of a debt, as a result of a legally binding decision or agreement (court decision , contractual agreement etc.), which is no further claimable and, hence, is considered as definitively non-revivable, whereas it also entails the fact that the Bank definitively and irrevocably waives its right to claim the written-down debt, unless (in case of settlement) it is ascertained that the terms set by virtue of the aforementioned decision or agreement were violated.

Comprehensive assesment of European Central Bank 2015

According to the Agreement for Financial Support to be provided by the European Stability Mechanism, in the third quarter of 2015 a comprehensive assessment ("CA") was conducted for the four Greek systemic financial institutions, by the Single Supervisory Mechanism - SSM. The CA included the following steps (a) Asset Quality Review (AQR),(b) a stress test. In particular the AQR was a regulatory exercise that was based upon a single standardized procedure applied by the ECB to assess the quality of the loan portfolio in Greece as of 30.6.2015. The result of the AQR amounted to €1.7 billion before income tax.

According to the Bank's assessment, the AQR results are not related to accounting errors nor did they lead to a change in accounting policy regarding the recognition of impairment losses on loans and advances to customers as mentioned in note 1.13. The Bank took into consideration the results from the AQR when calculating the allowance for impairment and considers that AQR findings have been properly addressed.

DEFINITIONS:

The following definitions are provided as guidance to tables that follow:

Public Sector

The Public Sector includes:

- The Greek Central Government (all departments or Ministries and Public Administration);
- Local Authorities;
- Companies controlled and fully or partially owned by the State; and
- Companies associated with the State

Past Due Exposures

Past due exposures are defined as exposures that are more than one (1) day past due.

Non-Performing Exposures

An exposure is considered as non-performing when one of the following criteria is satisfied:

The exposure is more than 90 days past due;

- An exposure against which legal actions have been undertaken by the Bank;
- The debtor is assessed as unlikely to pay its credit obligations in full;
- The exposure is classified as impaired (as defined below);
- The exposure is classified as forborne non-performing exposure, as defined in the commission Implementing Regulation (EU) 2015/227 of January 9, 2015.

A non-performing exposure with forbearance measures include the following:

- Exposures which were non-performing prior to the extension of forbearance measures; and
- Forborne exposures which have been reclassified from the performing exposures category, including exposures under probation (forborne performing having been reclassified out of the Forborne Non Performing Loan (FNPL) status) having been re-forborne or that are more than 30 days past-due.

Performing Exposures

An exposure is considered as performing when the following criteria are met:

- The exposure is less than 90 days past due;
- No legal actions have been undertaken against the exposure;
- The situation of the debtor has improved to the extent that full repayment, according to the original or when applicable the modified conditions, is likely to be made

- The exposure is not classified as impaired;

  or

- The exposure is classified as forborne performing exposure, as defined in the aforementioned commission Implementing Regulation (EU) 2015/227 of 9 January 2015.

Unlikely to pay exposures

For the Wholesale Banking Portfolio, customers, with exposures below 90 days past due, are assessed as unlikely to pay based on either of the following criteria:

- The debtor has been denounced in the competent Non-Performing Loans Unit
- The deptor is impaired but not denounced in the competent Non-Performing Loans Unit
- The debtor cannot repay its credit obligations in full without the realisation of security (if held) and regardless of the existence of any past due amount or of the number of days past due with the exception of cases of collaterals that are part of the production ane trade chain of the debtor (e.g. properties for Real Estate Companies, corporate shares for Holding companies etc).

For the Retail Banking Portfolio, unlikeness to pay exposures are considered those with less than 90 days past due and if one of the following criteria is met:

- A trial date has been set for inclusion in Law 3869. (Bankrupty Law for Individuals)
- Fraudelent cases
- Deceased Customers
- Unemployed Customers with lack of any source of income
- Customers with heavy health problems
- Insolvent companies.(The company has filled for inclusion in Article 99)
- Companies which have ceased their operations (inactive)

Impaired Exposures

Impaired exposures are defined as follows:

a. Exposures for which an impairment amount has been allocated following the individual assessment for impairment;

b. Exposures in arrears more than 90 days or under legal workout status, for which an impairment amount has been allocated following the collective assessment for impairment;

c. Unlikely to pay exposures; and

d. Forborne Non Performing Exposures that are up to 89 days past due.

Accumulated provision for impairment

The accumulated provision for impairment, for disclosure purposes of credit risk as well as for the monitoring of credit risk, includes the adjustment for the contractual loans which were acquired at fair value during the acquisition of assets or companies (i.e. Emporiki Bank and Citibank's retail operations in Greece), since the Group monitors the respective adjustment as part of the provisions. It is noted that in note 17 Loans and Advances to customers, this adjustment is deducted from the gross balance of loans before impairment.

Collateral value

The collateral's latest market value available. In the case of immovable properties, collateral value is considered the lower figure between the prenotation amount and the market value. Value of guarantees includes the value that exceeds the value of collateral. All collateral values are capped at 100% of the outstanding amount of the loan.

DUE FROM BANKS

Exposure to credit institutions relates to their own debt securities in issue and shares, loans, interbank transactions (which include positions in derivatives) and International Trade activities. Following the basic rules of designation, monitoring and revision of corporate lending, boundaries are established by the relevant Credit Committees for the monitoring of credit risk for the overall exposure per credit institution counterparty, excluding positions related to bonds issued by them. The approved credit limits are monitored on a daily basis. The validity period of the limits is specified in the approval of the limits in accordance with the counterparty credit institutions rating from international credit rating agencies.

In addition to the regular revisions of counterparty credit institutions limits, interim revisions may be carried out either due to circumstances associated with the trading activity of the Bank or due to markets conditions or problems associated with counterparty credit institutions. Trigger events for an extraordinary review are regularly monitored per counterparty in order to review the relevant limits when such trigger events exist.

In addition, at each reporting date an impairment test is performed as follows:

1. The respective credit institutions are separated to be tested for impairment.
2. Due from Banks will be evaluated individually by credit institution.
3. Credit institutions are reviewed for events that constitute objective evidences for impairment.
4. Impairment provisions per receivable are calculated, as the difference between the recoverable amount and the carrying amount of the claim on an individual basis for the credit institution for which there are objective evidences for impairment.

INVESTMENTS IN DEBT SECURITIES

Investments in debt securities relate to securities that are classified into loans and receivables portfolios, held to maturity and available for sale. If there is a loan relationship with the counterparty issuer at the time of classification of the security position as investment, the Corporate Credit Policy procedures apply. In each case, the classification of the position is subject for approval by the relevant Committee of the Bank. These positions are subject to Bank investment limits and country limits and are monitored on a daily basis.

In addition, at each reporting date an impairment test is performed as follows:

1. The respective securities are separated to be tested for impairment.
2. Securities are reviewed for events that constitute objective evidence for impairment losses.
3. Impairment provisions are calculated on a individual basis per each security, for which there are objective evidences that impairment losses exist, as: a) the difference between the present value of future cash flows and the carrying amount of securities that are classified into loans and receivables portfolio and held to maturity and b) the difference between acquisition costs and current fair value, less the impairment loss which has already been recognized in income statement for securities classified as available for sale.

FINANCIAL INSTRUMENTS CREDIT RISK

	31.12.2016			31.12.2015		
	Exposure before impairment	Impairment	Net exposure to credit risk	Exposure before impairment	Impairment	Net exposure to credit risk
Credit risk exposure relating to balance sheet items						
Balances with Central Banks	381,153		381,153	362,351		362,351
Due from banks	2,954,274	41,961	2,912,313	3,415,824	8,965	3,406,859
Loans and advances to customers	53,940,976	13,679,452	40,261,524	55,063,448	13,505,434	41,558,014
Derivative financial assets	644,436		644,436	794,471		794,471
Trading securities:						
- Government bonds	2,256		2,256	1,888		1,888
Total	**2,256**		**2,256**	**1,888**		**1,888**
Available for sale securities:						
- Available for sale (Government bonds)	3,409,677		3,409,677	3,831,479		3,831,479
- Available for sale (other)	889,967	22,385	867,582	981,282	55,005	926,277
Total	**4,299,644**	**22,385**	**4,277,259**	**4,812,761**	**55,005**	**4,757,756**
Held to maturity securities:						
- Held to maturity (other)	9,342		9,342	2,823		2,823
Total	**9,342**		**9,342**	**2,823**	**-**	**2,823**
Loans and receivables	2,682,655		2,682,655	4,289,482		4,289,482
Total amount of balance sheet items exposed to credit risk (a)	**64,914,736**	**13,743,798**	**51,170,938**	**68,743,048**	**13,569,404**	**55,173,644**
Other balance sheet items not exposed to credit risk	10,093,207	861,572	9,231,635	10,470,548	651,310	9,819,238
Total assets	**75,007,943**	**14,605,370**	**60,402,573**	**79,213,596**	**14,220,714**	**64,992,882**
Credit risk exposure relating off balance sheet items:						
Letters of guarantee, letters of credit and other guarantees	4,133,039	299,128	3,833,911	4,547,648	294,993	4,252,655
Undrawn loan agreements and credit limits than can not be recalled (committed) *	421,710		421,710	211,241		211,241
Guarantees relating to bonds issued by subsidiaries of the Bank	15,542		15,542	15,542		15,542
Total amount of off balance sheet items exposed to credit risk (b)	**4,570,291**	**299,128**	**4,271,163**	**4,774,431**	**294,993**	**4,479,438**
Total credit risk exposure (a+b)	**69,485,027**	**14,042,926**	**55,442,101**	**73,517,479**	**13,864,397**	**59,653,082**

The maximum credit risk per category, in which the Bank is exposed, is depicted in the "Net exposure credit risk".

* *Undrawn loan agreements and credit limits that can not be recalled (committed) in cases where it becomes apparent that the counterparties will fail to meet their contractual obligations.*

LOANS AND ADVANCES TO CUSTOMERS

LOANS AND ADVANCES TO CUSTOMERS BY ASSET QUALITY (IMPAIRED OR NOT IMPAIRED – IMPAIRMENT ALLOWANCE – VALUE OF COLLATERAL)

	31.12.2016								
	Not impaired Loans and Advances		Impaired Loans and Advances			Accumulated Impairment allowance			
	Neither past due nor impaired	Past due but not impaired	Individually assessed	Collectively assessed	Total gross amount	Individually assessed	Collectively assessed	Total net amount	Value of collateral
Retail lending	**9,714,747**	**2,776,452**	**628,054**	**17,046,968**	**30,166,221**	**395,743**	**7,336,797**	**22,433,681**	**18,520,627**
Mortgage	6,864,794	2,200,642	242,601	7,412,602	16,720,639	141,565	2,254,921	14,324,153	13,589,605
Consumer	1,177,059	216,616	89,406	3,751,770	5,234,851	55,191	2,073,084	3,106,576	1,257,999
Credit cards	1,047,936	94,434		495,422	1,637,792		349,798	1,287,994	38,219
Other (incl. SBL)	624,958	264,760	296,047	5,387,174	6,572,939	198,987	2,658,994	3,714,958	3,634,804
Corporate lending	**12,502,761**	**395,903**	**9,637,300**	**53,339**	**22,589,303**	**5,705,753**	**189,734**	**16,693,816**	**12,351,063**
Large	9,128,446	214,685	3,999,485	30,881	13,373,497	2,352,870	113,112	10,907,515	6,532,164
SME	3,374,315	181,218	5,637,815	22,458	9,215,806	3,352,883	76,622	5,786,301	5,818,899
Public sector	**1,140,560**	**2,968**	**41,924**		**1,185,452**	**31,995**	**19,430**	**1,134,027**	**298,457**
Greece	1,067,060	2,968	41,924		1,111,952	31,995	17,138	1,062,819	298,457
Other countries	73,500				73,500		2,292	71,208	-
Total	**23,358,068**	**3,175,323**	**10,307,278**	**17,100,307**	**53,940,976**	**6,133,491**	**7,545,961**	**40,261,524**	**31,170,147**

The accumulated impairment allowance for collectively assessed loans and advances includes an amount of €673.3 million at 31.12.2016 (31.12.2015: €667.7 million) concerning IBNR provisions.

The impaired loans and advances include as at 31.12.2016 also past due exposures up to 89 days that are collectively assessed and amount to €3.7 billion (31.12.2015: €3.2 billion).

	31.12.2015*								
	Not impaired Loans and Advances		Impaired Loans and Advances			Accumulated Impairment allowance			
	Neither past due nor impaired	Past due but not impaired	Individually assessed	Collectively assessed	Total gross amount	Individually assessed	Collectively assessed	Total net amount	Value of collateral
Retail lending	**10,542,277**	**2,949,320**	**601,753**	**16,598,585**	**30,691,935**	**428,836**	**7,510,245**	**22,752,854**	**19,035,374**
Mortgage	7,343,289	2,175,750	245,881	7,391,165	17,156,085	166,062	2,370,000	14,620,023	14,227,272
Consumer	1,291,566	327,025	63,236	3,540,964	5,222,791	42,337	2,092,264	3,088,190	1,130,477
Credit cards	1,049,856	110,755		496,282	1,656,893		367,278	1,289,615	37,017
Other (incl. SBL)	857,566	335,790	292,636	5,170,174	6,656,166	220,437	2,680,703	3,755,026	3,640,608
Corporate lending	**12,571,317**	**1,118,435**	**8,976,671**	**323,509**	**22,989,932**	**5,281,899**	**240,560**	**17,467,473**	**13,261,820**
Large	9,289,980	854,795	3,590,909	73,323	13,809,007	1,919,758	108,074	11,781,175	6,998,431
SME	3,281,337	263,640	5,385,762	250,186	9,180,925	3,362,141	132,486	5,686,298	6,263,389
Public sector	**1,335,879**	**1,927**	**42,574**	**1,201**	**1,381,581**	**31,810**	**12,084**	**1,337,687**	**435,793**
Greece	1,251,879	1,927	42,574	1,201	1,297,581	31,810	10,317	1,255,454	425,793
Other countries	84,000				84,000		1,767	82,233	10,000
Total	**24,449,473**	**4,069,682**	**9,620,998**	**16,923,295**	**55,063,448**	**5,742,545**	**7,762,889**	**41,558,014**	**32,732,987**

During the year ended 31.12.2015, balances amounting to €770.7 million were transferred from Corporate lending SME portfolio to the Retail Lending SBL portfolio. The transfer was made to allow for a more efficient management since those customers present similar credit risk characteristics with Small Business Retail lending customers.

* *Some figures of the previous year were reclassified for comparability purposes*

ANALYSIS OF NEITHER PAST DUE NOR IMPAIRED LOANS AND ADVANCES TO CUSTOMERS

	31.12.2016				
	Strong	Satisfactory	Watch list (higher risk)	Total neither past due nor impaired	Value of collateral
Retail lending		**9,714,747**		**9,714,747**	**6,795,707**
Mortgage		6,864,794		6,864,794	6,122,569
Consumer		1,177,059		1,177,059	212,310
Credit cards		1,047,936		1,047,936	134
Other (incl. SBL)		624,958		624,958	460,694
Corporate lending	**4,837,368**	**6,966,128**	**699,265**	**12,502,761**	**6,181,590**
Large	4,380,599	4,434,525	313,322	9,128,446	3,849,548
SME	456,769	2,531,603	385,943	3,374,315	2,332,042
Public sector	**355,120**	**782,962**	**2,478**	**1,140,560**	**272,944**
Greece	355,120	709,462	2,478	1,067,060	272,944
Other countries		73,500		73,500	
Total	**5,192,488**	**17,463,837**	**701,743**	**23,358,068**	**13,250,241**

	31.12.2015*				
	Strong	Satisfactory	Watch list (higher risk)	Total neither past due nor impaired	Value of collateral
Retail lending		**10,542,277**		**10,542,277**	**7,404,883**
Mortgage		7,343,289		7,343,289	6,621,722
Consumer		1,291,566		1,291,566	181,956
Credit cards		1,049,856		1,049,856	32
Other (incl. SBL)		857,566		857,566	601,173
Corporate lending	**4,789,109**	**6,992,295**	**789,913**	**12,571,317**	**6,449,838**
Large	4,449,985	4,520,050	319,945	9,289,980	3,950,672
SME	339,124	2,472,245	469,968	3,281,337	2,499,166
Public sector	**361,531**	**916,085**	**58,263**	**1,335,879**	**409,395**
Greece	361,531	832,085	58,263	1,251,879	399,395
Other countries		84,000		84,000	10,000
Total	**5,150,640**	**18,450,657**	**848,176**	**24,449,473**	**14,264,116**

* *Some figures of the previous year were reclassified for comparability purposes*

AGEING ANALYSIS OF PAST DUE BUT NOT IMPAIRED LOANS AND ADVANCES TO CUSTOMERS BY PRODUCT LINE

	31.12.2016								
	Retail lending				Corporate lending		Public sector		Total Past due but not impaired
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	
1 - 29 days	1,512,321	137,499	72,291	180,287	119,113	114,263	2,261		2,138,035
30 - 59 days	405,422	52,524	13,980	38,444	65,660	44,100	707		620,837
60 - 89 days	282,899	26,593	8,163	46,029	29,912	22,855			416,451
90 - 179 days									
180 - 360 days									
> 360 days									
Total	**2,200,642**	**216,616**	**94,434**	**264,760**	**214,685**	**181,218**	**2,968**		**3,175,323**
Value of collateral	1,868,485	45,263	17	192,663	173,358	134,769	1,254		2,415,809

	31.12.2015								
	Retail lending				Corporate lending		Public sector		Total Past due but not impaired
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	
1 - 29 days	1,355,365	215,001	75,371	194,403	388,402	147,798	1,541		2,377,881
30 - 59 days	405,874	67,033	20,965	51,557	252,490	47,569	360		845,848
60 - 89 days	414,511	44,991	14,419	89,830	213,903	68,273	26		845,953
90 - 179 days									
180 - 360 days									
> 360 days									
Total	**2,175,750**	**327,025**	**110,755**	**335,790**	**854,795**	**263,640**	**1,927**		**4,069,682**
Value of collateral	1,892,103	55,720	32	237,723	677,557	217,957	1,897		3,082,989

AGEING ANALYSIS OF IMPAIRED LOANS AND ADVANCES TO CUSTOMERS BY PRODUCT LINE

	31.12.2016								
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	Total
Current	490,226	493,752	64,490	190,776	964,326	677,945	6,583		2,888,098
1 - 29 days	360,731	159,999	24,004	132,940	92,769	71,047			841,490
30 - 59 days	231,950	147,788	17,070	65,658	215,235	63,341			741,042
60 - 89 days	353,520	94,492	13,669	98,443	118,484	64,053			742,661
90 - 179 days	41,154	80,566	13,897	73,796	62,978	48,388			320,779
180 - 360 days	176,471	85,949	6,218	104,756	62,370	65,737	16		501,517
> 360 days	3,968,637	722,580	17,909	2,192,968	433,231	1,309,356	3,329		8,648,010
Total net amount	**5,622,689**	**1,785,126**	**157,257**	**2,859,337**	**1,949,393**	**2,299,867**	**9,928**		**14,683,597**
Value of collateral	5,598,550	1,000,426	38,068	2,981,447	2,509,259	3,352,088	24,259		15,504,097

	31.12.2015								
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	Total
Current	642,869	349,902	33,583	179,696	795,213	628,315	6,994		2,636,572
1 - 29 days	247,639	114,686	7,798	71,518	131,596	69,737	50		643,024
30 - 59 days	137,763	111,110	4,444	35,127	55,290	50,127			393,861
60 - 89 days	384,858	100,695	3,414	88,602	181,057	70,936	119		829,681
90 - 179 days	30,236	97,303	16,680	9,767	30,166	82,060	821		267,033
180 - 360 days	154,465	118,302	32,876	82,167	293,432	124,190	13		805,445
> 360 days	3,862,931	657,900	39,507	2,151,588	237,112	1,178,299	3,631		8,130,968
Total net amount	**5,460,761**	**1,549,898**	**138,302**	**2,618,465**	**1,723,866**	**2,203,664**	**11,628**		**13,706,584**
Value of collateral	5,713,447	892,801	36,953	2,801,712	2,370,202	3,546,266	24,501		15,385,882

RECONCILIATION OF IMPAIRED LOANS AND ADVANCES BY PRODUCT LINE

	31.12.2016								
	Retail lending				Corporate lending		Public sector		Total
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	
Balance 1.1.2016	**7,637,046**	**3,604,200**	**496,282**	**5,462,810**	**3,664,232**	**5,635,948**	**43,775**		**26,544,293**
New impaired loans	692,877	568,888	48,496	678,668	1,293,154	438,737	561		3,721,381
Transfer to non impaired loans	(371,107)	(153,464)	(13,951)	(150,104)	(68,006)	(25,948)			(782,580)
Repayments and recoveries from collateral	(85,025)	(54,869)	(12,731)	(46,474)	(483,782)	(125,839)	(726)		(809,446)
Write-offs of impaired loans and advances	(218,611)	(116,413)	(29,346)	(261,679)	(253,509)	(250,091)			(1,129,649)
Foreign exchange differences and other movements	23	(7,166)	6,672		13,407	(12,534)	(1,686)		(1,284)
Acquisition of impaired loans					14,131				14,131
Transfer of impaired loans and advances to assets held for sale					(149,261)				(149,261)
Balance 31.12.2016	**7,655,203**	**3,841,176**	**495,422**	**5,683,221**	**4,030,366**	**5,660,273**	**41,924**	**-**	**27,407,585**
Accumulated impairment allowance	(2,032,512)	(2,056,050)	(338,165)	(2,823,884)	(2,080,974)	(3,360,407)	(31,996)		(12,723,988)
Net value of impaired loans and advances	**5,622,691**	**1,785,126**	**157,257**	**2,859,337**	**1,949,392**	**2,299,866**	**9,928**		**14,683,597**

	31.12.2015								
	Retail lending				Corporate lending		Public sector		Total
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	
Balance 1.1.2015	**7,080,345**	**3,212,495**	**352,831**	**4,504,332**	**2,739,259**	**5,801,698**	**33,407**		**23,724,367**
Loans transferred to assets held for sale	(47,516)	(16,832)	(603)	(5,200)	(46,027)	(30,846)			(147,024)
Loans acquired from the merge with Diners			51,288						51,288
New impaired loans	959,829	660,380	109,210	582,769	1,207,705	706,342	1,369		4,227,604
Transfer to non impaired loans	(233,621)	(199,684)	(6,487)	(9,664)	(39,360)	(72,482)			(561,298)
Repayments of impaired loans	(58,001)	(44,274)	(8,913)	(38,401)	(133,694)	(140,149)	(633)		(424,065)
Write-offs of impaired loans and advances	(63,990)	(7,885)	(1,044)	(190,760)	(113,329)	(22,729)			(399,737)
Disposals of impaired loans and advances					(22,801)				(22,801)
Foreign exchange differences and other movements					(21,102)	13,848	9,632		2,378
Reclassification between portfolios				619,734		(619,734)			-
Acquisition of impaired loans					93,581				93,581
Balance 31.12.2015	**7,637,046**	**3,604,200**	**496,282**	**5,462,810**	**3,664,232**	**5,635,948**	**43,775**		**26,544,293**
Accumulated impairment allowance	(2,176,285)	(2,054,302)	(357,980)	(2,844,345)	(1,940,366)	(3,432,284)	(32,147)		(12,837,709)
Net value of impaired loans and advances	**5,460,761**	**1,549,898**	**138,302**	**2,618,465**	**1,723,866**	**2,203,664**	**11,628**		**13,706,584**

RECONCILIATION OF THE ACCUMULATED IMPAIRMENT ALLOWANCE

The accumulated impairment allowance for disclosure purposes of credit risk as well as for credit risk monitoring purposes includes the adjustments for the contractual balances of loans which were acquired at fair value either individually or in the context of acquisitions(eg Emporiki Bank and Citibank Greece), since the Bank monitors such adjustment as part of the impairments. It is noted that in Note 17 Loans and advances to customers this adjustment is deducted from the gross balance of loans before impairments.

	31.12.2016			
	Retail lending	Corporate lending	Public sector	Total
Balance 1.1.2016	**5,821,991**	**3,934,284**	**20,966**	**9,777,241**
Impairment losses for the year	354,519	820,257	6,321	1,181,097
Transfer of accumulated provisions to assets held for sale		(100,000)		(100,000)
Accumulative provisions for other movements		(16,425)		(16,425)
Sales of impairment loans		(1,693)		(1,693)
Change in present value of the allowance account	208,577	115,341	911	324,829
Foreign exchange differences	652	4,547		5,199
Loans written-off during the year	(472,941)	(311,951)		(784,892)
Balance 31.12.2016	**5,912,798**	**4,444,360**	**28,198**	**10,385,356**
Fair value adjustments	1,819,742	1,451,127	23,227	3,294,096
Total 31.12.2016	**7,732,540**	**5,895,487**	**51,425**	**13,679,452**

	31.12.2015			
	Retail lending	Corporate lending	Public sector	Total
Balance 1.1.2015	**4,054,395**	**2,883,881**	**6,174**	**6,944,450**
Loss impairment of continuing operations	1,338,160	1,341,616	14,225	2,694,001
Loss impairment from discontinued operations		174		174
Transfer of accumulated provisions to assets held for sale	(38,430)	(65,260)		(103,690)
Change in present value of the allowance account from continuing opearations	378,641	95,725	567	474,933
Change in present value of the allowance account from discontinued opearations		1,435		1,435
Foreign exchange differences		8,897		8,897
Loans written-off during the year	(185,285)	(57,674)		(242,959)
Reclassification between portfolios	274,510	(274,510)		-
Balance 31.12.2015	**5,821,991**	**3,934,284**	**20,966**	**9,777,241**
Fair value adjustments	2,117,090	1,588,175	22,928	3,728,193
Total 31.12.2015	**7,939,081**	**5,522,459**	**43,894**	**13,505,434**

LOAN-TO-VALUE RATIO (LTV) OF MORTGAGE LENDING

	Mortgage loans	
	31.12.2016	31.12.2015
< 50%	2,557,779	2,763,385
50% - 70%	1,945,737	2,152,167
71% - 80%	1,065,305	1,199,073
81% - 90%	1,136,838	1,260,318
91% - 100%	1,142,837	1,273,561
101% - 120%	2,222,120	2,349,265
121% - 150%	2,783,221	2,676,727
> 150%	3,866,802	3,481,589
Total exposure	**16,720,639**	**17,156,085**
Simple Avg LTV (%)	74	71

REPOSSESSED COLLATERALS

	31.12.2016						
	Balance					Disposals during the year	
	Value of collaterals repossessed 31.12.2016	Of which in 2016	Accumulated impairment allowance 31.12.2016	Of which in 2016	Carrying amount of collaterals repossessed 31.12.2016	Net disposal value	Net gain/(loss) on disposal
Real estate collateral	259,190	4,024	28,321	7,948	230,869	1,431	(444)
Other collateral	9,451	82,914			9,451	68,306	(5,498)

	31.12.2015						
	Balance					Disposals during the year	
	Value of collaterals repossessed 31.12.2015	Of which in 2015	Accumulated impairment allowance 31.12.2015	Of which in 2015	Carrying amount of collaterals repossessed 31.12.2015	Net disposal value	Net gain/(loss) on disposal
Real estate collateral	261,662	4,430	22,871	3,156	238,791	1,931	298
Other collateral	24	193			24	193	

POLICY OF DISPOSAL OF REPOSSESSED ASSETS

The Bank has assigned to a subsidiary of the Group the management of repossessed assets of Bank and Group's subsidiaries. When a Group company acquires, due to the debtor's default, the legal title of property which had been given as collateral for the respective asset, then the respective company is in charge of legal, accounting and tax settlement of property in cooperation with the competent Bank's division and in parallel, performs a valuation of the asset. Taking into account the characteristics of the asset and based on the market conditions,it assesses the ability of promoting it for sale or leasing. Based on the above assessment, a proposal is submitted to the responsible Committee, which decides the sale or leasing of the assets or their own use from a Group company. Based on the decision, the asset is classified into the suitable category for reporting purposes. Classification of assets is reassessed on a regular basis in order to ensure that the classification is in line with current market conditions.

BREAKDOWN OF COLLATERAL AND GUARANTEES

	31.12.2016				
	Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral	Guarantees received
Retail Lending	17,923,550	309,668	287,409	18,520,627	3,268,065
Corporate Lending	7,971,833	1,017,297	3,361,933	12,351,063	3,935,644
Public sector	57,979	814	239,664	298,457	243,351
Total	**25,953,362**	**1,327,779**	**3,889,006**	**31,170,147**	**7,447,060**

	31.12.2015*				
	Value of collateral received				
	Real estate collateral	Financial collateral	Other collateral	Total collateral	Guarantees received
Retail Lending	18,603,452	130,829	301,093	19,035,374	2,293,156
Corporate Lending	8,741,003	1,005,398	3,515,419	13,261,820	3,832,196
Public sector	64,588	39	371,166	435,793	241,834
Total	**27,409,043**	**1,136,266**	**4,187,678**	**32,732,987**	**6,367,186**

There are no cases of transfer or repledge of collateral received from customer for which a liability to return has been recognized.

* *The value of the "Guarantees received" of the previous year has been restated to include the value of the guarantee up to 100% of the loan balance, after taken into account the value of tangible collateral.*

LOANS AND ADVANCES TO CUSTOMERS, IMPAIRED LOANS AND IMPAIRMENT ALLOWANCE BY PRODUCT LINE, INDUSTRY AND GEOGRAPHICAL REGION

	31.12.2016					
	Greece			Rest of Europe		
	Gross Amount	Impaired Amount	Accumulated impairment allowance	Gross Amount	Impaired Amount	Accumulated impairment allowance
Retail Lending	**30,166,221**	**17,675,022**	**7,732,540**			
Mortgage	16,720,639	7,655,203	2,396,486			
Consumer	5,234,851	3,841,176	2,128,275			
Credit cards	1,637,792	495,422	349,798			
Other (incl. SBL)	6,572,939	5,683,221	2,857,981			
Corporate Lending	**19,593,834**	**9,292,394**	5,396,510	**2,995,469**	**398,245**	**498,977**
Financial institutions	1,019,115	186,024	143,555			
Manufacturing	5,001,786	2,251,668	1,389,291	114,702	78,971	37,514
Construction and real estate	3,133,214	1,778,300	1,055,300	442,801	249,325	134,825
Wholesale and retail trade	4,580,841	2,742,412	1,756,778	87,513	28,329	26,775
Transportation	628,519	111,677	67,264			
Shipping	1,537,941	412,590	137,186			
Hotels – Tourism	1,605,997	702,809	249,509	89,932	32,734	10,834
Services and other sectors	2,086,421	1,106,914	597,627	2,260,521	8,886	289,029
Public sector	**1,111,952**	**41,924**	**49,133**	**73,500**		**2,292**
Total	**50,872,007**	**27,009,340**	**13,178,183**	**3,068,969**	**398,245**	**501,269**

	31.12.2015*					
	Greece			Rest of Europe		
	Gross Amount	Impaired Amount	Accumulated impairment allowance	Gross Amount	Impaired Amount	Accumulated impairment allowance
Retail Lending	**30,691,935**	**17,200,338**	**7,939,081**			
Mortgage	17,156,085	7,637,046	2,536,062			
Consumer	5,222,791	3,604,200	2,134,601			
Credit cards	1,656,893	496,282	367,278			
Other (incl. SBL)	6,656,166	5,462,810	2,901,140			
Corporate Lending	**19,969,282**	**8,925,167**	**5,347,268**	**3,020,650**	**375,013**	**175,189**
Financial institutions	732,252	7,691	5,822			
Manufacturing	5,080,069	2,199,922	1,358,904	109,854	73,969	31,040
Construction and real estate	3,196,386	1,898,672	1,039,102	482,107	259,504	124,556
Wholesale and retail trade	4,427,286	2,542,376	1,687,159	92,735	6,319	6,589
Transportation	261,159	128,179	70,201			
Shipping	1,835,075	279,881	97,988			
Hotels – Tourism	1,605,491	516,309	258,245	95,511	34,982	12,654
Services and other sectors	2,831,564	1,352,137	829,847	2,240,443	239	350
Public sector	**1,297,581**	**43,775**	**42,127**	**84,000**		**1,767**
Total	**51,958,798**	**26,169,280**	**13,328,476**	**3,104,650**	**375,013**	**176,956**

* *Some figures of the previous year were reclassified for comparability purposes.*

INTEREST INCOME BY CREDIT QUALITY AND TYPE OF LOANS AND ADVANCES

	31.12.2016		
	Interest income on non impaired Loans and Advances	Interest income on impaired Loans and Advances	Total interest income
Retail lending	629,246	528,310	1,157,556
Corporate lending	701,653	123,340	824,993
Public sector	27,686	245	27,931
Total interest income	**1,358,585**	**651,895**	**2,010,480**

	31.12.2015		
	Interest income on non impaired Loans and Advances	Interest income on impaired Loans and Advances	Total interest income
Retail lending	721,763	548,779	1,270,542
Corporate lending	742,319	145,378	887,697
Public sector	32,607	399	33,006
Total interest income	**1,496,689**	**694,556**	**2,191,245**

FORBORNE LOANS

As at 31.12.2014, the Bank reassessed the perimeter of forborne loans for all the portfolios based on the Executive Regulation (EU) 2015/227 of European commission dated 9 January 2015 and the Executive technical standards of the European banking authority and incorporated the related definitions to its credit risk policy. In this respect, the evolution, the quality and the effectiveness of these loans is monitored according to the above definition.

The forborne loans perimeter include loans:

- which have been restructured within the last 36 months and were not past due more than 90 days and
- Forborne Loans past due more than 90 days.

The restructuring of loans is performed through renegotiation of the original contractual terms and include changes such as:

- Extension of the credit duration
- Write-off of a portion of debtor's amounts due
- Grace period for the principal and interests
- Decrease in interest rate

As a rule forbearance measures which are extended include a combination of the above amendments to the contractual terms. The carrying amount of forborne loans of Bank amounted to €11,068.3 million as at 31.12.2016.

In addition, in the context of renegotiations of the terms of loans granted, the Bank has participated in agreements for the exchange of debt securities or loans with debtors' shares. As at 31.12.2016, the Bank included in its Available for Sale portfolio and in Assets held for Sale shares of fair value amounting to €2.7 million (31.12.2015: €3.4 million) which were acquired from respective transactions. The shares that have been classified in Assets held for Sale concern SELONDA AQUACULTURE A.E.G.E. and NIREUS AQUACULTURE S.A. (note 19).

ANALYSIS OF FORBORNE LOANS AND ADVANCES TO CUSTOMERS BY TYPE OF FORBERANCE MEASURE

	31.12.2016	31.12.2015
Interest only payment	243,484	184,967
Reduce payments scheme	5,906,757	5,763,240
Grace period	628,795	392,033
Loan term extension	2,453,075	1,740,413
Arrears capitalization	1,331,451	968,126
Partial write-off in borrower's obligations	11,298	1,766
Hybrid forbearance measure		8,418
Payments other than cash		
Debt for equity transactions		38,396
Breach of loan covenants		
Other	493,423	302,817
Total net amount	**11,068,283**	**9,400,176**

FORBORNE LOANS AND ADVANCES TO CUSTOMERS BY PRODUCT LINE

	31.12.2016	31.12.2015
Retail lending	**8,793,504**	**7,718,698**
Mortgage	5,266,227	4,643,306
Consumer	1,940,828	1,727,864
Credit cards	174,716	97,025
Other (incl. SBL)	1,411,733	1,250,503
Corporate lending	**2,267,174**	**1,671,940**
Large	1,267,147	834,601
SME's	1,000,027	837,339
Public sector	**7,605**	**9,538**
Greece	7,605	9,538
Total net amount	**11,068,283**	**9,400,176**

FORBORNE LOANS AND ADVANCES TO CUSTOMERS BY GEOGRAPHICAL REGION

	31.12.2016	31.12.2015
Greece	**10,959,393**	**9,291,932**
Rest of Europe	108,890	108,244
Total	**11,068,283**	**9,400,176**

FORBORNE LOANS AND ADVANCES TO CUSTOMERS ACCORDING TO THEIR CREDIT QUALITY

	31.12.2016		
	Total amount of Loans and Advances	Total amount of Forborne Loans and Advances	Forborne Loans and Advances (%)
Neither past due nor impaired	23,358,068	2,934,800	13
Past due but not impaired	3,175,323	1,709,738	54
Impaired	27,407,585	11,019,417	40
Exposure before impairment	**53,940,976**	**15,663,955**	**29**
Individual Impairment Allowance	(6,133,491)	(1,549,821)	25
Collective Impairment Allowance	(7,545,961)	(3,045,851)	40
Total net amount	**40,261,524**	**11,068,283**	**27**
Value of collateral	31,170,147	9,647,070	31

	31.12.2015		
	Total amount of Loans and Advances	Total amount of Forborne Loans and Advances	Forborne Loans and Advances (%)
Neither past due nor impaired	24,449,473	2,716,895	11
Past due but not impaired	4,069,682	1,785,785	44
Impaired	26,544,293	8,711,466	33
Exposure before impairment	**55,063,448**	**13,214,146**	**24**
Individual Impairment Allowance	(5,742,545)	(916,124)	16
Collective Impairment Allowance	(7,762,889)	(2,897,846)	37
Total net amount	**41,558,014**	**9,400,176**	**23**
Value of collateral	32,732,987	8,417,395	26

RECONCILIATION OF FORBORNE LOANS AND ADVANCES TO CUSTOMERS

	Forborne loans (net value)
Balance 1.1.2016	**9,400,176**
Forbearance measures of r Loans and Advances during the period	2,446,610
Interest income	388,039
Repayment of loans (partial or total)	(514,237)
Loans and Advances that exited forbearance status	(590,340)
Impairment loss	(173,752)
Other	111,787
Closing balance 31.12.2016	**11,068,283**

	Forborne loans (net value)
Opening balance 1.1.2015	**8,850,550**
Transfer of Loans and Advances to Assets Held for sale	(35,655)
Forbearance measures of r Loans and Advances during the period	2,051,671
Interest income	387,373
Repayment of loans (partial or total)	(315,276)
Loans and Advances that exited forbearance status	(400,722)
Impairment loss	(1,167,717)
Other	29,952
Closing balance 31.12.2015	**9,400,176**

BALANCES WITH CENTRAL BANKS – DUE FROM BANKS – DERIVATIVE FINANCIAL INSTRUMENTS AND DEBT SECURITIES – Analysis per rating

	31.12.2016							
	Balances with Central Banks	Due from Banks	Derivative Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and advances securities	Total
AAA	10,500				1			10,501
AA+ to AA-		25,357	38,421				2,682,655	2,746,433
A+ to A-		1,026,939	136,252		3,402	9,023		1,175,616
BBB+ to BBB-		332,796	343,318		5,467			681,581
Lower than BBB-	370,653	1,444,787	126,145	2,256	3,773,102	319		5,717,262
Unrated		124,395	300		517,672			642,367
Exposure before impairment	**381,153**	**2,954,274**	**644,436**	**2,256**	**4,299,644**	**9,342**	**2,682,655**	**10,973,760**

	31.12.2015							
	Balances with Central Banks	Due from Banks	Derivative Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and advances securities	Total
AAA					4			4
AA+ to AA-		7,654	60,941				4,289,482	4,358,077
A+ to A-		972,386	248,578		258			1,221,222
BBB+ to BBB-		304,405			3,462			307,867
Lower than BBB-	362,351	2,019,288	484,602	1,888	4,320,871	2,823		7,191,823
Unrated		112,091	350		488,166			600,607
Exposure before impairment	**362,351**	**3,415,824**	**794,471**	**1,888**	**4,812,761**	**2,823**	**4,289,482**	**13,679,600**

BALANCES WITH CENTRAL BANKS – DUE FROM BANKS – DERIVATIVE FINANCIAL INSTRUMENTS AND DEBT SECURITIES – Analysis by credit quality

	31.12.2016							
	Balances with Central Banks	Due from Banks	Derivative Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
Neither past due nor impaired	381,153	2,912,313	644,436	2,256	4,266,550	9,342	2,682,655	10,898,705
Past due but not impaired								-
Impaired		41,961			33,094			75,055
Exposure before impairment	**381,153**	**2,954,274**	**644,436**	**2,256**	**4,299,644**	**9,342**	**2,682,655**	**10,973,760**
Less: Allowance for impairment losses		(41,961)			(22,385)			(64,346)
Net exposure	**381,153**	**2,912,313**	**644,436**	**2,256**	**4,277,259**	**9,342**	**2,682,655**	**10,909,414**

	31.12.2015							
	Balances with Central Banks	Due from Banks	Derivative Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
Neither past due nor impaired	362,351	3,406,859	794,471	1,888	4,747,045	2,823	4,289,482	13,604,919
Past due but not impaired								-
Impaired		8,965			65,716			74,681
Exposure before impairment	**362,351**	**3,415,824**	**794,471**	**1,888**	**4,812,761**	**2,823**	**4,289,482**	**13,679,600**
Less: Allowance for impairment losses		(8,965)			(55,005)			(63,970)
Net exposure	**362,351**	**3,406,859**	**794,471**	**1,888**	**4,757,756**	**2,823**	**4,289,482**	**13,615,630**

The following tables present the financial instruments exposed to credit risk by sectors of the counterparties.

FINANCIAL INSTRUMENTS CREDIT RISK – Analysis by industry sector

	31.12.2016										
	Financial Institutions and other financial services	Manufacturing	Construction and real estate	Wholesale and retail trade	Public sector/ Government securities/ Derivatives	Transportation	Shipping	Hotels-Tourism	Services and other sectors	Retail	Total
Credit risk exposure relating to balance sheet items:											
Balances with Central Banks	381,153										381,153
Due from banks	2,954,274										2,954,274
Loans and advances to customers	1,019,115	5,116,488	3,576,015	4,668,354	1,185,452	628,519	1,537,941	1,695,929	4,346,942	30,166,221	53,940,976
Derivative financial assets	184,632	10,578	79,891	754	342,737		1,579	10,709	13,556		644,436
Trading securities					2,256						2,256
Available for sale securities	432,178	204,655		16,068	3,409,677				237,066		4,299,644
Held to maturity securities	9,024		318								9,342
Loans and receivables securities	2,682,655										2,682,655
Total amount of balance sheet items exposed to credit risk (a)	**7,663,031**	**5,331,721**	**3,656,224**	**4,685,176**	**4,940,122**	**628,519**	**1,539,520**	**1,706,638**	**4,597,564**	**30,166,221**	**64,914,736**
Other balance sheet items not exposed to credit risk	2,594,427	10,828	352,998	350		404			7,134,200		10,093,207
Total assets	**10,257,458**	**5,342,549**	**4,009,222**	**4,685,526**	**4,940,122**	**628,923**	**1,539,520**	**1,706,638**	**11,731,764**	**30,166,221**	**75,007,943**
Credit risk exposure relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	977,454	544,117	1,479,746	448,185	94,811	32,940	7,200	68,954	407,268	72,364	4,133,039
Undrawn loan agreements and credit limits that can not be recalled (committed)					50,645		133,553	94,349	143,163		421,710
Guarantees for bonds issued by subsidiaries of the Bank									15,542		15,542
Total amount of off balance sheet items exposed to credit risk (b)	**977,454**	**544,117**	**1,479,746**	**448,185**	**145,456**	**32,940**	**140,753**	**163,303**	**565,973**	72,364	**4,570,291**
Total credit risk exposure (a+b)	**8,640,485**	**5,875,838**	**5,135,970**	**5,133,361**	**5,085,578**	**661,459**	**1,680,273**	**1,869,941**	**5,163,537**	**30,238,585**	**69,485,027**

	31.12.2015										
	Financial Institutions and other financial services	Manufacturing	Construction and real estate	Wholesale and retail trade	Public sector/ Government securities/ Derivatives	Transportation	Shipping	Hotels-Tourism	Services and other sectors	Retail	Total
Credit risk exposure relating to balance sheet items:											
Balances with Central Banks	362,351										362,351
Due from banks	3,415,824										3,415,824
Loans and advances to customers	732,252	5,189,923	3,678,493	4,520,021	1,381,581	261,159	1,835,075	1,701,002	5,072,007	30,691,935	55,063,448
Derivative financial assets	328,443	14,408	57,511	794	362,700	7	10,637	13,235	6,736		794,471
Trading securities					1,888						1,888
Available for sale securities	483,199	220,979		16,604	3,831,479				260,500		4,812,761
Held to maturity securities	2,486		337								2,823
Loans and receivables securities	4,289,482										4,289,482
Total amount of balance sheet items exposed to credit risk (a)	**9,614,037**	**5,425,310**	**3,736,341**	**4,537,419**	**5,577,648**	**261,166**	**1,845,712**	**1,714,237**	**5,339,243**	**30,691,935**	**68,743,048**
Other balance sheet items not exposed to credit risk	2,801,964	43,252	251,764	36,726		6,770		7,723	7,093,479	228,870	10,470,548
Total assets	**12,416,001**	**5,468,562**	**3,988,105**	**4,574,145**	**5,577,648**	**267,936**	**1,845,712**	**1,721,960**	**12,432,722**	**30,920,805**	**79,213,596**
Credit risk exposure relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	546,722	604,932	1,626,418	499,439	132,406	51,917	961	93,027	991,826		4,547,648
Undrawn loan agreements and credit limits that can not be recalled (committed)		85,846	79,517		20,000		5,511		20,367		211,241
Guarantees for bonds issued by subsidiaries of the Bank									15,542		15,542
Total amount of off balance sheet items exposed to credit risk (b)	**546,722**	**690,778**	**1,705,935**	**499,439**	**152,406**	**51,917**	**6,472**	**93,027**	**1,027,735**	**-**	**4,774,431**
Total credit risk exposure (a+b)	**10,160,759**	**6,116,088**	**5,442,276**	**5,036,858**	**5,730,054**	**313,083**	**1,852,184**	**1,807,264**	**6,366,978**	**30,691,935**	**73,517,479**

EXPOSURE IN CREDIT RISK FROM DEBT ISSUED BY THE PERIPHERAL EUROZONE COUNTRIES

Due to the prolonged turmoil in the Eurozone countries, and the issues which the Greek economy faces, concerning the service of public debt, the Bank monitors credit risk from its exposure to the Greek Government as well as the remaining peripheral countries.

i. Exposure to the Greek State

The table below presents the Bank's total exposure in Greek Government securities:

	31.12.2016		31.12.2015	
Portfolio	**Nominal value**	**Carrying amount**	**Nominal value**	**Carrying amount**
Available for sale	3,965,219	3,409,677	4,537,722	3,831,479
Trading	2,861	2,256	2,783	1,888
Total	**3,968,080**	**3,411,933**	**4,540,505**	**3,833,367**

All Greek Government securities are classified in level 1 based on the quality of inputs used for the estimation of their fair value.

In addition, the public entities securities on 31.12.2016 amounted to €140 million (31.12.2015: €150.7 million).

The Bank's exposure to Greek Government from other financial instruments, excluding securities and loans and advances is depicted in the table below.

On balance sheet exposure

	31.12.2016	31.12.2015
	Carrying amount	**Carrying amount**
Derivative financial instruments - assets	342,737	362,700
Derivative financial insturments - liabilities	(69,299)	(271,711)

Derivative financial assets from public sector entities amounted to €8.4 million on 31.12.2016 (31.12.2015: €16.6 million).

The Bank exposure in loans to public entities/organizations of Greek State on 31.12.2016 amounted €1,112 million (31.12.2015: €1,297.6 million). The Bank for the above receivables has recognized impairment amounted to €49.1 million as at 31.12.2016 (31.12.2015: €42.1 million).

In addition the balance of Bank's loans guaranteed by the Greek Government (directly guaranteed by Greek government, loans guaranteed by TEMPE, Loans guaranteed by Common Ministerial Decisions) on 31.12.2016 amounted to €720.6 million (31.12.2015: €764 million). For these loans the Bank has recognized impairment amounted to €149.2 million as at 31.12.2016 (31.12.2015: €144.3 million).

Off balance sheet exposure

	31.12.2016		31.12.2015	
	Nominal value	**Fair value**	**Nominal value**	**Fair value**
T-bills used as collaterals for refinancing operation	56,373	57,162	-	-

ii. Exposure to other peripheral Eurozone countries debt

As at 31.12.2016 the Bank had no exposure to securities issued by Cyprus, Italy, Spain, Portugal and Ireland.

38.2 Market risk

Market risk is the risk of losses arising from unfavourable changes in the value or volatility of interest rates, foreign exchange rates, stock exchange indices, equity prices and commodities. Losses may also occur either from the trading portfolio or from the Assets-Liabilities management.

i. Trading portfolio

The market risk is measured by the Value at Risk-VAR. The method applied for calculating Value at Risk is historical simulation.

The Bank applies a holding period of one and ten days, depending on the time required to liquidate the portfolio.

1 day value at risk, 99% confidence interval (2 years historical data)

(Amounts in Euro)

	2016					2015
	Foreign currency risk	Interest rate risk	Price risk	Covariance	Total	Total
31 December	1,216,957	174,020	79,163	(221,350)	1,248,790	1,815,473
Average daily value (annual)	1,752,271	117,635	27,930	(133,385)	1,764,451	1,725,496
Maximum * daily value (annual)	1,992,659	89,315	31,773	(115,652)	1,998,095	3,144,948
MInimum* daily value (annual)	1,216,957	174,020	79,163	(221,350)	1,248,790	741,067

* *refers to total value at risk (within the year)*

The Value at Risk methodology is complemented with scenario analysis and stress testing, in order to estimate the potential size of losses that could arise from the trading portfolio for hypothetical (scenarios) as well as historical extreme movements of market parameters (stress-testing).

Within the scope of policy-making for financial risk management, exposure limits, maximum loss (stop loss) and value at risk for various products of the trading positions have been set.

In particular the following limits have been set for the following risks:

- Foreign currency risk regarding spot and forward positions and FX options
- Interest rate risk regarding positions on bonds, Interest Rate Swaps, Interest Futures, Interest Options
- Price risk regarding positions in shares, Index Futures and Options, Commodity Futures and Swaps
- Credit risk regarding interbank transactions and bonds

Positions held in these products are monitored on a continuous basis and are examined for the corresponding limit percentage cover and for any limit excess.

ii. The financial risks of the banking portfolio

The market risk is possible to be arisen not only from the trading portfolio, but also from the structure of assets- liabilities items and the portfolio of loans and deposits of the Bank. This risk consists of foreign currency and interest rate risk.

a. Foreign currency risk

The Bank undertakes foreign currency risk due to the volatility of foreign exchange rates.

The open position per currency resulting from all operations is managed centrally. Bank policy is that positions are closed out promptly using spot or FX derivative transactions. All resulting open positions are subject to the Foreign currency risk limits that are set within the scope of policy-making for financial risk management and monitored accordingly.

The total open position arises from the net balance sheet position and derivatives forward position are presented in the tables below:

	31.12.2016								
	USD	GBP	CHF	JPY	RON	RSD	Other F/C	Euro	Total
ASSETS									
Cash and balances with Central Banks	3,356	713	87	23			419	669,841	674,439
Due from banks	60,882	(14,006)	10,571	16,883	973	66,938	5,691	2,764,381	2,912,313
Trading securities	1							2,864	2,865
Derivative financial assets								644,436	644,436
Loans and advances to customers	1,750,436	97,704	1,224,958	4,124	72,231		21,779	37,090,292	40,261,524
Investment securities									
- Available for sale	28,287	10						4,331,750	4,360,047
- Held to maturity								9,342	9,342
- Loans and receivables								2,682,655	2,682,655
Investments in subsidiaries, associates and joint ventures	23,432	59,714			169,317		3,392	1,559,400	1,815,255
Investment property								27,836	27,836
Property, plant and equipment								675,870	675,870
Goodwill and other intangible assets								333,926	333,926
Deferred tax assets								4,477,144	4,477,144
Other assets and assets held for sale	751	22	15,089	2	2,032	217,693	4	1,289,328	1,524,921
Total Assets	**1,867,145**	**144,157**	**1,250,705**	**21,032**	**244,553**	**284,631**	**31,285**	**56,559,065**	**60,402,573**
LIABILITIES									
Due to banks and customers	1,410,441	93,870	100,112	1,081	1,007		199,962	46,636,507	48,442,980
Derivative financial liabilitie								1,337,559	1,337,559
Debt securities in issue and other borrowed funds	229,622							369,137	598,759
Liabilities for current income tax and other taxes								19,419	19,419
Employee defined benefit obligations								89,126	89,126
Other liabilities	482	91	451	556			12	804,908	806,500
Provisions								383,188	383,188
Total liabilities	**1,640,545**	**93,961**	**100,563**	**1,637**	**1,007**	-	**199,974**	**49,639,844**	**51,677,531**
Net balance sheet position	226,600	50,196	1,150,142	19,395	243,546	284,631	(168,689)	6,919,221	8,725,042
Derivatives forward foreign exchange position	(202,835)	(50,456)	(1,149,133)	(19,007)	(382,243)		196,100	1,530,874	(76,700)
Total Foreign exchange position	**23,765**	**(260)**	**1,009**	**388**	**(138,697)**	**284,631**	**27,411**	**8,450,095**	**8,648,342**
Undrawn loan agreements and credit limits than can not be recalled (committed)	133,553							288,158	421,711

	31.12.2015								
	USD	**GBP**	**CHF**	**JPY**	**RON**	**RSD**	**Other F/C**	**Euro**	**Total**
ASSETS									
Cash and balances with Central Banks	2,687	635	176	20			494	694,718	698,730
Due from banks	71,638	(125,129)	4,926	11,489	180	98,910	6,504	3,338,341	3,406,859
Trading securities	1							1,887	1,888
Derivative financial assets								794,471	794,471
Loans and advances to customers	1,747,604	121,039	1,337,408	5,415	3,078		(1)	38,343,471	41,558,014
Investment securities									
- Available for sale	21,595	11						4,869,285	4,890,891
- Held to maturity								2,823	2,823
- Loans and receivables								4,289,482	4,289,482
Investments in subsidiaries, associates and joint ventures	9,259	69,659			169,879	220,809	3,344	1,614,436	2,087,386
Investment property								28,813	28,813
Property, plant and equipment								691,847	691,847
Goodwill and other intangible assets								299,821	299,821
Deferred tax assets								4,372,486	4,372,486
Other assets and assets held for sale	949	52	278	2			10	1,868,080	1,869,371
Total Assets	**1,853,733**	**66,267**	**1,342,788**	**16,926**	**173,137**	**319,719**	**10,351**	**61,209,961**	**64,992,882**
LIABILITIES									
Due to banks and customers	1,356,615	103,909	88,604	822	203		200,038	51,154,125	52,904,316
Derivative financial liabilitie								1,556,555	1,556,555
Debt securities in issue and other borrowed funds	315,570							90,661	406,231
Liabilities for current income tax and other taxes								21,108	21,108
Employee defined benefit obligations								105,816	105,816
Other liabilities and liabilities related to assets held for sale	516	104	447	524			11	1,168,775	1,170,377
Provisions								410,446	410,446
Total liabilities	**1,672,701**	**104,013**	**89,051**	**1,346**	**203**	**-**	**200,049**	**54,507,486**	**56,574,849**
Net balance sheet position	181,032	(37,746)	1,253,737	15,580	172,934	319,719	(189,698)	6,702,475	8,418,033
Derivatives forward foreign exchange position	(173,205)	73,612	(1,061,559)	(15,470)	(122,900)		195,716	896,487	(207,319)
Total Foreign exchange position	**7,827**	**35,866**	**192,178**	**110**	**50,034**	**319,719**	**6,018**	**7,598,962**	**8,210,714**
Undrawn loan agreements and credit limits than can not be recalled (committed)	5,511							205,730	211,241

The open foreign exchange position as at 31.12.2016 presents the following sensitivity analysis:

Currency	Exchange rate variation scenario against Euro (%)	Impact on net income before tax
USD	Appreciation USD 5%	1,251
	Depreciation USD 5%	(1,132)
GBP	Appreciation GBP 5%	(14)
	Depreciation GBP 5%	12
CHF	Appreciation CHF 5%	53
	Depreciation CHF 5%	(48)
RON	Appreciation RON 5%	(7,300)
	Depreciation RON 5%	6,605
RSD	Appreciation RSD 5%	14,981
	Depreciation RSD 5%	(13,554)
ALL	Appreciation ALL 5%	179
	Depreciation ALL 5%	(162)

b. Interest rate risk

In the context of analysis of the Banking portfolio, Interest Rate Gap Analysis is performed. In particular, assets and liabilities are allocated into time bands (Gaps) according to their repricing date for variable interest rate instruments, or according to their maturity date for fixed rate instruments.

An interest rate gap analysis of Assets and Liabilities is set out in the table below.

	31.12.2016							
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non-interest bearing	Total
ASSETS								
Cash and balances with Central Banks	381,153						293,286	674,439
Due from Banks	1,640,284	1,070,391	40,469	3,427	1,893	155,849		2,912,313
Trading securities	609		518	222		1,516		2,865
Derivative financial assets	644,436							644,436
Loans and advances to customers	20,417,384	7,195,901	2,381,290	982,828	5,771,642	3,512,479		40,261,524
Investment securities								
- Available for sale	394,783	476,044	1,293,757	195,243	385,712	1,531,720	82,788	4,360,047
- Held to maturity	318		9,024					9,342
- Loans and receivables			1,964,564		171,048	547,043		2,682,655
Investments in subsidiaries, associates and joint ventures							1,815,255	1,815,255
Investment property							27,836	27,836
Property, plant and equipment							675,870	675,870
Goodwill and other intangible assets							333,926	333,926
Deferred tax assets							4,477,144	4,477,144
Other assets							1,378,290	1,378,290
Non-current assets held for sale	27,111		47,570				71,950	146,631
Total Assets	**23,506,078**	**8,742,336**	**5,737,192**	**1,181,720**	**6,330,295**	**5,748,607**	**9,156,345**	**60,402,573**
LIABILITIES								
Due to banks	17,362,947	519,789	49,726		1,500,539			19,433,001
Derivative financial liabilities	1,337,559							1,337,559
Due to customers	5,712,296	4,096,713	5,828,540	2,075,170	6,873,385	4,423,875		29,009,979
Debt securities in issue and other borrowed funds	517,260	45,954	25,393		10,152			598,759
Liabilities for current income tax and other taxes							19,419	19,419
Employee defined benefit obligations							89,126	89,126
Other liabilities							806,500	806,500
Provisions							383,188	383,188
Total Liabilities	**24,930,062**	**4,662,456**	**5,903,659**	**2,075,170**	**8,384,076**	**4,423,875**	**1,298,233**	**51,677,531**
EQUITY								
Share capital							461,064	461,064
Share premium							10,790,870	10,790,870
Reserves							208,187	208,187
Retained earnings							(2,735,079)	(2,735,079)
Total Equity							**8,725,042**	**8,725,042**
Total Liabilities and Equity	**24,930,062**	**4,662,456**	**5,903,659**	**2,075,170**	**8,384,076**	**4,423,875**	**10,023,275**	**60,402,573**
OPEN EXPOSURE	**(1,423,984)**	**4,079,880**	**(166,467)**	**(893,450)**	**(2,053,781)**	**1,324,732**	**(866,930)**	
CUMULATIVE EXPOSURE	**(1,423,984)**	**2,655,896**	**2,489,429**	**1,595,979**	**(457,802)**	**866,930**		

	31.12.2015							
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 5 years**	**> 5 years**	**Non-interest bearing**	**Total**
ASSETS								
Cash and balances with Central Banks	362,351						336,379	698,730
Due from Banks	1,636,387	1,536,169	44,174	5,161	27,033	157,935		3,406,859
Trading securities					349	1,539		1,888
Derivative financial assets	794,471							794,471
Loans and advances to customers	20,677,942	7,227,296	2,554,524	1,085,269	6,184,056	3,828,927		41,558,014
Investment securities								
- Available for sale	548,922	1,004,810	882,898	49,538	994,293	1,410,430		4,890,891
- Held to maturity	337		2,486					2,823
- Loans and receivables			4,289,482					4,289,482
Investments in subsidiaries, associates and joint ventures							2,087,386	2,087,386
Investment property							28,813	28,813
Property, plant and equipment							691,847	691,847
Goodwill and other intangible assets							299,821	299,821
Deferred tax assets							4,372,486	4,372,486
Other assets							1,421,770	1,421,770
Non-current assets held for sale							447,601	447,601
Total Assets	**24,020,410**	**9,768,275**	**7,773,564**	**1,139,968**	**7,205,731**	**5,398,831**	**9,686,103**	**64,992,882**
LIABILITIES								
Due to banks	23,119,721	250,465			1,800,451			25,170,637
Derivative financial liabilities	1,556,555							1,556,555
Due to customers	5,797,398	4,027,887	5,345,689	1,485,061	6,848,790	4,228,854		27,733,679
Debt securities in issue and other borrowed funds	310,914	40,968			50,627	3,722		406,231
Liabilities for current income tax and other taxes							21,108	21,108
Employee defined benefit obligations							105,816	105,816
Other liabilities							831,557	831,557
Provisions							410,446	410,446
Liabilities related to assets held for sale							338,820	338,820
Total Liabilities	**30,784,588**	**4,319,320**	**5,345,689**	**1,485,061**	**8,699,868**	**4,232,576**	**1,707,747**	**56,574,849**
EQUITY								
Share capital							461,064	461,064
Share premium							10,790,870	10,790,870
Reserves							153,631	153,631
Retained earnings							(2,987,532)	(2,987,532)
Total Equity							**8,418,033**	**8,418,033**
Total Liabilities and Equity	**30,784,588**	**4,319,320**	**5,345,689**	**1,485,061**	**8,699,868**	**4,232,576**	**10,125,780**	**64,992,882**
OPEN EXPOSURE	**(6,764,178)**	**5,448,955**	**2,427,875**	**(345,093)**	**(1,494,137)**	**1,166,255**	**(439,677)**	
CUMULATIVE EXPOSURE	**(6,764,178)**	**(1,315,223)**	**1,112,652**	**767,559**	**(726,578)**	**439,677**		

From the Interest Rate Gap Analysis and from the application of alternative scenarios regarding the changes in market interest rates or changes in the Bank's base interest rates, the Bank is able to calculate the immediate changes in net interest income and equity relating to available for sale securities. In the interest rate decrease scenarios the change is assessed up to a feasible point (interest rate set to zero) in accordance with the effective yield curves per currency.

Interest rate variation scenario (parallel fall or rise in yield curves)	**Sensitivity for net interest income (annual)**	**Sensitivity of Equity**
-100	- 39,966	+ 156,624
+100	+ 55,581	- 142,365

38.3 Liquidity Risk

Liquidity risk relates to the Bank's ability to maintain sufficient funds to cover its planned or extraordinary obligations. In fact, the total funding can be divided into two main categories:

A. Customer Deposits

1. Customer deposits on demand for cash flow needs

Deposits that are intended to meet short term needs of customers are the savings accounts and the sight deposits. Although these deposits may be withdrawn on demand, the number of accounts and type of depositors ensure that unexpected significant fluctuations are limited Therefore, these deposits constitute a significant factor of stability of the deposit base.

2. Customer term deposits and bonds for investment purposes

The customer term deposits and bonds for investment purposes issued by the Group companies usually consist of customer deposits for a certain period and customer repurchase agreements (repos), whereas the bonds issued by the Group companies are disposed through outright sale. Customers have the ability of early withdrawal of deposits or early liquidation of bonds which may result in potential need of finding alternative liquidity in case of extensive outflows.

For this purpose and for the general safety of customer deposits, the Bank takes care for the existence of adequate liquidity surpluses which are calculated based on stress testing exercises due to loss of liquidity or the existence of sufficient credit lines of financial instruments as shown below.

B. Wholesale funding

1. Medium-term borrowing from international capital markets

The Bank's constant aspiration is to cooperate with international investors who may offer medium term financing through purchase of securities issued by the Group companies. For this purpose, the Bank retains special financing programs appealing to international investors and provides adequate coverage of credit needs through international capital markets by planning asset level needs on an annual basis. However, the Bank acknowledges that the demand of these bonds may not be enough to fully meet the needs in specific time intervals as a result of factors which concern the credit assessment in the domestic and international economic environment.

On December 2016 the Bank securitized loans to Small and Medium sized enterprises (SME) raising medium-term funds of €320 million.

2. Funding by Central Banks

An alternative way of Bank funding is the liquidity from financial instruments of the Central Banks- Euro system and especially from the European Central Bank (ECB). This funding regards loan granted with pledge of assets according to instructions and the eligible assets determined by the ECB. During the last years this additional source funding has become a major financial instrument by hedging the inadequate or loss of basic forms of Bank funding. Furthermore, under the period on which Greece is under the restructuring program of economy and fiscal improvement of financial figures and simultaneously servicing financing needs of the network of institutions that have the supervision of the program, the Bank can use available assets in order to increase liquidity from the Eurosystem to cover any financing gap. The Bank recognizes the short-term nature of this liquidity source and pursues gradually to release, if circumstances allow. However, for as long as the country is experiencing financial and economic crisis, the Bank ensures the smooth financing from these financial instruments which may be either conventional marginal lending from the ECB (MRO), or Emergent Liquidity Assistance from Bank of Greece (ELA). The Bank ensures the adequacy of collateral required in order to serve the financing from the above financial instruments, while recognizing both the type and the amount of financing that is under the discretion of the Eurosystem.

Borrowings from the Eurosystem decreased by €6.1 billion from 31.12.2015 amounting to €18.3 billion as at 31.12.2016.

Based on the Liquidity Gap Analysis, the cash flows arising from balance sheet items are calculated and classified into time periods in accordance with the contractual maturity date or an estimated date based on a statistical analysis (convention). An exception to the above, are the securities portfolios, which can contribute directly to raise liquidity, and they are allocated in the first period under the condition they have not been used to raise liquidity either by the Central Bank or through interbank repos.

Bank's borrowing at 2016 were short term with significant contribution from the emergency liquidity assistance mechanism of Bank of Greece.

	31.12.2016					
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**More than 1 year**	**Total**
ASSETS						
Cash and balances with Central Banks	674,439					674,439
Due from banks	1,138,892	321,071	72,699	555,013	824,638	2,912,313
Trading securities	2,865					2,865
Derivative financial assets	644,436					644,436
Loans and advances to customers	2,713,846	1,862,708	1,256,871	3,138,390	31,289,709	40,261,524
Investment securities						-
- Available for sale	4,146,184				213,863	4,360,047
- Held to maturity			9,024		318	9,342
- Loans and receivables					2,682,655	2,682,655
Investments in associates and joint ventures					1,815,255	1,815,255
Investment property					27,836	27,836
Property, plant and equipment					675,870	675,870
Goodwill and other intangible assets					333,926	333,926
Deferred tax assets					4,477,144	4,477,144
Other assets					1,378,290	1,378,290
Non current assets held for sale			50,561	96,070		146,631
Total Assets	**9,320,662**	**2,183,779**	**1,389,155**	**3,789,473**	**43,719,504**	**60,402,573**
LIABILITIES						
Due to banks	17,362,947	296,162	1,076	2,678	1,770,138	19,433,001
Derivative financial liabilities	1,337,559					1,337,559
Due to customers	5,706,303	4,096,049	3,042,966	2,280,843	13,883,818	29,009,979
Debt securities in issue and other borrowed funds		39,348	16,724		542,687	598,759
Liabilities for current income tax and other taxes		19,419				19,419
Employee defined benefit obligations					89,126	89,126
Other liabilities	132,193				674,307	806,500
Provisions					383,188	383,188
Total Liabilities	**24,539,002**	**4,450,978**	**3,060,766**	**2,283,521**	**17,343,264**	**51,677,531**
EQUITY						
Share capital					461,064	461,064
Share premium					10,790,870	10,790,870
Reserves					208,187	208,187
Retained earnings					(2,735,079)	(2,735,079)
Total Equity					**8,725,042**	**8,725,042**
Total Liabilities and Equity	**24,539,002**	**4,450,978**	**3,060,766**	**2,283,521**	**26,068,306**	**60,402,573**
OPEN EXPOSURE	**(15,218,340)**	**(2,267,199)**	**(1,671,611)**	**1,505,952**	**17,651,198**	
CUMULATIVE EXPOSURE	**(15,218,340)**	**(17,485,539)**	**(19,157,150)**	**(17,651,198)**		

	31.12.2015					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	Total
ASSETS						
Cash and balances with Central Banks	698,730					698,730
Due from banks	1,113,928	326,784	304,961	376,516	1,284,670	3,406,859
Trading securities	1,888					1,888
Derivative financial assets	794,471					794,471
Loans and advances to customers	2,661,435	1,785,012	1,492,925	2,356,747	33,261,895	41,558,014
Investment securities						
- Available for sale	4,257,410				633,481	4,890,891
- Held to maturity			2,486		337	2,823
- Loans and receivables					4,289,482	4,289,482
Investments in associates and joint ventures					2,087,386	2,087,386
Investment property					28,813	28,813
Property, plant and equipment					691,847	691,847
Goodwill and other intangible assets					299,821	299,821
Deferred tax assets					4,372,486	4,372,486
Other assets					1,421,770	1,421,770
Non current assets held for sale		447,601				447,601
Total Assets	**9,527,862**	**2,559,397**	**1,800,372**	**2,733,263**	**48,371,988**	**64,992,882**
LIABILITIES						
Due to banks	23,119,720	1,819	928	2,747	2,045,423	25,170,637
Derivative financial liabilities	1,556,555					1,556,555
Due to customers	5,797,397	4,027,887	2,603,288	1,698,322	13,606,785	27,733,679
Debt securities in issue and other borrowed funds					406,231	406,231
Liabilities for current income tax and other taxes		21,108				21,108
Employee defined benefit obligations					105,816	105,816
Other liabilities	191,101				640,456	831,557
Provisions				64,300	346,146	410,446
Liabilities related to assets held for sale		338,820				338,820
Total Liabilities	**30,664,773**	**4,389,634**	**2,604,216**	**1,765,369**	**17,150,857**	**56,574,849**
EQUITY						
Share capital					461,064	461,064
Share premium					10,790,870	10,790,870
Reserves					153,631	153,631
Retained earnings					(2,987,532)	(2,987,532)
Total Equity					**8,418,033**	**8,418,033**
Total Liabilities and Equity	**30,664,773**	**4,389,634**	**2,604,216**	**1,765,369**	**25,568,890**	**64,992,882**
OPEN EXPOSURE	**(21,136,911)**	**(1,830,237)**	**(803,844)**	**967,894**	**22,803,098**	
CUMULATIVE EXPOSURE	**(21,136,911)**	**(22,967,148)**	**(23,770,992)**	**(22,803,098)**		

Held for trading and available for sale portfolios are listed based on their liquidation potential and not according to their maturity.

Cash flows arising from financial liabilities including derivative financial liabilities, are allocated into time bands according to their maturity date. Estimated interest payments are also included. Liabilities in foreign currency have been converted into Euro. Outflows and inflows relating to derivatives are estimated according to their contractual terms.

	31.12.2016						
		Nominal inflows / (outflows)					
	Total Balance Sheet	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	Total
Non-derivative liabilities							
Due to banks	19,433,001	(17,380,454)	(324,908)	(54,062)	(108,685)	(2,201,184)	(20,069,293)
Due to customers	29,009,979	(5,715,291)	(4,112,807)	(3,067,230)	(2,329,250)	(14,093,166)	(29,317,744)
Debt securities in issue held by institutional investors and other borrowed funds	598,759	(1,869)	(43,173)	(24,315)	(13,854)	(606,070)	(689,281)
Other liabilities	806,500	(132,193)				(674,307)	(806,500)
Derivatives held for assets fair value hedge	1,481						
- Outflows		(13)		(720)		(659)	(1,392)
- Inflows					576	638	1,214
Derivatives held for liabilities fair value hedge	629,068						
- Outflows		(272)	(471)	(40,102)		(802,151)	(842,996)
- Inflows				10,158	20,213	768,282	798,653
Derivatives held for trading	707,010						
- Outflows		(482,362)	(113,881)	(91,146)	(250,934)	(1,989,862)	(2,928,185)
- Inflows		475,023	86,234	74,911	204,624	1,640,410	2,481,202
Total	**51,185,798**	**(23,237,431)**	**(4,509,006)**	**(3,192,506)**	**(2,477,310)**	**(17,958,069)**	**(51,374,322)**
Off Balance sheet items							
Undrawn loan agreements and credit limits that can not be recalled (committed)		(421,710)					(421,710)
Financial guarantees		(18,794)	(18,119)	(13,898)	(15,789)	(250,509)	(317,109)
Total off Balance sheet items		**(440,504)**	**(18,119)**	**(13,898)**	**(15,789)**	**(250,509)**	**(738,819)**

		31.12.2015					
	Total Balance Sheet	Nominal inflows / (outflows)					Total
		Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	
Non-derivative liabilities							
Due to banks	25,170,637	(23,146,290)	(43,252)	(77,386)	(155,071)	(2,790,532)	(26,212,531)
Due to customers	27,733,679	(5,811,215)	(4,055,516)	(2,644,761)	(1,783,635)	(14,042,094)	(28,337,221)
Debt securities in issue held by institutional investors and other borrowed funds	406,231	(2)	(52)	(489)	(106)	(427,660)	(428,309)
Other liabilities	831,557	(191,101)				(640,456)	(831,557)
Derivatives held for assets fair value hedge	11,258						-
- Outflows		(128)	(317)	(40,004)	(30)	(843,004)	(883,483)
- Inflows		-	22	10,050	20,133	809,469	839,674
Derivatives held for liabilities fair value hedge	568,037						-
- Outflows		(72)	(8,601)	(9,425)	(21,299)	(1,335)	(40,732)
- Inflows		-	7,297	7,443	16,363	1,746	32,849
Derivatives held for trading	977,260						-
- Outflows		(567,523)	(468,079)	(562,877)	(508,115)	(4,777,526)	(6,884,120)
- Inflows		504,894	468,976	488,021	466,908	4,658,274	6,587,073
Total	**55,698,659**	**(29,211,437)**	**(4,099,522)**	**(2,829,428)**	**(1,964,852)**	**(18,053,118)**	**(56,158,357)**
Off Balance sheet items							
Undrawn loan agreements and credit limits that can not be recalled (committed)		(211,241)					(211,241)
Financial guarantees		(27,906)	(21,314)	(12,676)	(40,233)	(259,945)	(362,074)
Total off Balance sheet items		**(239,147)**	**(21,314)**	**(12,676)**	**(40,233)**	**(259,945)**	**(573,315)**

38.4 Fair value of financial assets and liabilities

Hierarchy of financial instruments not measured at fair value

	31.12.2016				
	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
Financial Assets					
Loans and advances to customers			40,069,490	40,069,490	40,261,524
Investment securities					
- Held to maturity			9,042	9,042	9,342
- Loans and receivables		2,743,600		2,743,600	2,682,655
Financial liabilities					
Due to customers			28,987,263	28,987,263	29,009,979
Debt securities in issue *		53,806	478,774	532,580	584,764

	31.12.2015				
	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
Financial Assets					
Loans and advances to customers			41,493,462	41,493,462	41,558,014
Investment securities					
- Held to maturity			2,561	2,561	2,823
- Loans and receivables		4,364,715		4,364,715	4,289,482
Financial liabilities					
Due to customers			27,724,167	27,724,167	27,733,679
Debt securities in issue *		48,041	283,973	332,014	381,631

The above table presents the fair value as well as the carrying amount of financial instruments measured at amortized cost classified by fair value hierarchy.

The fair value of loans is estimated based on the interbank market yield curves by adding a liquidity premium and spread per loan category and business unit for the expected loss. The fair value of deposits is estimated based on the interbank market yield curves by deducting customer's spread depending on the type of deposit. In both above mentioned cases, the future cash flows (floating rate) are calculated based on the implied forward rates until their maturity.

The held to maturity securities and debt securities in issue whose fair value is calculated based on market prices, are classified into Level 1.

The held to maturity securities and securities in issue whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of income approach methodology using interest rates and credit spreads which are observable in the market, are classified into Level 2.

The fair value of the loans and receivables securities relating to securities issued by the European Financial Stability Facility (E.F.S.F.), was determined by discounted cash flows using relevant E.F.S.F. issues inputs.

Level 3 classification includes the securities and debt securities in issue of which the fair value, estimated using significant unobservable inputs. In this case the fair value is quoted by the issuers of the securities and confirmed by the Bank or calculated by the Bank.

In addition, Level 3 includes a liability of the Bank to the SPE entities which is related to the securitization of shipping loans whose fair value was defined with discount of future cash flows using unobservable inputs of market.

The fair value of other financial assets and liabilities which are valued at amortized cost does not differ materially from the respective carrying amount.

* *Debt securities in issue do not include the convertible bond loan issued by the Bank in the context of the agreement with Credit Agricole S.A. regarding the acquisition of Emporiki Bank since this security is measured at fair value.*

Hierarchy of financial instruments measured at fair value

	31.12.2016			
	Level 1	Level 2	Level 3	Total Carrying Amount
Derivative Financial Assets	4,224	634,852	5,360	644,436
Trading securities				
- Bonds and treasury bills	2,256			2,256
- Shares	609			609
Available for sale securities				
- Bonds and treasury bills	3,746,897	490,055	40,307	4,277,259
- Shares	49,305	14,589	11,742	75,636
- Other variable yield securities	7,152			7,152
Derivative Financial Liabilities		1,337,558	1	1,337,559
Convertible bond			13,995	13,995

	31.12.2015			
	Level 1	Level 2	Level 3	Total Carrying Amount
Derivative Financial Assets	6,661	784,280	3,530	794,471
Trading securities				
- Bonds and treasury bills	1,888			1,888
Available for sale securities				
- Bonds and treasury bills	4,086,826	651,470	19,460	4,757,756
- Shares	113,142		12,803	125,945
- Other variable yield securities	7,190			7,190
Derivative Financial Liabilities		1,556,555		1,556,555
Convertible bond			24,600	24,600

The tables above present the fair value hierarchy of financial instruments which are measured at fair value based on the inputs used for the fair value measurement.

Securities which are traded in an active market and exchange-traded derivatives are classified into Level 1.

The available for sale securities whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of the income approach methodology using interest rates and credit spreads which are observable in the market, are classified as Level 2. Level 3 classifications include securities whose fair value is estimated using significant unobservable inputs.

Securities whose fair value is calculated are classified to Level 2 or Level 3, depending on the extent of the contribution of unobservable data to calculate final fair value. The fair value of non listed shares, as well as shares not traded in an active market is determined based on the estimations made by the Bank which relate to the future profitability of the issuer taking into account the expected growth rate of its operations, as well as the weighted average rate of capital return which is used as discount rate. Given that the above parameters are mainly non observable, the valuation of these shares is classified in Level 3.

For the valuation of over the counter derivatives income approach methodologies are used: discounted cash flow models, option-pricing models or other widely accepted valuation models. Valuations are checked on a daily basis with the respective prices of the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non observable inputs are significant, the fair value that arises is classified as Level 3 or otherwise as Level 2.

The valuation of the convertible bond loan was based on the estimated share price at the maturity date of the bond, as reflected in the Bank's business plan, which is unobservable market parameter.

Finally, the Bank used the discount cash flow method, to assess contingent sale price of Ionian Hotel Enterprise S.A., which reached the amount of €4.5 million and was classified to other assets. The above method used was based to a business plan submitted by Ionian Hotel Enterprises S.A. Net present value of discounted cash flows amounted to €9.7 million at 31.12.2016. Taking into account the acquisition cost of Ionian Hotel Enterprises S.A. preferred shares, which amounted to €5.2 million, the estimated fair value of the sale price reached the amount of €4.5 million at 31.12.2016. The above valuation is classified to Level 3 as for the estimation of fair value unobservable inputs were used.

The Bank recognizes the transfer between fair value hierarchy Levels at the end of the reporting period.

Within the period €86.3 million of Greek corporate bonds were transferred from level 2 to level 1 due to the satisfaction of the active market criteria. Also €45.3 million of Greek corporate bonds were transferred from Level 1 to Level 2, as the liquidity margin (bid-ask spread) was above the limit set for the characterization of market as active.

The table below presents the valuation methods used for the measurement of Level 3 fair value:

	31.12.2016			
	Total Fair Value	**Fair Value**	**Valuation Method**	**Significant non-observable inputs**
Derivative Financial Assets	5,360	5,226	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	The probability of default and the loss given default of the counterparty (BCVA adjustment)is calculated with an internal model
		134	Discounted cashflows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	40,307	40,307	Based on issuer price	Price
Available for sale shares	11,742	11,742	Discounted cash flows – Multiples valuation method – Cost of acquisition	Future profitability of the issuer
Convertible bond loan	13,995	13,995	Discounted cash flows Multiples valuation method	Estimation of issuer's stock market price
Derivative Financial Liabilities	1	1	Discounted cash flows with interest rates	Assessment of the adequacy of reserves for the payment of hybrid securities dividends

	31.12.2015			
	Total Fair Value	**Fair Value**	**Valuation Method**	**Significant non-observable inputs**
Derivative Financial Assets	3,530	3,185	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	The probability of default and the loss given default of the counterparty (BCVA adjustment)is calculated with an internal model
		345	Discounted cashflows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	19,460	19,460	Based on issuer price	Price
Available for sale shares	12,803	12,803	Discounted cash flows – Multiples valuation method – Cost of acquisition	Future profitability of the issuer
Convertible bond loan	24,600	24,600	Discounted cash flows Multiples valuation method	Estimation of issuer's stock market price

Material unobservable inputs that were used for the valuation of Ionian Hotel Enterprises SA sale price, which amounted to €4.5 million, is the Cost of Equity for both Ionian Hotel Enterprises SA and the Bank.

A reconciliation for the movement of financial instruments measured at fair value in Level 3 is depicted below.

	31.12.2016			
	Assets		Liabilities	
	Available for sale securities	Derivative financial assets	Available for sale securities	Derivative financial assets
Opening balance 1.1.2016	**32,263**	**3,530**	**-**	**(24,600)**
Total gain or loss recognized in Income Statement	897	(802)	118	10,605
Total gain or loss recognized in Equity	4,371			
Purchases/ Issues	415			
Sales/ Repayments/ Settlements	(2,914)	(532)	638	
Transfers from level 3 to level 1	(932)			
Transfers from level 3 to level 2		(1,360)	813	
Transfers in level 3 from level 2	17,949	4,524	(1,570)	
Balance 31.12.2016	**52,049**	**5,360**	**(1)**	**(13,995)**
Amounts included in the Income Statement for financial instruments held at the end of the reporting year.	897	(521)	(1)	10,605

During the period a transfer of a subordinated security from level 2 to level 3 took place amounting to €17.9 million, for the calculation of it's fair value, adjusted market prices were used due to the low marketability of the security. A transfer of shares from level 3 to level 1 amounting to €0.9 million for the valuation of which observable stock market price was used, occured. A transfer of derivatives from level 2 to level 3 occurred as the probability of default and loss given default of the counterparty calculated due to the credit risk (BCVA adjustment) significantly affected the valuation. On 31.12.2016 the above parameter didn't contribute significantly in the final valuation of those derivatives resulting in getting transferred back at level 2.

	31.12.2015			
	Assets		Liabilities	
	Available for sale securities	Derivative financial assets	Available for sale securities	Derivative financial assets
Opening balance 1.1.2015	**34,756**	**39**	**(5,432)**	**-**
Total gain or loss recognized in Income Statement	(7,028)	2,527	5,412	
Total gain or loss recognized in Equity	350			
Purchases/ Issues	12,622			
Sales/ Repayments/ Settlements	(8,448)		20	
Transfers in level 3 from level 2	11	964		(24,600)
Balance 31.12.2015	**32,263**	**3,530**	**-**	**(24,600)**
Amounts included in the Income Statement for financial instruments held at the end of the reporting year.	(7,151)	7,978		

During the period 2015, purchases of corporate bonds amounting to €11.6 million as well as other variable yield securities amounting to €1 million took place, that were classified in Level 3, since non observable parameters were used for valuation purposes. In addition, sales-repayments of foreign corporate bonds amounting to €7.9 million and other variable yield securities sales amounting to €0.5 million took place. During the period, a transfer of derivatives from Level 2 to Level 3 occurred since the use of non-observable inputs was significant.

Finally, during 2015 a transfer of convertible bond from Level 2 to Level 3 occurred as a different valuation method was applied.

Sensitivity analysis for Level 3 financial instruments that their valuation was based on non observable data is presented in the following table:

	Significant non-observable inputs	Significant non-observable inputs change	Total effect in Income Statement		Total effect in Equity	
			Favourable Variation	Unfavourable Variation	Favourable Variation	Unfavourable Variation
Derivative Financial Assets	The possibility of default and the loss in the case of default of the counterparty (BCVA adjustment) is calculated with an internal model	Increase in the possibility of default from the reduction of credit rating by 2 scales/ Increase in loss in the possibility of default by 10%		(894)		
	Estimation of the reserve adequancy for the payment of hybrid financial instruments	Increase in the probability of dividend payment to 100%		(103)		
Available for sale bonds	Price/ Credit spread	Variation +/- 10%			663	(652)
Available for sale shares	Future profitability of the Issuer	Variation +/- 10% in P/B and EV/Sales rates of multiply method			589	(587)
Convertible bond Loan	Future profitability of the Issuer	Alpha share price at €1.5-2.5 per share	3,768	(3,050)		
Total			**3,768**	**(4,047)**	**1,252**	**(1,239)**

As far as Ionian Hotel Enterprises SA sale price is concerned, according to the sensitivity analysis performed and fluctuation to 0.50% in cost of equity, the range in sale price is at a minimum value €4.06 million and at a higher value of €4.54 million.

38.5 Transfers of financial assets

The Bank in its ordinary course of business, transfers financial assets. In cases that, despite the fact that the contractual right to receive cash flows has been transferred the risks and rewards remain with the Bank, these assets continue to be recognized on the balance sheet.

On 31.12.2016, the financial assets that have not been derecognized despite the contractual transfer of their cash flows, are derived from the following two categories of transactions:

a) Securitizations of financial assets

The Bank has securitized corporate, consumer loans and credit cards in order to absorb liquidity from the Eurosystem. In the context of these transactions, these items have been transferred to special purpose entities, which have issued bonds. These loans and credit cards continue to be recognized as loans and advances to customers, since the Bank continues in all cases to retain the rewards and risks associated with them. This is justified by several factors which include the fact that the Bank owns these bonds and the entitlement to the deferred consideration from the transfer. Given that bonds are owned by the Bank, there are no liabilities for the Bank which actually arises from the transfer. The carrying amount of the securitized loans and credit cards on 31.12.2016 amounts to €2,746,288 (31.12.2015: €2,954,606).

In addition, the Bank proceeded to a shipping loan securitization transaction through the fully consolidated special purpose company Alpha Shipping Finance Ltd. These loans are recognized in the category of loans and advances to customers as the Bank retains the risks and benefits of the portfolio through entitlement to deferred consideration paid. The carrying amount of the securitized shipping loans and the liability to the SPE, as at 31.12.2016 amounted to €569,476 and €227,487 respectively (31.12.2015: €639,654 and €310,268 respectively). The fair value of loans as at 31.12.2016 amounted to €550,181 (31.12.2015: €587,737) and the liability at €218,401 (31.12.2015: €283,973).

Finally, within 2016, the Bank securitized corporate loans to small and medium enterprises, through Alpha Proodos DAC, a fully consolidated special purpose entity. These loans continue to be recognized in loans and advances to customers, considering that the Bank retains the risks and rewards of these, by owning the subordinated bonds and entitlement of deferred consideration. The carrying value of the above securitized loans as well as the Bank's liability to Alpha Proodos DAC amounts to €627,302 and €289,160 at 31.12.2016, respectively. The loan's fair value amounts to €570,411 at 31.12.2016, while the respective liability amounts to €260,373.

b) Sale and repurchase agreements of debt securities

The Bank on 31.12.2016 proceeded with the transfer of Greek Government Treasury Bills, bonds of other issuers and EFSF Bonds with a repurchase agreement. These securities are still included in the Bank's investment portfolio and the respective figures are presented in the following table.

	31.12.2016		
	Available for sale portfolio		Loans and receivables bonds
	Greek Government Treasury Bills	Bonds of other issuers	EFSF Bonds
Carrying amount of transferred securities	355,164	297,201	200,672
Carrying amount of related liability	(210,055)	(193,004)	(209,390)
Fair value of transferred securities	355,164	297,201	206,982
Fair value of related liability	(210,055)	(193,004)	(209,390)
Equity	**145,109**	**104,197**	**(2,408)**

	31.12.2015		
	Available for sale portfolio		Loans and receivables bonds
	Greek Government Treasury Bills	Bonds of other issuers	EFSF Bonds
Carrying amount of transferred securities		422,013	
Carrying amount of related liability		(269,292)	
Fair value of transferred securities		422,013	
Fair value of related liability		(269,292)	
Equity		**152,721**	

The Bank on 31.12.2015 proceeded with the transfer of, bonds of other issuers with a repurchase agreement. These securities are still included in the Bank's investment portfolio and the respective figures are presented in the table above.

38.6 Offsetting financial assets - liabilities

The following tables present derivative transactions under contracts of the International Swaps and Derivatives Association (ISDA), which are signed with credit institutions as counterparties. In accordance with these contracts, the Bank is able to offset its assets and liabilities relating to a counterparty in case of a credit default.

Financial assets subject to offsetting

	31.12.2016					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral received	
Derivatives	514,666		514,666	(207,281)	(22,100)	285,284

On 31.12.2016, the Bank possess a reverse repo with a book value of €50.48 million with a counterparty, with whom there is a valid global master repurchase agreement, but there is no corresponding financial liability or a cash collateral for possible offsetting.

	31.12.2015					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral received	
Derivatives	682,676		682,676	(497,643)	(53,942)	131,091

Financial liabilities subject to offsetting

	31.12.2016					
				Related amounts not offset		
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Financial instruments	Cash collateral given	Net amount
Derivatives	1,327,215		1,327,215	(207,281)	(1,115,828)	4,105

	31.12.2015					
				Related amounts not offset		
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Financial instruments	Cash collateral given	Net amount
Derivatives	1,527,244		1,527,244	(497,643)	(1,019,181)	10,420

Reconciliation of the net amount of financial assets and liabilities presented in the balance sheet

	31.12.2016			
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivatives	16	514,666	644,436	129,770

	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial liabilities not in scope of offsetting disclosures
Type of financial liability				
Derivatives	16	1,327,215	1,337,559	10,344

	31.12.2015			
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivatives	16	682,676	794,471	111,795

	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial liabilities not in scope of offsetting disclosures
Type of financial liability				
Derivatives	16	1,527,244	1,556,555	29,311

39. The Bank's recapitalization framework - Restructuring Plan

Recapitalization framework

On 23.7.2015, Law 4335/2015 was voted that incorporates European Directive 2014/59, in relation to recovery and resolution of credit institutions and investment firms. This Directive established a set of rules to deal with banking crises across the EU, in order to avoid significant adverse effects on financial stability and to ensure that shareholders and creditors (including unsecured depositors) will share the burden of a potential recapitalization and/or the liquidation of troubled banks.

In accordance with Law 4335/2015 the Bank of Greece is designated as the resolution authority and has the power to apply resolution tools and exercise resolution powers.

The main resolution tools provided by Law that may be applied individually or in any combination, in cases where the institution is considered insolvent or under imminent insolvency threat, are the following:

- the sale of business tool,
- the bridge institution tool,
- the asset separation tool (the legal framework states that this tool should be applied only in conjunction with other resolution tools), and
- the bail-in tool (write-down or/and conversion of capital instruments and liabilities).

Exceptionally, however, Law 4335/2015 provides that in cases of exceptional systemic crisis the Ministry of Finance has the ability to provide extraordinary state financial support through state financial stabilization measures.

Where the institution is not insolvent or on imminent insolvency situation, it may receive capital support for preventive recapitalization purposes. The support measures in this case have a preventive and temporary nature and are limited to the necessary funds to overcome the capital shortfall that derived from stress tests or asset quality review.

In this context, on 1.11.2015 came into force, pursuant to Law 4340/2015, some amendments to the provisions of Law 3864/2010 for the operation of the Financial Stability Fund. These changes, among others, laid the conditions for providing capital support for preventive recapitalization purposes to Greek banks by the Financial Stability Fund.

In particular, in order for a credit institution to be eligible to receive preventive capital support, the following two conditions must be met:

- coverage of the Capital Requirements for Existing Losses (base scenario) and
- mandatory burden sharing for holders of capital instruments and other liabilities of the receiving institution, without these measures to cause or trigger contractual clauses or to account for as non-fulfillment of contractual obligations.

In particular with respect to capital support, this is provided through the participation of the Fund in the share capital increase of the credit institution through the issuance of common shares with voting rights or the issuance of contingent convertible bonds or other convertible instruments.

During the year and due to significant deterioration of the economic environment the need of recapitalization of Greek credit institutions arose based on the above framework.

The Group covered the total of its capital needs through an exchange offer for securities issued and share capital increase of the Bank with cash.

Specifically, on 28.10.2015 the Bank announced separate invitations to holders of all outstanding series of securities issued by the Group's subsidiaries, Alpha Credit Group Plc, Emporiki Group Finance Plc and Alpha Group Jersey Limited to offer all outstanding securities for exchange with non-transferable receipts issued by the Bank (Liability Management Excercise).

The Proposal concerned Senior securities of €985 million and Subordinated and Hybrid securities of a total amount of €100.9 million. The total amount of securities to be exchanged amounted to about €1.1 billion.

Through the exchange offers funds amounting to €1,011 million arose which oversubscribed the capital needs of the basic scenario as these arose from the Comprehensive Assessment which was conducted by the Single Supervisory Mechanism.

Furthermore, on 25.11.2015, the Bank completed its share capital increase through a private placement to qualified and other eligible investors, which amounted to €1,552 million.

The total funds raised, amounting to €2,563 million, covered the basic and adverse scenario and as a result the Bank did not receive capital support for preventive recapitalization purposes.

Restructuring Plan

After the respective request of the Directorate-General Competition (DG Comp) of the European Committee on 21 September 2015, the Bank proceeded in reconsideration of the Restructuring Plan so as to represent the current conditions, including the recapitalization of the Bank. The revised Restructuring Plan was approved by the DG Comp on 26 November 2015.

The revised Restructuring Plan includes the following main commitments for the Bank:

- Reduction of the number of branches in Greece up to a maximum of 563 by the end of year 2017.
- Limiting the number of employees in Greece, inbanking and non-banking activities, up to a maximum of 9,504 by the end of year 2017.
- Reduction of the total costs ot the Bank in Greece (Greek banking and non-banking activities) up to a maximum amount of €933 million, by the end of the year 2017, with the exemption of redundancy scheme costs and costs related to the Bank's contribution in favor of deposit guarantee funds, or resolution funds.
- Reduction of the cost of funding through the decrease of cost of deposits collected in Greece, taking into account the macroeconomic factors at each time.
- To further strengthen Bank's balance sheet through compliance to net loans to deposits ratio, up to a maximum of 119% on 31 December 2018, as regards to Greek banking activities.
- Reduction of the total size of the portfolio of foreign assets by 30 June 2018.
- Restriction on providing additional capital to foreign subsidiaries.
- Divestment of listed and unlisted companies' securities portfolio (except for specific cases).
- Reduction of the Bank's venture portfolio to € 40 million up to the end of year 2017.
- Restriction on the purchase of non-investment grade securities.
- Apply a maximum limit of annual remuneration packages that the Bank pays to any employee or manager up to the end of year 2017.
- Adoption of guidelines regarding Group credit policy, and the corporate governance framework, as well as, other commitments, which include restrictions on Bank's ability to proceed to specific acquisitions.

It is noted that in the revised Restructuring Plan there are no longer restrictions on the distribution of dividends over securities included in equity or subordinated securities. Also there are no restrictions on repurchases or the exercise of prepayment options for securities included in equity or subordinated securities.

The macroeconomic estimates and assumptions on which the provisions of the revised Restructuring Plan were based, are listed below:

	2014	2015	2016	2017	2018
Nominal GDP Growth Rate (%)	(1.8)	(3.2)	(0.7)	3.4	4.1
Real GDP Growth Rate (%)	0.8	(2.3)	(1.3)	2.7	3.1
Unemployment rate (%)	26.5	26.9	27.1	25.7	24.2
Inflation Rate (%)	(1.4)	(0.4)	1.5	0.9	1.0

Alpha Bank has already made significant restructuring actions of its activities, to fully restore viability, according to the rules of the European Commission for the financial institutions that have received public subsidies and, to fully comply with the commitments undertaken in the context of the revised Restructuring Plan, while the above compliance has already been achieved to a large extent before the relevant deadline. The Bank's progress regarding its full compliance with the commitments included in the revised Restructuring Plan is being monitored and reported to the European Commission on a quarterly basis by Mazars LLP, which has been designated as the Monitoring Trustee of the Restructuring Plan.

40. Capital adequacy

The Bank's policy is to maintain a robust capital base to safeguard the Bank's development and retain the trust of depositors, shareholders, markets and business partners.

Share capital increases are performed after Shareholders' General Meeting or Board of Directors' decisions in accordance with the articles of association or the relevant laws.

Treasury shares are allowed to be purchased based on the terms and conditions of law.

The capital adequacy is supervised by Single Supervising Mechanism of ECB, to which reports are submitted every quarter. The minimum requirements regarding Tier I ratio and the capital adequacy ratio of the Bank are stipulated by Bank of Greece Governor's Acts.

The capital adequacy ratio compares regulatory capital with the risks assumed by the Bank (risk-weighted assets). Regulatory capital includes Tier I capital (share capital, reserves and non-controlling interests), additional Tier I capital (hybrid securities) and Tier II capital (subordinated debt, real estate properties revaluation reserves). Risk-weighted assets include the credit risk of the investment portfolio, the market risk of the trading portfolio and operational risk.

January 1, 2014 EU Directive 2013/36/EU of the European parliament and European Council dated 26 June 2013 incorporated in Greek Law through the Law 4261/2014 along with the EU Regulation 575/2013/EU, dated 26 June 2013 "CRD IV" came into force, along which gradually introduce the new capital adequacy framework (Basel III) for credit institutions.

According to the above regulatory framework, for the calculation of capital adequacy ratio the effective transitional arrangements are followed. Moreover:

- besides the 8% capital adequacy limit, there are limits of 4.5% for Common Equity ratio and 6% for Tier I ratio, and
- is required the maintenance of capital buffers additional to the Common Equity Capital, from 01.01.2016 and gradually until 31.12.2019.

In particular:

- from 1.1.2016 a capital buffer of 0.625% exists which will gradually rise to 2.5% on 31.12.2019.

The Bank of Greece through the acts issued by the Executive Committee settled the following capital buffers:

- Countercyclical capital buffer rate for the fourth quarter of 2016 and the first quarter of 2017, "zero percent" (Act 103/6.9.2016, 107/19.12.2016).
- Other systemically important institutions (O-SII) buffer for 2016 "zero percent" (Act 56/18.12.2015).

These limits should be met both on a standalone and on a consolidated basis.

	31.12.2016 (estimation)	31.12.2015
Common Equity Tier I	17.3%	17.0%
Tier I	17.3%	17.0%
Capital Adequacy Ratio	**17.3%**	**17.1%**

41. Related-party transactions

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

a. The outstanding balances of the Bank's transactions with key management personnel consisting of members of the Bank's Board of Directors and Executive Committee, their close family members and the entities controlled by them, as well as, the results related to these transactions are as follows:

	31.12.2016	31.12.2015
Assets		
Loans and advances to customers	916	11,460
Liabilities		
Due to customers	6,256	13,418
Employee defined benefit obligations	260	453
Total	**6,516**	**13,871**
Letters of guarantee and approved limits	**1,500**	**11,689**

	From 1 January to	
	31.12.2016	**31.12.2015**
Income		
Interest and similar income	79	208
Fee and commission income	72	142
Total	**151**	**350**
Expenses		
Interest expense and similar charges	42	158
Fees paid to key management and close family members	3,647	3,469
Total	**3,689**	**3,627**

b. The outstanding balances with the Bank's subsidiaries, associates and joint ventures as well as the results related to these transactions are as follows:

i. Subsidiaries

	31.12.2016	**31.12.2015**
Assets		
Due from banks	1,355,378	1,959,026
Derivative financial assets	10,112	1,462
Loans and advances to customers	3,186,755	3,184,277
Available for sale securities	365,899	302,442
Other assets	2,769	2,690
Total	**4,920,913**	**5,449,897**

	31.12.2016	**31.12.2015**
Liabilities		
Due to banks	358,694	67,650
Due to customers	979,120	1,027,650
Derivative financial liabilities	1,333	6,077
Debt securities in issue and other borrowed funds	534,160	328,039
Other liabilities	5,702	58,108
Total	**1,879,009**	**1,487,524**
Letters of guarantee and other guarantees	**780,870**	**773,629**

Additional funding of Bank's subsidiaries which have issued bonds from the Bank, guarantees have been given on 31.12.2016 amounting to €15,542 (31.12.2015: €15,542).

	From 1 January to	
	31.12.2016	**31.12.2015**
Income		
Interest and similar income	70,478	103,838
Fee and commission income	13,616	14,808
Dividend Income	448,443	34,718
Gains less losses on financial transactions	13,089	6,498
Other income	4,100	5,458
Total	**549,726**	**165,320**
Expenses		
Interest expense and similar charges	20,879	80,648
Commission expense	2,507	3,029
General administrative expenses	17,146	15,258
Total	**40,532**	**98,935**

ii. Joint ventures

	31.12.2016	31.12.2015
Assets		
Loans and advances to customers	175,135	158,665
Other assets	6	
Total	**175,141**	**158,665**
Liabilities		
Due to customers	21,551	21,257

	From 1 January to	
	31.12.2016	31.12.2015
Income		
Interest and similar income	5,931	5,712
Fee and commission income	4	4
Other income	21	26
Total	**5,956**	**5,742**
Expenses		
Interest expense and similar charges	142	263
Total	**142**	**263**

iii. Associates

	31.12.2016	31.12.2015
Assets		
Loans and advances to customers	54,240	3,044
Liabilities		
Due to customers	924	201

	From 1 January to	
	31.12.2016	31.12.2015
Income		
Interest and similar income	428	9
Other income	1	
Total	**429**	**9**

For the impairments of participations and loans to subsidiaries, joint ventures and associates there are references in the relevant notes.

c. The Employees Supplementary Fund maintains deposits with the Bank amounting to €296 (31.12.2015: €4,590). Periods' interest expenses relating to deposits amount to €18.

On 31.12.2016, the Supplementary Fund does not own Alpha Bank shares (31.12.2015 : €114).

d. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on the Bank. In particular, in the context of Law 3864/2010 and based to Relationship Framework Agreement (RFA) signed on 23.11.2015, which replaced the previous signed in 2013, HFSF has participation in the Board of Directors and other significant Committees of the Bank. Therefore, according to IAS 24, HFSF and its related entities are considered related parties for the Bank.

The outstanding balances and the results related to these transactions are analyzed as follows:

	From 1 January to	
	31.12.2016	31.12.2015
Income		
Fee and commission income	10	49
Total	**10**	**49**

42. Auditors' fees

The total fees of "KPMG Certified Auditors A.E.", statutory auditor of the Bank, are analyzed below, as stated in paragraph 2 and 32, article 29, of Law 4308/2014.

	1.1 - 31.12.2016	1.1 - 31.12.2015
Fees for statutory audit	1,200	1,200
Fees for the issuance of tax certificate	165	165
Fees for other audit related services	82	460
Fees for other non-audit services	23	26
Total	**1,470**	**1,851**

43. Merger of Company Diners Club Greece A.E.P.P.

On 2.6.2015 the merger of the Bank and Diners Club was completed through absorption of the second from the first. From the merger a negative goodwill of €48.2 million was recognized to Bank's income statement in the first semester of 2015. The terms and accounting treatment are presented in note 43 of the Bank's annual financial statements of 31.12.2015.

44. Assets held for sale and discontinued operations

The Bank, under the approved by the European Committee Restructuring Plan (note 39) and the fulfillment of the relevant commitment relating to the deleveraging of part of the assets of its international activities, proceeded to the sale of the operations of the Bulgaria Branch, to the sale of Alpha Bank A.D. Skopje and Ionian Hotel Enterprises S.A., while it also began the process for the sale of Alpha Bank Srbija, APE Fixed Assets A.E., APE Commercial Property A.E. and APE Investment Property A.E.

Bank's branch in Bulgaria

On 17.7.2015, the Bank and Eurobank, with a joint statement, announced their agreement, in main terms, for the transfer of operations of the Bank's Branch in Bulgaria to Eurobank's subsidiary in Bulgaria (PostBank). On 6.11.2015 the Bank and Postbank signed the relevant contract, finalizing the terms of the transfer which provided for a transfer price of Euro 1 and the partial undertaking of the Branch's debt obligations by the buyer. The transfer was completed on 1.3.2016.

From 30.6.2015 the assets of Bulgaria Branch, and directly related liabilities, meet the requirements to be classified as "Held for sale" in accordance with IFRS 5, as at that date the management had decided to sell the unit and was already in the process of negotiations with the prospective buyer. At the same time, Bulgaria Branch is a distinct geographical area of operations for the Bank which is included in the Southeast Europe segment for operating segment disclosure purposes.

After the classification of the Bulgaria Branch, which is the only company in the banking sector through which the Bank operates in Bulgaria, as an asset held for sale, its activities are classified as "discontinued operations" for the Bank.

Therefore, on 31.12 2015, in the preparation of financial statements, the Bank valued the assets and liabilities of the Bulgaria Branch at the lowest price between the book value and fair value less costs to sell recognizing the difference which was amounted to € 34,007 as "Loss after income tax from discontinued operations" in the Income Statement.

It is noted that the valuation difference at fair value is different from the amount of €85,500 that was recognized during the second and the third quarter of 2015 according to the final terms of the sale, as these terms were reflected at the contract of 6.11.2015. After the above valuation, Branch's assets as at 31.12.2015 amounted to €444,401 and branch's liabilities amounted to €338,820.

Income Statement and Statement of Comprehensive Income

The following table shows the results of Bulgaria Branch from 1.1.2016 until the date of the transfer. The results and cashflows arising from Bulgaria Branch are presented as "discontinued operations" in the Income Statement and the Statementof Cash Flows with a corresponding restatement of comparative period 1.1.2015 to 31.12.2015.

Income Statement

(Amounts inThousand of Euro)

	From 1 January to	
	31.12.2016	**31.12.2015**
Interest and similar income	3,123	22,954
Interest expense and similar charges	(592)	(5,981)
Net interest income	2,531	16,973
Fee and commission income	841	6,184
Commission expense	(74)	(397)
Net fee and commission income	767	5,787
Dividend income		2
Gains less losses on financial transactions	64	538
Other income	78	844
	142	1,384
Total income	**3,440**	**24,144**
Staff costs	(1,574)	(9,626)
General administrative expenses	(2,581)	(15,292)
Depreciation and amortization	(397)	(2,803)
Other expenses	(29)	(37)
Total expenses	**(4,581)**	**(27,758)**
Impairment losses and provisions to cover credit risk	1,563	(5,303)
Profit/(loss) before income tax	**422**	**(8,917)**
Income tax		
Profit/(loss) after income tax	**422**	**(8,917)**
Difference due to valuation at fair value		(34,007)
Loss from sale after income tax	(748)	
Profit /(loss) after income tax, from discontinued operations	**(326)**	**(42,924)**

The amount of cash and cash equivalent of Bulgaria Branch, which was transferred at the disposal, amounted to €9,942.

Investment in subsidiary Alpha Bank AD Skopje

The Bank, during the fourth quarter of 2015, began the process of selling its subsidiary Alpha Bank Skopje (ABS). ABS is the smallest Group subsidiary in the Balkans and it has a small presence in the local market in Skopje (market share<2%). As part of this process, investors, which were shortlisted from a broader investor list, were invited to submit their bids on the acquisition of the 100% of ABS shares and on the 100% of the hybrid instrument (subordinated loan) which was granted to ABS from the parent company (both of them combined the "Perimeter Transaction").

The disposal was completed on 10.5.2016 for a total amount of € 3.2 million.

On 31.12.2015 the Bank's participation in the subsidiary and the hybrid instrument satisfy the conditions for classification as "held for sale" in accordance with IFRS 5. Therefore, for the preparation of 31.12.2015 financial statements the participation in the subsidiary company and the hybrid instrument were valued at the lower of book and fair value less cost of sale, recognizing the difference amounted to €28,553 as a loss in gains less losses on financial transactions. The fair value was determined based on the financial bids which were received from the potential investors for the Transaction Perimeter and the Bank's estimate for the final price. Final price did not differ from the calculated fair value.

Investment in companies APE Fixed Assets AE, APE Commercial Property AE, APE Investment Property AE

Consultants were engaged in June of the current year and the liquidation procedure of the Bank's participations in APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE began. APE Fixed Assets AE is a Bank's subsidiary, while APE Commercial Property AE and APE Investment Property AE are joint ventures, where the control is exercised jointly by the Bank and the other shareholder.

From 30.6.2016 the abovementioned investments meet the requirements to be classified as "held for sale" in accordance with IFRS 5, due to the fact that on that date the Management had decided their sale, had initiated an active programme to find buyer while the sale is expected to be completed within one year.

According to IFRS 5 the assets held for sale or disposal groups are valued at the lower of book and fair value less cost to sell and they are presented in the balance sheet separately from other assets and liabilities. The Bank proceeded to the measurement of the fair value of the participation as well as of loans and receivables from these companies which consist a part of its net investment. From the abovementioned measurement during the year losses amounting to €51.2 million arose as the fair value of assets held for sale was less than their book value and they were recognized in caption Gains less losses on financial transactions in the Income Statement.

In the table below an analysis of the specific assets regarding APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE is presented which are classified in the Balance Sheet as assets held for sale.

	31.12.2016
Loans and advances to customers	47,570
Investment in subsidiaries associates and joint ventures	48,500
Total assets held for sale	**96,070**

Ionian Hotel Enterprises A.E.

On 22.8.2016 the Bank proceeded to the acquisition of 97.27% of shares of Ionian Hotel Enterprises A.E. from the related companies Alpha Group Investments Ltd, Ionian Equity Participations Ltd, Ionian Holding A.E., Oceanos A.T.O.E.E. and Alpha Supporting Services A.E. by 89.77%, 1.87%, 1.87%, 1.87% and 1.87% respectively. The participation in the subsidiary was classified directly to assets held for sale as it met the criteria set by IFRS 5, considering the public announcement for the intention to sale the company on 17.2.2016. On 27.10.2016 the Bank signed the final sale agreement of the subsidiary, which was completed on 16.12.2016. The final price of the transaction, including the refinancing of the subsidiary's existing loans (€67.2million), amounted at €143.3 million.

In addition, with the signature of the transfer agreement, the Bank acquired the right to invest €5.2 million against preference shares issued by the subsidiary or shares of the company that will emerge after the merger of the subsidiary with the buyer. The issuance of preference shares will be accompanied by sale/purchase option contracts between the Bank and the buyer's shareholders. This mechanism enables the Bank to collect an additional amount depending on how the value of the company will develop and therefore represents a contingent consideration. This right was recorded to other assets, at fair value, which was €4.5 million on 31.12.2016. The result of sale of Ionian Hotel Enterprises SA was loss of €34,986 and was classified in gains and losses from financial transactions.

Alpha Bank Srbija A.D.

In the fourth quarter of 2016, the Bank, initiated procedures, in order to sell its subsidiary company, Alpha Bank Srbija A.D.

On 30.1.2017, the Bank agreed with a potential buyer, to sell all the shares owned. The relevant contract was signed on 23.02.2017, while the completion of the transaction is subject to obtaining the relevant regulatory approvals. In addition to the transfer of all shares of the subsidiary, the agreement includes the assignment of a subordinated debt contract, which amounts to €27.11 million and was granted to the subsidiary by the Bank.

According to the above, on 31.12.2016, the bank's investment in the subsidiary as well as the subordinated loan meet the criteria set under IFRS 5 to be classified as assets held for sale. Therefore, for the purposes of preparation of financial statements on 31.12.2016, investment in the subsidiary, was valued at the lower of carrying amount and fair value less selling costs. A loss was recognized from the above valuation, which reached the amount of €82,000 and was classified to gains and losses from financial transactions. Following the above valuation, Bank's investment in the subsidiary amounts to €23,450 while the carrying amount of the subordinated loan amounts to €27,111.

In addition, the Bank's participations to the companies "Selonda A.E.G.E." and "Nireus A.E.G.E." have been classified to Assets held for sale, since it intends to transfer these companies in the near future at their fair value, which was determined in the amount of €1.

The Bank, at each reporting date, assesses the actions taken within the context of the implementation of the restructuring plan in cases where criteria under IFRS 5 are met (note 1.16 of financial statements on 31.12.2016) in order assets and liabilities that are directly associated to be classified as assets held for sale.

45. Disclosures of Law 4151/2013

According to Article 6 of Law 4151/2013, the capitals from dormant deposit accounts will be used by the Greek State to cover government needs, after the write off of rights of depositors or their legal heirs.

According to Law 3601/2007, dormant deposit account to credit Institution is an account on which no transaction by depositors has been recorded for a period of 20 years from the day following the last transaction. The crediting or capitalizing of interest to an account will not constitute a transaction and not interrupt the prescription.

Following the expiry of the 20-year period, the credit institutions in Greece are obliged to: a) transfer to the State the aggregate balance of dormant deposit accounts, including any interest, by the end of April of each year by depositing the relevant amount in a special account in the Bank of Greece b) notify the General Accounting Office (GAO) and the General Directorate of Public Property to fulfill the obligations arising from the Law 4151/2013 and c) to provide information to beneficiaries and heirs after the lapse of 20 years for the transfer of the respective amounts, if asked. The abovementioned amounts will be recorded as income in the Annual State Budget.

The auditors in the notes to the published annual financial statements of credit institutions will confirm whether or not they complied with the provisions of the law on dormant deposits indicating the amount that was transferred to the State.

Based on the combined provisions of paragraph 6 of Article 1 from 18/7/2015 PNP as amended and currently in force and ratified by the Law no. 4350/2015 and the corresponding Articles 7 & 8 of Law 4151/2013 (A'103) the Bank must return until the end of April of 2016 the balances of the dormant deposits that complete 20 years period until Friday 17th of June, 2015. After this date the deadline of Articles 7 and 8 of above mentioned Law is suspended.

In accordance with the above laws and regulations, the Bank did not transfer any amounts of the dormant deposit accounts for the fiscal year 2016 (31.12.2015: €0.7 million, number of deposit accounts 3,813).

46. Corporate events

a. On 26.1.2016 the Bank participated in Aktua Hellas Holding SA establishment, which is registered in Greece with 45% and share capital of €25.

b. On 2.2.2016 the Bank participated in the share capital increase of the joint venture Alpha TANEO AKES with an amount of €51.

c. On 18.2.2016 the Bank participated in the share capital increase of its subsidiary, Alpha Group Investments Ltd with the amount of €57.82 million.

d. On 1.3.2016 the transfer of Alpha Bank Bulgaria Branch operations in Eurobank Bulgaria AD, a subsidiary of Eurobank Ergasias AE was completed.

e. On 22.4.2016 the Bank participated in the share capital increase of the joint venture Aktua Hellas Holding S.A., with the amount of €45.

f. On 10.5.2016 the sale of all shares of the Bank's subsidiary, Alpha Bank A.D. Skopje was completed.

g. On 13.5.2016 the Bank participated in the share capital increase of its subsidiary, Alpha Group Investments Ltd with the amount of €11.9 million.

h. On 17.5.2016 Alpha Bank, Eurobank and KKR Credit reached an agreement to assign the management of credit and equity exposures to a selected number of Greek companies into a platform managed by Pillarstone.

i. On 14.7.2016 the Bank, as a result of relative restructuring agreement of the company Dias ABEE, acquired additional shares of Selonda AEGE, from the share capital increase, conducted by contribution in kind of all the assets and part of the liabilities of company Dias A.B.E.E. to the company Selonda AEGE. Therefore, the Bank's partisipation changed from 23.01% to 21.97%. The Bank, recognized at zero the fair value of the shares acquired, intends to dispose all of its shares of Selonda AEGE in the near future.

j. On 22.7.2016 the Bank participated, proportionally to its share, in the share capital increase of the joint venture Aktua Hellas Holding S.A., by the amount of €570.

k. On 2.8.2016, the Bank participated, proportionally to its share, in the share capital increase of the joint venture Alpha TANEO AKES by the amount of €90.

l. On 22.8.2016 the Bank proceeded to the acquisition of 97.27% of shares of Ionian Hotel Enterprises A.E. from the related companies Alpha Group Investments Ltd, Ionian Equity Participations Ltd, Ionian Holding A.E., Oceanos A.T.O.E.E. and Alpha Supporting Services A.E. by 89.77%, 1.87%, 1.87%, 1.87% and 1.87% respectively in the context of the internal restructuring plan of the portfolio of Group Alpha Bank in order to service the business initiatives and under the agreed with the best practices terms which are followed in similar transactions.

m. On 26.9.2016 the Bank participated in the share capital increase of its subsidiary, APE Fixed Assets A.E. with the amount of €72.2.

n. On 6.10.2016 the Bank has obtained one share of the subsidiary bank Alpha Bank Srbija A.D. without any payment, as a result of a donation of the minority shareholder. Therefore, the Bank's participation stood at 100%.

o. On 16.12.2016, the sale of the Bank's total participation in Ionian Hotel Enterprises SA share capital (approx. 97.3%) was completed. The price of the above transaction reached the amount of €76.1 million.

47. Restatement of financial statements

During the current period, the Bank modified the way of presentation of figures related to the loyalty Bonus card program. These figures, which were included in other expenses, other income and commissions are now included as a net amount in commission income. This modification is performed in order to reflect better the substance of the reward program. As a result of this change, some figures of the income statement of the comparative period reformed without changing the result, as presented in the following table:

Income Statement

(Amounts in thousands of Euro)

	From 1 January to 31.12.2015		
	Published Amounts	**Restatement due to the loyalty Bonus card program**	**Restated Amounts**
Interest and similar income	2,647,094		2,647,094
Interest expense and similar charges	(1,037,928)		(1,037,928)
Net interest income	1,609,166		1,609,166
Fee and commission income	315,702	(1,772)	313,930
Commission expense	(59,348)	1,237	(58,111)
Net fee and commission income	256,354	(535)	255,819
Dividend income	35,465		35,465
Gains less losses on financial transactions	(91,280)		(91,280)
Other income	16,868	(3,523)	13,345
	(38,947)	(3,523)	(42,470)
Total income	**1,826,573**	**(4,058)**	**1,822,515**
Staff costs	(401,781)		(401,781)
Voluntary Separation Scheme cost	(64,300)		(64,300)
General administrative expenses	(443,556)	4,058	(439,498)
Depreciation and amortization expenses	(71,336)		(71,336)
Other expenses	(7,057)		(7,057)
Total expenses	**(988,030)**	**4,058**	**(983,972)**
Impairment losses and provisions to cover credit risk	(2,699,237)		(2,699,237)
Negative goodwill from acquisition of Dinners	48,237		48,237
Profit/(Losses) before income tax	**(1,812,457)**		**(1,812,457)**
Income tax	823,105		823,105
Profit/(losses) after income tax from continuing operations	**(989,352)**	**-**	**(989,352)**
Profit/(losses) after income tax from discontinued operations	(42,924)		(42,924)
Profit/(Losses) after income tax	**(1,032,276)**	**-**	**(1,032,276)**

48. Events after the balance sheet date

a. On 16.1.2017 the Bank participated in the share capital increase of its subsidiary Aphalife A.A.E.Z. with the amount of €25 million.

b. On 30.1.2017 the bank agreed with the Serbian group of companies, MK Group, to sale its total participation (100% of the share capital) in Alpha Bank Srbija A.D. The completion of the transaction is subject to obtaining the relevant regulatory approvals.

c. On 23.2.2017, as a result of exercising the conversion right of all bondholders, the Bank increased its share capital, due to the conversion of the convertible bond that was issued on 1.2.2013, under the agreement with Credit Agricole SA for the acquisition of former Emporiki Bank. From the conversion, 6,818,181 new common shares were issued, which represent a 0.44% of total shares.

d. On 3.3.2017, following the capitalization of the loan granted to the Group subsidiary, AGI-Cypre Ermis Ltd, the Bank participated in the share capital increase of the respective subsidiary and acquired 75% of its total share capital.

e. On 7.3.2017, as a result of restructuring plan, the Bank acquired 47% of the share capital of the company Famar S.A.

f. On 29.3.2017 the law "Incorporation into national law of Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees associated with payment accounts, change payment account and access to payment accounts with basic features and other provisions" was voted, which concerns among others the modification of Law 4172/2013 legal provisions.

Article 43 of the voted Law amends the articles 27 and 27^{A} of the Law 4172/2013 in order to arrange the treatment of deferred tax asset already recognized and can be converted under certain conditions into a final and settled claim from credit institutions in a manner consistent with the write-offs and forbearance of loans to customers.

The amendment facilitates the implementation of the financial institutions' target to reduce non-performing loans through write-offs and forbearance, without risking their capital adequacy.

Athens, 30 March 2017

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE GENERAL MANAGER AND CHIEF FINANCIAL OFFICER	THE ACCOUNTING AND TAX MANAGER
VASILEIOS T. RAPANOS **ID. No. AI 666242**	**DEMETRIOS P. MANTZOUNIS** **ID. No. I 166670**	**VASSILIOS E. PSALTIS** **ID. No. AI 666591**	**MARIANNA D. ANTONIOU** **ID. No. X 694507**

Appendix

According to European Securities and Markets Authority (ESMA) guidelines in relation to Alternative Performance Measures (APMs) which published in October 2015 and came into force on 3 July 2016 on the following tables are disclosed the definitions and the calculations of the related (APMs) which are included in the Board of Directors' Annual Management Report as at 31.12.2016 and in the note Disclosures of Law 4261/5.5.2014, of the Annual Report.

(Amounts in millions of Euro)

	Definition	Calculation			31.12.2016	31.12.2015
Loans and Receivables to Deposit Ratio	The indicator reflects the relationship loans and advances to customers before impairment to due to customers	Numerator	+	Loans and advances to customers	56,967	58,208
		Denominator	+	Due to customers	32,946	31,434
		Ratio	=		**172.9%**	**185.2%**

(Amounts in millions of Euro)

	Definition	Calculation			31.12.2016	31.12.2015
Cost/Income Ratio	The indicator reflects the relationship between recurring expenses and income of the period	Numerator	+	Total Expenses of the period	1,225	1,267
			-	Non recurring expenses	117	133
		Denominator	+	Total Income of the period	2,387	2,221
			+	Share of profit/(loss) of associates and joint ventures	(3)	(10)
			-	Gains less losses on financial transactions	85	(47)
		Ratio	=		**48.2%**	**50.2%**

(Amounts in millions of Euro)

	Definition	Calculation			31.12.2016	31.12.2015
Cost of Risk Ratio	The indicator reflects the relationship between impairment losses and provisions to cover credit risk, and average balances of loans and advances to customers before impairment losses and fair value adjustments	Numerator	+	Impairment losses and provisions to cover credit risk	1.168	2.988
			-	Impact from the Asset Quality Review (AQR)		(1.649)
		Denominator	+	Average balances of loans and advances to customers before impairment losses and fair value adjustments	61.166	62.176
		Ratio	=		**191%**	**215%**

(Amounts in millions of Euro)

	Definition	Calculation			31.12.2016	31.12.2015
Return on Assets Ratio	The indicator reflects the relationship profit/(losses) after income tax to average total assets (arithmetic average opening and closing balance)	Numerator	+	Profit/(losses) after income tax	42	(1.371)
		Denominator	+	Average total assets	67.085	71.117
		Ratio	=		**0,1%**	**(1,9)%**

Non recurring expenses include extraordinary events which do not occur with a certain frequency, and events that are directly affected by the current market conditions and present significant variation between the reporting periods.

The non recurring expenses of 31.12.2016 are mainly related to the cost for the voluntary separation scheme of Alpha Bank Cyprus Ltd amounting to €31.7 million and the impairment losses of fixed assets amounting to €47 million. The amounts are included in captions "Provision/Cost for separation schemes" and "Other expenses" respectively.

Disclosures of Law 4374/2016

According to article 6 of Law 4374/1.4.2016 "Transparency among credit institutions, media companies and subsidized persons" introduced to all credit institutions established in Greece the obligation to publish annually and in a consolidated database:

a) all payents made in the relevant fiscal year, to direct or indirect media company recipient and its related parties according to IAS 24 or communication and advertising company.

b) all payments made in the relevant fiscal year due to donation, subsidy, grant or other grantis to individuals and legal entities.

The information required is presented below:

PAYMENTS TO MEDIA COMPANIES

Name*	Amounts
«ΕΛΕΥΘΕΡΗ ΘΡΑΚΗ» ΔΗΜΟΣΙΟΓΡΑΦΙΚΟΣ ΟΡΓΑΝΙΣΜΟΣ ΚΟΝΔΥΛΗ Α.Ε.	120.00
«ΠΡΩΤΗ ΤΗΣ ΑΙΓΙΑΛΕΙΑΣ» ΠΑΠΑΓΙΑΝΝΟΠΟΥΛΟΣ Κ. ΔΗΜΗΤΡΙΟΣ	158.00
1984 PRODUCTIONS AE	22,829.09
24 MEDIA Μ.ΕΠΕ	51,471.33
ADWEB LTD ΕΤΑΙΡΕΙΑ ΠΕΡΙΟΡΙΣΜΕΝΗΣ ΕΥΘΥΝΗΣ	14,480.00
AIRLINK-ΕΛΛ/ΚΕΣ ΕΠΙΧ/ΣΕΙΣ ΕΚΔ.& ΟΠΤΙΚ/ΚΩΝ ΜΕΣΩΝ ΑΕ	31,892.73
ALPHA ΔΟΡΥΦΟΡΙΚΗ ΤΗΛΕΟΡΑΣΗ Α.Ε	580,771.32
ALPHA ΡΑΔΙΟΦΩΝΙΚΗ Α.Ε.	53,108.49
APOSPASMA MON. IKE	3,500.00
ASM PUBLICATIONS PC	13,200.00
ATCOM AE	1,450.00
AUTO TPITH AE	4,080.00
B2B TECH A.E.	500.00
BEAUTE ΕΚΔΟΤΙΚΗ ΑΕ	8,900.00
CLOCKWORK ORANGE MINDTRAP LIMITED	4,000.00
CPAN CONNECT - ED PUPLIC AFFAIRS NETWORK LTD «BANKWARS.GR»	9,100.00
CREATIVE INTERNET SERVICES MON.ΕΠΕ	3,000.00
D.G. NEWSAGENCY A.E.	8,800.00
DA ΑΝΩΝ.ΕΜΠΟΡ.ΕΚΔΟΤ.ΣΥΜΜ.ΕΤΑΙΡΕΙΑ	83,054.88
DAM ΠΑΡΑΓΩΓΕΣ ΑΕ	14,060.40
DPG DIGITAL MEDIA A.E.	47,450.40
ETHOS MEDIA AE	4,000.00
FAROSNET A.E	21,550.00
FINANCIAL MARKETS VOICE A.E.E. «FINANCIAL & MARKETS VOICE»	13,270.00
FINANCIAL PRESS ΙΔΙΩΤΙΚΗ ΚΕΦΑΛΑΙΟΥΧΙΚΗ ΕΤΑΙΡΕΙΑ	11,090.00
FORTHNET MEDIA A.E	157,481.85
FREE SUNDAY ΕΚΔΟΤΙΚΗ Α.Ε.	43,389.84
FREENET A.E. SOFOKLEOUSIN.GR	15,286.91
FRONTSTAGE ΨΥΧΑΓΩΓΙΚΗ Α.Ε	38,770.47
GM COMMUNICATION IKE	13,825.00
GRECOTEL AE	2,000.00
GREEK INFOGRAPHICS LTD	3,800.00
ICAP GROUP A.E.	6,400.00
INFODAY AE	1,000.00
INFOMARKET IKE	21,250.00
INFOTAINMENT ΕΚΔΟΤΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΑΕ	23,800.00
INTERBUS AE	63,000.00
INTERNATIONAL RADIO NETWORKS AE DEE JAY	40,830.32
KISS AE ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ	11,630.63
KONTRA IKE	15,000.00
KONTRA MEDIA ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ Α.Ε.	8,413.20
LEFT MEDIA ΑΝΩΝΥΜΟΣ ΡΑΔΙΟΦΩΝΙΚΗ ΤΗΛΕΟΠΤΙΚΗ ΑΕ	7,357.50
LIQUID MEDIA AE	31,782.06
LOVE RADIO BROADCASTING AE	26,553.79
M PRESS ΕΚΔΟΤΙΚΗ Α.Ε.	4,717.00
MEDIA2DAY ΕΚΔΟΤΙΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΙΑ	140,047.03
MEDIHOLD ΕΚΔΟΤΙΚΗ ΔΙΑΦΗΜΙΣΤΙΚΗ ΑΕ	10,371.00

* *Names have not been translated into english.*

Name*	Amounts
MIGNATIOU COM INC	5,400.00
NEW MEDIA NETWORK SYNAPSIS AE	83,882.94
NEWPOST PRIVATE COMPANY NEWPOST.GR	27,405.18
NEWSIT ΕΠΕ	109,021.76
NK HOLDING M IKE	58,611.45
ODEON CINEMAS A.E.	75,000.00
OLIVE MEDIA AE	26,110.00
PEGASUS MAGAZINES PUBLICATIONS A.E.E.	15,080.00
PHAISTOS NETWORKS AE	11,237.50
PIKELLOW TRADING LTD	8,983.75
PLAN A ΤΗΛ/ΚΕΣ & ΕΚΔΟΤΙΚΕΣ ΕΠΙΧ/ΣΕΙΣ ΙΚΕ	2,000.00
PREMIUM A.E.	39,222.87
PRIME APPLICATIONS AE	67,593.89
REAL MEDIA ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ Α.Ε	129,444.00
REAL PRESS AE	10,000.00
SABD ΕΚΔΟΤΙΚΗ Α.Ε.	102,720.51
SBC SINGLE MEBMER PRIVATE COMPANY	11,300.00
SBC TV ΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ Α.Ε.	13,718.90
SOLAR ΡΑΔΙΟΤ/ΚΕΣ & ΨΥΧ/ΚΕΣ ΥΠΗΡΕΣΙΕΣ Α.Ε.	30,306.99
SPACE FM STEREO AE	15,001.76
SPORT TV ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΗ ΠΡΟΒΟΛΗ ΑΕ	21,985.31
SPORTNEWS ΥΠΗΡΕΣΙΕΣ ΔΙΑΔΙΚΤΙΟΥ Α.Ε	6,605.00
THE MONOCLE MEDIA LAB -ΓΙΩΡΓΟΣ ΔΗΜΗΤΡΟΜΑΝΩΛΑΚΗΣ	18,000.00
THE TOC DIGITAL MEDIA ΥΠΗΡΕΣΙΕΣ ΕΝΗΜΕΡΩΣΗΣ ΑΕ	30,087.77
THESS NEWS IKE	1,500.00
THESSALONIKI 89 RAINBOW ΜΟΝ.ΕΠΕ	3,249.92
THINK DIGITAL INTERNET & ΔΙΑΦΗΜΙΣΗ ΜΟΝΟΠΡΟΣΩΠΗ ΑΕ	25,400.24
U MEDIA ΕΞΕΙΔΙΚΕΥΜΕΝΕΣ ΔΙΑΦ. ΥΠΗΡΕΣΙΕΣ Ι.Κ.Ε.	18,575.92
UNIQUE MEDIA A.E.	8,800.00
YAHOO EMEA LIMITED	1,752.00
Α. ΠΑΠΑΔΟΠΟΥΛΟΥ & ΣΙΑ Ε.Ε. «THEA BY MAKEDONIA PALACE»	700.00
Α. ΒΑΣΙΛΑΚΗ ΝΤ ΓΚΛΑΣ Ο.Ε	432.83
ΑΘΑΝΑΣΙΟΣ ΑΛ. ΑΡΑΜΠΑΤΖΗΣ «ΠΑΝΣΕΡΡΑΪΚΗ ΕΒΔΟΜΑΔΙΑΙΑ»	5,000.00
ΑΘΕΝΣ ΒΟΙΣ ΕΚΔΟΤΙΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ	24,497.25
ΑΘΗΝΑΙΚΕΣ ΡΑΔ. ΕΠΙΧ. ΠΑΝΑΓΙΩΤΗΣ ΚΩΣΤΑΚΗΣ ΜΟΝ.ΕΠΕ	1,125.00
ΑΝ.ΚΑΡΑΜΗΤΣΟΣ & ΣΥΝΕΡΓΑΤΕΣ Ε.Ε «OLIVEMAGAZINE.GR»	8,880.00
ΑΝΕΞΑΡΤΗΤΑ ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ ΑΕ	101,701.45
ΑΝΤΑΡΗΣ ΙΔΙΩΤΙΚΗ ΚΕΦΑΛΑΙΟΥΧΙΚΗ ΕΤΑΙΡΕΙΑ	9,000.00
ANTENNA TV AE	591,545.53
ΑΤΤΙΚΕΣ ΕΚΔΟΣΕΙΣ Α.Ε.	22,137.50
ΒΑΞΕΒΑΝΗΣ ΑΝΤΩΝΙΟΣ & ΣΙΑ ΕΕ	29,246.00
ΒΕΛΙΣΣΑΡΙΔΟΥ Σ. & ΣΙΑ Ο.Ε.	3,000.00
ΒΟΡΕΙΑ ΕΝΗΜΕΡΩΤΙΚΗ ΑΕ	4,392.00
ΓΕΝΙΚΕΣ ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧ.ΑΕ	9,493.00
ΓΙΑΝΝΟΥΛΗ ΠΑΝΑΓΙΩΤΑ - ΜΑΡΙΑ Η ΩΡΑ ΤΗΣ ΦΩΚΙΔΑΣ	205.00
ΔΕΣΜΗ ΑΕ ΕΜΠ.ΔΙΑΦ.ΡΑΔ.ΕΤΑΙΡΕΙΑ & ΕΦ.ΔΙΑΔΙΚΤΥΟΥ	5,490.00
ΔΗΜ.ΡΟΥΧΩΤΑΣ & ΣΙΑ Ο.Ε.	141.51
ΔΗΜΗΤΡΙΟΣ ΑΛ. ΑΡΑΜΠΑΤΖΗΣ «ΣΕΡΡΑΪΚΟΝ ΘΑΡΡΟΣ»	5,000.00
ΔΗΜΟΚΡΑΤΙΚΟΣ ΤΥΠΟΣ ΑΕ	110,130.00
ΔΗΜΟΠΡΑΣΙΩΝ & ΠΛΕΙΣΤΗΡΙΑΣΜΩΝ ΕΦΗΜΕΡΙΣ ΔΗΜΟΠΡΑΣΙΩΝ & ΠΛΕΙΣΤΗΡΙΑΣΜΩΝ - ΖΩΗ Γ. ΛΕΥΚΟΦΡΥΔΟΥ & ΣΙΑ Ο.Ε.	376.16
ΔΗΜΟΣΙΟΓΡΑΦΙΚΟΣ ΟΡΓ/ΜΟΣ ΕΛΕΥΘΕΡΙΑ ΑΕ	5,120.00
ΔΗΜΟΣΙΟΓΡΑΦΙΚΟΣ ΟΡΓΑΝΙΣΜΟΣ ΛΑΜΠΡΑΚΗ Α.Ε. ΒΗΜΑ-NEA-TOVIMA.GR-TANEA.GR	395,956.45
ΔΙΟΓΕΝΗΣ ΜΚΟ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ	4,500.00
ΔΙΦΩΝΟ ΡΑΔΙΟΦΩΝΙΚΕΣ ΕΚΜΕΤΑΛΛΕΥΣΕΙΣ ΑΕ	11,930.40
ΔΟΛ DIGITAL A.E.	26,950.00
ΔΟΥΣΗΣ ΑΝΑΣΤΑΣΙΟΣ & ΣΙΑ ΕΕ - DOUSIES COM EE	12,408.72
ΔΥΟ ΔΕΚΑ ΑΝΩΝ.ΕΚΔΟ.ΕΤΑΙΡΕΙΑ	22,125.00
ΕΘΝΙΚΟΣ ΚΗΡΥΞ ΤΗΣ ΝΕΑΣ ΥΟΡΚΗΣ ΕΛΛΑΣ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	1,363.46
ΕΙΔΗΣΕΙΣ ΝΤΟΤ ΚΟΜ ΑΕ	508,578.61
ΕΚΔΟΣΕΙΣ ΑΛΕΞΑΝΔΡΟΣ ΕΠΕ	20,188.50
ΕΚΔΟΣΕΙΣ ΕΘΝΟΣ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ	364,759.14
ΕΚΔΟΣΕΙΣ ΕΝΤΥΠΟΥ ΥΛΙΚΟΥ ΚΑΡΑΜΑΝΟΓΛΟΥ ΕΠΕ	3,200.00

* *Names have not been translated into english.*

Name*	Amounts
ΕΚΔΟΣΕΙΣ ΕΠΕΝΔΥΣΗ ΑΕ	29,550.00
ΕΚΔΟΣΕΙΣ ΕΠΙΚΑΙΡΑ ΑΕ	2,000.00
ΕΚΔΟΣΕΙΣ Ν. ΠΑΠΑΝΙΚΟΛΑΟΥ Α.Ε. ΕΚΔΟΣΕΙΣ	212.39
ΕΚΔΟΣΕΙΣ ΝΈΟ ΧΡΗΜΑ Α.Ε. «NEWMONEY.GR»	42,055.00
ΕΚΔΟΣΕΙΣ ΠΡΩΤΟ ΘΕΜΑ ΕΚΔΟΤΙΚΗ ΑΕ	538,226.44
ΕΚΔΟΣΕΙΣ ΣΟΦΙΑ ΜΟΣΧΑΝΔΡΕΟΥ & ΣΙΑ Ε.Ε.	2,056.97
ΕΚΔΟΣΕΙΣ ΣΤΑΜΟΥΛΗ ΑΕ	4,000.00
ΕΚΔΟΣΕΙΣ ΣΤΟ ΚΑΡΦΙ ΑΕ	10,500.00
ΕΛΕΥΘΕΡΙΟΣ Κ. ΒΑΡΟΥΞΗΣ & ΥΙΟΙ Ο.Ε.	3,030.00
ΕΛΛΗΝΙΚΟ ΙΝΣΤΙΤΟΥΤΟ ΕΞΥΠΗΡΕΤΗΣΗΣ ΠΕΛΑΤΩΝ	550.00
ΕΛΛΗΝΙΚΟΣ ΤΥΠΟΣ ΕΠΕ	3,088.00
ΕΝΙΚΟΣ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ	70,310.68
ΕΝΤΥΠΟΕΚΔΟΤΙΚΗ Α.Ε.Β.Ε.Τ.	15,249.00
ΕΞΕΡΕΥΝΗΤΗΣ-ΕΞΠΛΟΡΕΡ ΑΕ	200,749.31
ΕΞΠΡΕΣ-Δ.ΚΑΛΟΦΩΛΙΑΣ ΕΚΔΟΤΙΚΗ ΕΚΤΥΠ.ΑΕ	7,461.00
ΕΠΙΘΕΩΡΗΣΙΣ ΔΙΚΑΙΟΥ ΚΟΙΝΩΝΙΚΗΣ ΑΣΦΑΛΙΣΕΩΣ ΠΕΤΡΟΓΛΟΥ ΑΘΗΝΑ	301.88
ΕΠΙΘΕΩΡΗΣΙΣ ΕΡΓΑΤΙΚΟΥ ΔΙΚΑΙΟΥ ΧΡΟΝΗΣ Π. ΤΣΙΜΠΟΥΚΗΣ	235.85
ΕΠΙΚΟΙΝΩΝΙΑ ΕΠΕ	23,000.00
ΕΠΙΜ. ΟΜΙΛΟΣ ΑΝΑΠΤΥΞΗΣ ΕΛΛΗΝΙΚΩΝ ΝΗΣΙΩΝ	3,500.00
ΕΡΩΤΙΚΟΣ ΡΑΔΙΟ ΑΕ	2,400.00
ΕΦΗΜΕΡΙΔΑ ΤΑΧΥΔΡΟΜΟΣ - ΤΕΚΜΗΡΙΩΣΗ Μ. Ε.Π.Ε.	299.20
ΕΦΗΜΕΡΙΣ «ΕΣΤΙΑ» ΑΝΩΝΥΜΗ ΕΚΔΟΤΙΚΗ ΕΤΑΙΡΕΙΑ	37,758.37
ΖΟΥΓΚΛΑ ΤΖΙ ΑΡ ΑΕ ΜΕΣΩΝ ΗΛΕΚΤΡΟΝΙΚΩΝ ΜΑΖ.ΕΠΙΚ/ΝΙΑΣ	64,346.22
Η ΑΥΓΗ Α.Ε.	118,787.02
Η ΕΠΟΧΗ ΣΥΝ.ΠΕ	4,400.00
Η ΚΑΘΗΜΕΡΙΝΗ ΑΕ	1,749.51
Η ΝΑΥΤΕΜΠΟΡΙΚΗ - Π. ΑΘΑΝΑΣΙΑΔΗΣ & ΣΙΑ ΑΕ	91,107.72
ΗΛΙΑΣ ΚΑΝΕΛΛΗΣ & ΣΙΑ ΕΕ	1,500.00
ΗΜΕΡΗΣΙΑ ΑΕΕ	15,601.31
ΗΧΟΣ ΚΑΙ ΡΥΘΜΟΣ ΑΕ	19,656.50
ΗΧΩ ΕΚΔΟΤΙΚΗ ΜΟΣΧΑΝΔΡΕΟΥ & ΣΙΑ ΕΕ	4,171.31
Θ. & Μ. ΡΑΦΤΟΠΟΥΛΟΥ ΟΕ	1,200.00
ΘΩΜΑ Δ. ΑΝΤΩΝΙΑ ΤΥΠΟΣ ΘΕΣΣΑΛΟΝΙΚΗΣ	9,864.60
Ι.ΔΙΟΝΑΤΟΣ & ΣΙΑ ΕΕ	5,867.00
ΙΝΤΕΡ.ΧΕΡ.ΤΡΙΜΠ. ΚΑΘΗΜΕΡΙΝΗ ΑΕΕ	811.32
ΙΟΝΙΚΕΣ ΕΚΔΟΣΕΙΣ Α.Ε.	12,000.00
ΙΩΑΝΝΗΣ - ΒΛΑΔΙΜΗΡΟΣ Χ. ΚΑΛΟΓΡΙΤΣΑΣ ΤΗΛ.ΠΑΝ.ΚΑΛ.Μ.ΑΕ	27,500.00
Κ.Μ ΧΑΤΖΗΗΛΙΑΔΗΣ & ΣΙΑ Ε.Ε.	3,680.00
ΚΑΘΗΜΕΡΙΝΕΣ ΕΚΔΟΣΕΙΣ Α.Ε.	200,100.34
ΚΑΛΑΝΤΖΗΣ ΧΡΗΣΤΟΣ	400.00
ΚΑΠΑ ΣΙΓΜΑ ΔΕΛΤΑ ΑΕ	735.15
ΚΑΠΙΤΑΛ GR/ΥΠΗΡΕΣΙΕΣ ΗΛΕΚΤΡΟΝΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ ΑΕ	133,561.72
ΚΟΣΜΟΡΑΔΙΟ ΕΕ	3,570.00
ΚΟΤΡΩΤΣΟΣ ΠΑΥΛ.ΣΕΡΑΦΕΙΜ	17,550.00
Λ.ΑΝΤΩΝΟΠΟΥΛΟΣ ΜΟΝΟΠΡΟΣΩΠΗ Μ.ΕΠΕ	4,500.00
ΛΑΜΙΑΚΟΣ ΤΥΠΟΣ Α.Ε	805.00
ΛΑΜΨΗ ΕΚΔΟΤΙΚΕΣ & ΡΑΔ/ΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ Α.Ε.	23,146.99
ΛΕΟΥΣΗ ΑΙΚΑΤΕΡΙΝΗ SARONIC PRESS	3,500.00
ΜΑΚΕΔΟΝΙΚΗ ΕΚΔ.ΕΚΤΥΠ. ΑΕ	24,490.19
ΜΑΛΤΕΖΟΣ ΑΝΔ.ΔΗΜΗΤΡΙΟΣ «ΕΚΗΒΟΛΟ»	610.00
ΜΑΝΕΣΙΩΤΗΣ ΝΙΚ. - ΨΩΜΙΑΔΗΣ ΚΩΝ. Ο.Ε. «FMVOICE.GR»	28,310.00
ΜΑΡΙΑ ΒΑΣΙΛΑΚΗ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	3,694.34
ΜΑΡΙΑ ΕΛΕΝΗ ΜΑΝΤΖΑΒΙΝΟΥ	2,500.00
ΜΑΡΙΑ ΧΑΛΚΟΥ ΕΚΔΟΣΕΙΣ - ΨΗΦΙΑΚΑ ΜΕΣΑ	9,310.00
ΜΑΡΙΝΑ Γ.ΤΟΥΛΑ & ΣΙΑ ΟΕ	3,600.00
ΜΕΛΩΔΙΑ ΑΕ	25,170.38
ΜΕΤΡΟΝΤΗΛ ΜΟΝ. ΙΚΕ	10,780.05
ΜΠΟΝΙΟΣ Γ.ΒΑΣΙΛΕΙΟΣ	3,000.00
ΜΠΟΥΣΙΑΣ ΕΠΙΚΟΙΝΩΝΙΕΣ ΕΠΕ	4,008.49
Ν. ΚΑΤΣΑΡΑΚΗΣ ΚΑΙ ΣΙΑ Ε.Ε. - Ο ΣΥΝΤΑΚΤΗΣ	235.41
ΝΕΑ ΤΗΛΕΟΡΑΣΗ Α.Ε.	362,049.72
ΝΕΟΤΥΠΟΓΡΑΦΙΚΗ ΜΟΝ. ΕΠΕ	6,198.85

* *Names have not been translated into english.*

Name*	Amounts
ΝΙΟΜΠΙΟΥΜ ΛΑΜΠΣ ΕΦΑΡΜΟΓΕΣ ΚΙΝ.ΤΗΛΕΦ.Μ.Ε.Π.Ε	2,000.00
ΟΙΚΟΝΟΜΙΚΟ ΕΠΙΜΕΛΗΤΗΡΙΟ ΤΗΣ ΕΛΛΑΔΟΣ	3,000.00
ΟΜΙΛΟΣ ΕΠΙΧ/ΣΕΩΝ ΤΟΤΣΗ ΑΕΒΕ	484.78
ΟΡΓΑΝΙΣΜΟΣ ΜΕΣΩΝ ΜΑΖΙΚΗΣ ΕΠΙΚ/ΝΙΑΣ Α.Ε.	18,756.00
ΟΡΓΑΝΙΣΜΟΣ ΤΗΛΕΠ/ΩΝ ΤΗΣ ΕΛΛΑΔΟΣ ΑΕ	111,318.96
Π. ΛΕΩΤΣΑΚΟΣ ΚΑΙ ΣΙΑ Ο.Ε BANKINGNWES.GR	60,000.00
Π.Δ. ΕΚΔΟΣΕΙΣ ΕΠΕ	41,071.00
ΠΑΛΟ Ε.Π.Ε. ΨΗΦΙΑΚΕΣ ΤΕΧΝΟΛΟΓΙΕΣ	10,000.00
ΠΑΝΕΛΛΗΝΙΑ ΕΤ. ΕΠΙΜΕΛΗΤΗΡΙΑΚΗΣ ΑΝΑΠΤΥΞΗΣ Ο ΟΜΗΡΟΣ	2,000.00
ΠΑΠΑΛΙΟΣ ΚΩΝΣΤΑΝΤΙΝΟΣ & ΣΙΑ ΕΕ DIRECTION BNETW	6,371.70
ΠΑΠΑΡΟΥΝΗΣ ΦΑΝ.ΜΙΧΑΛΗΣ	297.17
ΠΑΡΑ ΕΝΑ ΥΠΗΡΕΣΙΕΣ ΔΙΑΔΙΚΤΥΟΥ ΔΙΑΦΗΜΙΣΗ ΜΟΝ. ΕΠΕ	50,690.67
ΠΑΡΑΠΟΛΙΤΙΚΑ ΕΚΔΟΣΕΙΣ Α.Ε.	102,500.00
ΠΕΛΟΠΟΝΝΗΣΟΣ ΠΑΤΡΩΝ ΕΚΔΟΣΕΙΣ ΑΕ	17,000.00
ΠΕΤΡΟΠΟΥΛΟΣ Θ.ΔΗΜΗΤΡΙΟΣ	11,025.00
ΠΗΓΑΣΟΣ INTERACTIVE ΑΝΩΝΥΜΗ ΤΕΧΝΟΛ/ΚΗ ΕΤΑΙΡΙΑ	26,692.83
ΠΙΝΙΩΤΗ ΜΑΡΓΑΡΙΤΑ & ΣΙΑ ΟΕ VAGMA	12,000.00
ΠΟΛΙΤΗ-ΣΙΑΦΑΚΑ ΜΑΡΙΕΛΙΖΕ-ΒΑΣΙΛΙΚΗ	3,000.00
ΠΟΤΑΜΟΣ ΕΠΙΜΕΛΕΙΑ-ΕΚΔΟΣΗ ΚΑΙ ΕΜΠΟΡΙΑ ΒΙΒΛΙΩΝ Α.Ε.	800.00
ΠΡΟΒΟΛΗ ΠΡΟΩΘΗΣΗ ΠΩΛΗΣΕΩΝ Α.Ε.	9,125.00
ΠΡΟΤΑΓΚΟΝ Α.Ε.	14,999.84
ΠΡΩΙΝΟΣ ΛΟΓΟΣ - ΛΥΣΑΝΔΡΟΣ ΡΗΓΑΣ	139.68
ΠΥΘΑΓΟΡΑΣ ΕΚΔΟΤΙΚΗ ΑΕ	4,000.00
ΡΑΔ/ΚΑ ΗΛΕΚΤ/ΚΑ ΕΚΔΟΤΙΚΑ ΜΕΣΑ ΕΛΛΑΔΑΣ ΑΕ	8,000.00
ΡΑΔ/ΚΕΣ ΕΠΙΧ. ΑΛΗΘΙΝΟ ΡΑΔΙΟΦΩΝΟ ΑΕ «REAL FM ΑΘΗΝΑ» «REAL GR»	153,805.84
ΡΑΔΙΟ ΑΘΗΝΑ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	25,500.00
ΡΑΔΙΟ ΘΕΣΣΑΛΟΝΙΚΗ ΑΕ	13,727.55
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΑΕ	29,542.54
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΠΑΡΑΓΩΓΕΣ ΑΚΤΙΝΑ Α.Ε. GALAXY FM	8,158.85
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΗ Α.Ε. «Ε TV»	49,427.36
ΡΑΔΙΟΦΩΝΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΒΗΜΑ FM ΑΕ	17,571.12
ΡΑΔΙΟΦΩΝΙΚΗ ΕΠΙΚΟΙΝΩΝΙΑ ΑΕ ΔΙΕΣΗ FM	19,794.70
ΣΑΡΙΣΑ ΕΠΕ	27,000.00
ΣΕΛΑΝΑ Α.Ε	4,000.00
ΣΙΝΕ ΝΙΟΥΖ ΑΕ	63,205.00
ΣΙΤΙ ΚΟΝΤΑΚΤ Μ.ΕΠΕ	800.00
ΣΥΓΧΡΟΝΗ ΕΠΟΧΗ - ΕΚΔΟΤΙΚΗ ΑΕΒΕ «ΡΙΖΟΣΠΑΣΤΗΣ»	1,567.91
ΣΥΜΜΑΧΙΑ ΓΙΑ ΤΗΝ ΕΛΛΑΔΑ	3,000.00
ΤΗΛΕΤΥΠΟΣ ΑΕ	397,911.25
ΤΣΑΡΑΓΚΛΗΣ ΓΕΩ. ΙΩΑΝΝΗΣ	6,500.00
ΤΥΠΟΣ ΧΑΛΚΙΔΙΚΗΣ ΘΩΜΑ ΘΕΟΔΩΡΑ - ΕΚΔΟΣΕΙΣ ΕΦΗΜΕΡΙΔΩΝ	355.50
ΦΕΛΝΙΚΟΣ ΗΛΕΚΤΡ. ΜΕΣΩΝ ΕΝΗΜΕΡΩΣΗΣ Μ.ΕΠΕ	24,120.11
ΦΙΛΑΘΛΟΣ ΙΚΕ	11,000.00
ΦΙΛΕΛΕΥΘΕΡΟΣ ΕΚΔΟΤΙΚΗ ΑΕ	48,100.00
Χ. ΘΕΟΦΡΑΣΤΟΥ ΤΗΛΕΟΠΤΙΚΕΣ ΠΑΡΑΓΩΓΕΣ ΙΚΕ «EPITROHON.GR»	60,000.00
ΧΑΝΔΑΞ Α.Ε.	20,000.00
ΧΑΡΤΗΣ ΜΟΝΟΠΡΟΣΩΠΗ Ε.Π.Ε.	180.00
	8,731,258.00

PAYMENTS TO MEDIA COMPANIES OF AMOUNTS LESS THAN €100 PER MEDIA COMPANY

Name*
ΑΝΑΤΟΛΗ ΚΑΛΛΙΟΠΗ ΚΟΖΥΡΗ - ΜΙΧΑΛΗΣ ΚΟΖΥΡΗΣ Ο.Ε.Ε.
ΕΛΝΑΒΙ Ε.Π.Ε.
ΡΟΔΙΑΚΗ ΥΙΟΙ Σ.ΤΣΟΠΑΝΑΚΗ - Η.ΚΩΤΙΑΔΗΣ ΟΕ 70815
ΚΟΡΙΝΘΙΑΚΗ ΗΜΕΡΑ ΧΡΗΣΤΟΣ Γ. ΣΚΟΥΤΕΡΗΣ
A.S.A.P. ΥΠΗΡΕΣΙΕΣ ΜΑΡΚΕΤΙΝΓΚ
ALL ABOUT - ΜΠΑΛΗ ΒΑΣ. ΣΟΦΙΑ
HEARST ΔΟΛ ΕΚΔΟΤΙΚΗ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ
ΣΥΝΕΙΔΗΣΗ Α.Ε.

* *Names have not been translated into english.*

Name*
ΣΠΥΡΟΣ ΚΑΜΠΙΩΤΗΣ & ΣΙΑ Ο.Ε. ΗΜΕΡΑ ΖΑΚΥΝΘΟΥ
ΕΠΙΚΟΙΝΩΝΙΑ ΑΙΓΑΙΟΥ Α.Ε. ΕΚΔΟΤΙΚΕΣ - ΕΚΤΥΠΩΤΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ
Ν. & Ι. ΑΓΓΕΛΑΚΗΣ ΚΡΗΤΙΚΑ ΜΕΣΑ ΕΝΗΜΕΡΩΣΗΣ ΕΠΕ
ΝΑΥΤΙΚΑ ΧΡΟΝΙΚΑ / GRATIA ΕΚΔΟΤΙΚΗ
ΡΕΘΕΜΝΙΩΤΙΚΑ ΝΕΑ -ΓΡΑΦΟΤΕΧΝΙΚΗ ΤΕΧΝΗΣ Α.Ε.Ε.
ΒΟΙΩΤΙΚΗ ΕΚΔΟΤΙΚΗ Μ. ΕΠΕ
ΑΠΟΣΤΟΛΟΣ ΚΑΡΑΜΠΕΡΟΠΟΥΛΟΣ ΜΟΝ. ΕΠΕ - ΚΟΙΝΩΝΙΚΗ
ΠΑΠΑΣΙΔΕΡΗ ΜΕΛ. ΕΥΓΕΝΙΑ - ΗΜΕΡΗΣΙΑ ΚΟΡΙΝΘΟΥ
Ι.ΤΟΜΕΛΙΤΟΥ - ΚΑΣΤΟΡΙΝΗ «ΤΡΑΠΕΖΙΚΟΣ ΑΓΩΝ»

The above table refers to payments to media companies of amounts less than €100, with total amount €961.02.

TOTAL FOR MEDIA COMPANIES	**8,732,219.02**

	Amounts
ΠΛΗΡΩΜΕΣ ΑΓΓΕΛΙΟΣΗΜΟΥ	789,165.10
ΠΛΗΡΩΜΕΣ ΦΟΡΟΥ ΤΗΛΕΟΡΑΣΗΣ	485,457.09
ΠΛΗΡΩΜΕΣ ΕΙΔΙΚΟΥ ΤΕΛΟΥΣ 0.02%	1,382.04
ΠΛΗΡΩΜΕΣ ΔΗΜΟΤΙΚΟΥ ΤΕΛΟΥΣ 2%	1,947.97

DONATIONS TO LEGAL ENTITIES

Name*	Amounts
1ο ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΚΑΛΥΜΝΟΥ	200.00
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΟΛΥΓΥΡΟΥ	200.00
2ο ΓΥΜΝΑΣΙΟ ΣΑΛΑΜΙΝΑΣ	1,000.00
3η Διεθνής Έκθεση Τουρισμού	3,000.00
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΖΑΚΥΝΘΟΥ	500.00
AFEA AE Τουρ. και Ξενοδ. Ετ. 11ο Aegean Airlines Pro Am	50,000.00
ASOCIATIA CULTURALA GREACA DIN ROMANIA NOSTOS	792.92
Asociatia Parcul Natural Vacaresti	7,952.43
Asociatia pentru Promovarea Performantei in Educatie	2,500.00
Association natalis	407.41
Athens Children Ballet Αστική Μη Κερδοσκοπική Εταιρεία	2,037.74
Berati Hospital	5,187.53
BIOKINISSIS FITNESS CLUB	300.00
Camera de Comert si Industrie Eleno-Romana	751.78
CAMERA DE COMERT SI INDUSTRIE ELENO-ROMANA	999.05
EMG Strategic Consulting LTD	3,000.00
End Year Charity	17,556.00
ETHOS MEDIA AE	1,240.00
EUROPA DONNA ΚΥΠΡΟΥ	500.00
Global Sustain	5,000.00
Gradina Botanica	1,695.82
Greek Embassy in Albania	1,666.67
Greek Infographics LTD	1,000.00
Greek Institute of Architects in NY GIANY	3,000.00
Guitar Foundation of Albania	13,846.00
ICONHIC O.E. International Conf on Natural Hazards and Infrastracture	5,000.00
IMH C.S.C.LTD	10,395.00
Junior Achievement of Albania	5,119.06
Laci Hospital	6,196.76
Librazhd municipality	356.18
Medasset Μεσογειακός Σύνδεσμος για τη Σωτηρία των Θαλλάσιων Χελωνών	500.00
Ministry of Health	20,174.70
Namaste Εταιρικός Θίασος ΟΕΘ ΣΕΗ	1,500.00
ORGANIZATIA SALVATI COPIII	6,000.00
PAFOS APHRODITE FESTIVAL CYPRUS	400.00
Permeti Hospital	1,184.53

* *Names have not been translated into english.*

Name*	Amounts
Polyphonica Αστική Μη Κερδοσκοπική Εταιρεία	15,000.00
Quality Net Work Αστική Μη Κερδοσκοπική Εταιρία	300.00
SaferInternet Hellas	3,000.00
SOPHIA FOUNDATION (CTC CHARITY HIKE 2016)	100.00
Special Olympics Hellas	6,000.00
TedxAcademy	1,000.00
The 46th international jeunesses musicales competition	3,000.00
THE CYPRUS INSTITUTE LTD	1,000.00
Training «Towards success»	2,079.48
UNICEF	170.53
Ziua Voluntarului Gradina Botanica	5,011.13
ALBA Αμερικανικό Κολλέγιο Ελλάδος	3,008.13
Αγορά και προσφορά ιατροφαρμακευτικού εξοπλισμού και ιατρικών μηχανημάτων τα οποία παραδίδονται σε τοπικά ιατρεία οκτώ (8) νησιών ΑΓΟΝΗ ΓΡΑΜΜΗ	93,642.23
Αθλητικός Σύλλογος Ατόμων Αετού Χαρωπού	300.00
Αθλητικός Σύλλογος Ατόμων με Αναπηρία Ήφαιστος Αργολίδος	300.00
Αθλητικός Σύλλογος Ατόμων με Αναπηρία ο Κότινος	3,500.00
Αμαλίειο Οικοτροφείο Θηλέων	700.00
Αμυμώνη Σύλλογος Γονέων Κηδεμόνων και Φίλων Ατόμων με Προβλήματα Όρασης	1,000.00
Ανάδυση Μη Κερδοσκοπική Εταιρεία Προστασίας Αυτιστικών Παιδιών	1,000.00
Ανακουφιστική Φροντίδα Ζαχαρίας Μπαντουβάς Palliative Team	1,200.00
Αργω Εκδοτική - Διαφημιστική Μ.Ε.Π.Ε.	2,160.00
Αριόνα Ελλάς Α.Ε.	50,000.00
Αστική Μη Κερδοσκοπική Εταιρί Κάτοπρον	3,000.00
ΒΑΓΟΝΙ ΑΓΑΠΗΣ	500.00
Γενικό Νοσοκομείο Αθηνών «ΕΥΑΓΓΕΛΙΣΜΟΣ»	5,580.63
Γενικό Νοσοκομείο Αθηνών «Κοργιαλένειο - Μπενάκειο» Ε.Ε.Σ.	1,861.88
Γενικό Νοσοκομείο Νοσημάτων Θώρακος Αθηνών Η Σωτηρία	201.57
Γιατροί του Κόσμου	5,655.50
Γιατροί Χωρίς Σύνορα	1,000.00
Γιουρομαρε Αστική Μη Κερδοσκοπική Οργάνωση Εκθέσεων - Μελέτες	15,000.00
ΔΗΜΟΣ ΑΛΜΥΡΟΥ	300.00
ΔΗΜΟΣ ΒΥΡΩΝΟΣ	5,000.00
ΔΗΜΟΣ ΘΕΣΣΑΛΟΝΙΚΗΣ	2,419.35
ΔΗΜΟΣ ΙΚΑΡΙΑΣ	9,600.00
ΔΗΜΟΣ ΝΑΥΠΛΙΟΥ	2,469.70
ΔΗΜΟΣ ΝΕΑΣ ΠΡΟΠΟΝΤΙΔΑΣ	800.00
ΔΗΜΟΣ ΠΑΓΓΑΙΟΥ	800.00
ΔΗΜΟΣ ΠΑΠΑΓΟΥ ΧΟΛΑΡΓΟΥ	2,000.00
ΔΗΜΟΣ ΣΠΕΤΣΩΝ	2,500.00
ΔΗΜΟΣ ΥΔΡΑΣ	1,000.00
Διαβάζω για του Άλλους ΑΜΚΕ	5,000.00
Διάζωμα Νη Κερδοσκοπικό Σωματείο	7,000.00
ΔΙΕΘΝΗΣ ΔΙΑΦΑΝΕΙΑ ΕΛΛΑΣ ΣΩΜΑΤΕΙΟ	3,000.00
Διεύθυνση Δευτεροβάθμιας Εκπαιδεύσεως Ά Αθήνας	290.00
Ε. ΜΑΣΤΟΡΑΚΗΣ - ΔΙΟΡΓΑΝΩΤΗΣ ΦΕΣΤΙΒΑΛ ΣΕΡΙΦΟΥ	500.00
Εθνική Εταιρία των Ελλήνων Λογοτεχνών	1,500.00
Εθνικό Ίδρυμα Ερευνών	2,500.00
ΕΘΝΙΚΟ ΜΕΤΣΟΒΙΟ ΠΟΛΥΤΕΧΝΕΙΟ	570.00
Εθνικός Γυμναστικός Σύλλογος	5,000.00
ΕΙΔΙΚΟ ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΜΟΛΑΩΝ	300.00
Ειδικό Σχολείο Πτολεμαίδος	200.00
Ειδικός Λογαριασμός Κονδυλίων Έρευνας Πανεπιστημίου Αθηνών ΕΚΠΑ	53,000.00
Ειδικός Λογαριασμός Κονδυλίων Πολυτεχνείο Κρήτης	1,000.00
Εκδόσεις Κωνσταντίνος Στάικος και ΣΙΑ ΕΕ ΑΤΩΝ	5,000.00
ΕΚΠΟΛΙΤΙΣΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΓΥΝΑΙΚΩΝ ΑΧΑΡΑΒΗΣ ΚΕΡΚΥΡΑΣ	500.00
ΕΛΕΠΑΠ	100.00
ΕΛΛΗΝΙΚΑ ΧΡΗΜΑΤΙΣΤΗΡΙΑ ΑΕ	34,100.00
Ελληνική Δημοκρατία Υπουργείο Εσωτερικών και Διοικητικής Ανασυγκρότησης Αρχηγείο Ελληνικής Αστυνομίας	110,153.77
Ελληνική Εταιρεία Απεικόνισης του Μαστού	900.00
Ελληνική Εταιρεία Επιστημόνων και Επαγγελματιών Πληροφορικής και Επικοινωνιών Μη Κερδοσκ. Σωματείο ΕΠΥ	1,500.00
Ελληνική Εταιρεία Περιβάλλοντος και Πολιτισμού	5,000.00

* *Names have not been translated into english.*

Name*	Amounts
Ελληνική Εταιρία Διοικήσεως Επιχειρήσεων	400.00
Ελληνική Εταιρία Προστασίας της Φύσης	5,000.00
Ελληνική Μαθηματική Εταιρεία	1,000.00
Ελληνικό Ίδρυμα Καρδιολογίας ΕΛΙΚΑΡ	3,000.00
Ελληνικό Ινστιτούτο Παστέρ	3,000.00
Ελληνικό και Διεθνές Δίκτυο για την ΕΚΕ	1,000.00
Ελληνικό Κέντρο για την Ψυχική Υγεία και Θεραπεία του Παιδιού και της Οικογένειας	5,000.00
Ελληνικό Παιδικό Μουσείο	5,500.00
ΕλληνοΑμερικάνικο Εμπορικό Επιμελητήριο	23,720.00
ΕΜΠΟΡΙΚΟ ΕΠΙΜΕΛΗΤΗΡΙΟ ΛΑΣΙΘΙΟΥ	1,000.00
ΕΜΠΟΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΙΣΤΙΑΙΑΣ	800.00
ΕΜΠΟΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΛΕΙΒΑΔΙΑΣ	500.00
ΕΜΠΟΡΟΕΠΑΓΓΕΛΜΑΤΙΚΟΣ ΚΑΙ ΒΙΟΤΕΧΝΙΚΟΣ ΣΥΛΛΟΓΟΣ ΤΗΝΟΥ	100.00
ΕΝΩΣΗ ΑΣΤΥΝΟΜΙΚΩΝ ΥΠΑΛΛΗΛΩΝ Ν. ΘΕΣΠΡΩΤΙΑΣ	300.00
Ένωση Κοινωφελών Φορέων Μαζί για το Παιδί	2,000.00
ΕΝΩΣΗ ΣΥΝΤΑΚΤΩΝ ΚΥΠΡΟΥ	200.00
Επαγγελματικό Επιμελητήριο Θεσσαλονίκης	1,000.00
ΕΠΙΜΕΛΗΤΗΡΙΟ ΗΛΕΙΑΣ	1,000.00
ΕΠΙΜΕΛΗΤΗΡΙΟ ΣΕΡΡΩΝ	1,000.00
ΕΠΙΤΡΟΠΗ ΕΡΕΥΝΩΝ ΙΟΝΙΟΥ ΠΑΝΕΠΙΣΤΗΜΙΟΥ - ΤΜΗΜΑ ΤΕΧΝΩΝ ΗΧΟΥ & ΕΙΚΟΝΑΣ ΙΟΝΙΟΥ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΚΕΡΚΥΡΑΣ	300.00
Εταιρεία Αξιοποίησης Διαχείρισης Περιουσίας Πανεπιστημίου Κρητης	30,000.00
Εταιρεία Μελέτης Ελληνικής Ιστορίας ΕΜΕΙΣ	12,000.00
Εταιρεία Μεσσηνιακών Αρχαιολογικών Σπουδών Αρχαία Μεσσήνη	50,000.00
Εταιρία Προστασίας Σπαστικών Πόρτα Ανοιχτή	3,500.00
Εταιρία των Φίλων Αγίου Νικολάου Μύρων της Λυκίας	3,500.00
ΕΥΑΓΓΕΛΙΚΟΣ ΣΥΛΛΟΓΟΣ ΑΝΘΡΩΠΙΣΤΙΚΗΣ ΑΡΩΓΗΣ	800.00
ΕΦΗΜΕΡΙΔΑ «Ο ΦΙΛΕΛΕΥΘΕΡΟΣ»	7,200.00
Εφορεία Αρχαιοτήτων Ιωαννίνων	991.16
Η Εν Αθήναις Φιλεκπαιδευτική Εταιρεία	10,000.00
Η Καρδιά του Παιδιού Πανελλήνιος Σύλλογος Προστασίας και Ενημερώσεως Καρδιοπαθών Παιδιών	700.00
Ηρωνικός Παραγωγή Ταινιών ΕΠΕ	1,000.00
Ίασις Αστική Μη Κερδοσκοπική Εταιρεία	1,000.00
Ιδρυμα Αναργύρειος και Κοργιαλένειος Σχολή Σπετσών	20,000.00
ΙΔΡΥΜΑ ΕΛΠΙΔΑ - ΕΠΙΧΕΙΡΗΜΑΤΙΚΟΣ ΣΥΝΔΕΣΜΟΣ ΚΥΠΡΟΥ - ΓΑΛΛΙΑΣ	1,500.00
Ίδρυμα Ευγενίδου	1,112.00
ΙΔΡΥΜΑ ΘΕΟΤΟΚΟΣ	200.00
Ίδρυμα Ι.Φ. Κωστοπούλου	1,050.00
Ίδρυμα Ιωσήφ και Εσθήρ Γκανή	500.00
ΙΔΡΥΜΑ ΜΙΤΤΟΣ-ΑΣΠΙΔΑ ΤΟΥ ΔΑΒΙΔ	100.00
Ιδρυμα Μουσείου Μακεδονικού Αγώνα	5,000.00
ΙΔΡΥΜΑ ΣΥΜΦΩΝΙΚΗ ΟΡΧΗΣΤΡΑ ΚΥΠΡΟΥ	10,000.00
Ίδρυμα το Σπίτι του Ηθοποιού	2,000.00
ΙΕΡΑ ΜΗΤΡΟΠΟΛΗ ΚΕΡΚΥΡΑΣ (ΜΟΥΣΙΚΗ ΕΚΔΗΛΩΣΗ)	500.00
ΙΕΡΑ ΜΗΤΡΟΠΟΛΗ ΛΕΜΕΣΟΥ	800.00
Ιερά Μητρόπολις Αλεξανδρουπόλεως Ιερά Κοινοβιακή Μονή Κοιμήσεως της Θεοτόκου Μάκρη Έβρου	10,000.00
Ιερά Μητρόπολις Κηφισιάς Αμαρουσίου και Ωρωπού, Ιερός Ναός Αγίας Μαριvης Μελισσίων	350.00
Ιερά Μονή Κοιμήσεως Ζωοδόχου Πηγής Μπατσί Άνδρου	2,609.68
Ιερά Μονή Ουρσουλινών Θρησκευτικό Νομικό Πρόσωπο	1,500.00
ΙΕΡΑ ΜΟΝΗ ΠΑΝΑΓΙΑΣ ΑΜΑΣΓΟΥΣ	200.00
Ιερός Ναός Αγίου Δημητρίου Ψυρρή Κέντρο Φιλοξενίας Συγγενών με Καρκίνο	12,000.00
ΙΕΡΟΣ ΝΑΟΣ ΑΓΙΟΥ ΣΑΒΒΑ	1,000.00
Ικαρος Εκδοτική Ν. Καρύδη και ΣΙΑ ΕΠΕ	40,000.00
Ιστορικό - Λαογραφικό Μουσείο Ρεθύμνης	4,000.00
Ιστορικό Αρχείο - Μουσείο Ύδρας	3,000.00
Κάνε Μια Ευχή Ελλάδος	5,000.00
ΚΑΡΠΑΘΙΑΚΟΣ ΟΡΓΑΝΙΣΜΟΣ ΤΟΥΡΙΣΜΟΥ	500.00
Κατασκηνώσεις Χαρούμενα Παιδιά - Χαρούμενα Νιάτα	600.00
ΚΑΤΗΧΗΤΙΚΟ ΣΧΟΛΕΙΟ ΠΑΝΩ ΛΕΥΚΑΡΩΝ	100.00
ΚΕΒΕ - ΕΠΙΧΕΙΡΗΜΑΤΙΚΟΣ ΣΥΝΔΕΣΜΟΣ ΚΥΠΡΟΥ - ΕΛΛΑΔΑΣ	1,190.00
ΚΕΘΕΑ	3,000.00
ΚΕΝΤΡΟ ΕΡΕΥΝΩΝ ΠΑΝ.ΠΕΙΡΑΙΩΣ	3,000.00
Κέντρο Ζωής ΜΚΟ	700.00

* *Names have not been translated into english.*

Name*	Amounts
ΚΕΝΤΡΟ ΠΡΟΣΦΟΡΑΣ ΚΑΙ ΑΓΑΠΗΣ ΑΓΙΟΣ ΧΡΙΣΤΟΦΟΡΟΣ - ΚΕΠΑ (ΠΑΦΟΣ)	600.00
ΚΟΙΝΟΤΙΚΟ ΣΥΜΒΟΥΛΙΟ ΚΟΥΚΛΙΩΝ	300.00
Κοινωνικό Παντοπωλείο Δήμου Ωραιοκάστρου	260.00
Κοινωφελής Επιχείρηση Κοινωνικής Προστασίας Αλληλεγγύης Πρόνοιας Υγείας και Αστικής Συγκοινωνίας Δήμου ΚΩΕξωραϊσμός Σβουρένειου Ιδρύματος	1,806.92
Κτήμα Σιγάλα Οινοποιητική Ανώνυμη Εταιρία	2,000.00
ΚΥΠΡΙΑΚΟ ΠΡΑΚΤΟΠΕΙΟ ΕΙΔΗΣΕΩΝ (ΚΥΠΕ)	2,500.00
ΚΥΠΡΙΑΚΟΣ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ	300.00
ΛΙΜΕΝΑΡΧΕΙΟ ΣΑΜΟΥ - ΚΛΙΜΑΚΙΟ ΕΙΔΙΚΩΝ ΑΠΟΣΤΟΛΩΝ	400.00
ΛΥΚΕΙΟ ΕΛΛΗΝΙΔΩΝ - ΠΑΡΑΡΤΗΜΑ ΚΑΛΥΜΝΟΥ	680.00
ΜΑΚΙΠ Μονάδα Αντιμετωπίσεως Κινδύνων Ιπποκρατείου Πολιτείας	1,625.91
Μαργαρίτα Εργαστήρι Ειδικής Αγωγής	1,500.00
Μιχάλης Κ. Κύρκος Εκδόσεις	3,000.00
Μουσείο Γουλανδρή Φυσικής Ιστορίας	10,000.00
Μουσείο Μπενάκη	20,000.00
Μουσείο Νεοελληνικής Τέχνης Δήμου Ροδίων	1,300.00
Μουσείο Τύπου Ενώσεως Συντακτών Πελοποννήσου Ηπείρου Νήσων	100.79
ΜΟΥΣΙΚΟΣ ΣΥΛΛΟΓΟΣ ΟΡΦΕΥΣ	500.00
Μπελλένειο Γυμνάσιο Λέρου	400.00
Μπορούμε Saving Food - Saving Lives ΜΑΚΕ	1,000.00
ΝΙΣΟ Διεθνής Σύμβουλοι ΙΚΕ Σύμβουλοι Επιχειρήσεων	40,000.00
ΝΟΗΣΙΣ - Κέντρο Διάσωσης Επιστημών και Μουσείο Τεχνολογίας Ιδρυμα ΝΠΙΔ	1,000.00
Οασις ΑΜΚΕ	1,500.00
ΟΔΟΝΤΙΑΤΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΗΡΑΚΛΕΙΟΥ	400.00
ΟΔΟΝΤΙΑΤΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΡΟΔΟΥ	1,000.00
Οι Φίλοι της Τήνου Κοινωφελές Σωματείο	600.00
Οι Φίλοι του Αμυκλαίου	10,000.00
Οικουμενική Ομοσπονδία Κωνσταντινουπολιτών	3,000.00
ΟΛΟΙ ΜΑΖΙ ΜΠΟΡΟΥΜΕ-ΚΟΤΣΑΡΗ ΝΙΚ. ΣΤΑΥΡΟΥΛΑ-''ΠΝΥΚΑ''	825.00
Όμιλος Εθελοντών	3,000.00
ΟΜΙΛΟΣ ΚΑΛΑΘΟΣΦΑΙΡΙΣΕΩΣ ΕΛΕΥΣΙΝΑΣ	1,000.00
ΟΜΟΣΠΟΝΔΙΑ ΕΡΓΟΔΟΤΩΝ ΚΑΙ ΒΙΟΜΗΧΑΝΩ (ΟΕΒ)	300.00
ΟΠΑ Εταιρεία Αξιοποιήσεως και Διαχειρίσεως της Περιουσίας του ΟΠΑ	5,000.00
Οργανισμός Εκπαιδευτικής Ρομποτικής και Επιστήμης WRO Hellas	8,000.00
Οργανισμός Μεγάρου Μουσικής Αθηνών	70,000.00
Οργανισμός Μεγάρου Μουσικής Θεσσαλονίκης	25,000.00
ΟΡΓΑΝΙΣΜΟΣ ΠΑΡΑΠΛΗΓΙΚΩΝ ΚΥΠΡΟΥ	1,500.00
ΠΑΓΚΥΠΡΙΟΣ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ ΚΛΑΔΟΣ ΛΕΥΚΩΣΙΑΣ	100.00
ΠΑΓΚΥΠΡΙΟΣ ΣΥΝΔΕΣΜΟΣ «ΈΝΑ ΟΝΕΙΡΟ ΜΙΑ ΕΥΧΗ»	150.00
ΠΑΓΚΥΠΡΙΟΣ ΣΥΝΔΕΣΜΟΣ ΠΑΙΔΙΩΝ ΜΕ ΚΑΡΚΙΝΟ «ΈΝΑ ΟΝΕΙΡΟ ΜΙΑ ΕΥΧΗ»	1,000.00
ΠΑΓΚΥΠΡΙΟΣ ΣΥΝΔΕΣΜΟΣ ΦΙΛΩΝ ΝΕΦΡΟΠΑΘΩΝ	150.00
ΠΑΙΔΙΚΗ ΣΤΕΓΗ ΛΕΜΕΣΟΥ	800.00
ΠΑΙΔΙΚΗ ΣΤΕΓΗ ΛΕΥΚΩΣΙΑΣ	800.00
ΠΑΝΕΛΛΗΝΙΟΣ ΕΝΩΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΤΥΦΛΩΝ ΚΑΙ ΑΚΡΩΤΗΡΙΑΣΜΕΝΩΝ	220.00
ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ ΑΤΟΜΩΝ ΜΕ ΑΝΑΠΗΡΙΑ «ΟΙ ΜΥΡΜΙΔΟΝΕΣ»	370.00
ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ ΣΥΜΠΑΡΑΣΤΑΣΗΣ ΚΑΙ ΑΡΩΓΗΣ ΠΑΡΑΠΛΗΓΙΚΩΝ & ΑΤΟΜΩΝ ΜΕ ΕΙΔΙΚΕΣ ΑΝΑΓΚΕΣ «ΗΛΙΑΧΤΙΔΑ»	500.00
ΠΑΝΕΠΙΣΤΗΜΙΑΚΟ ΝΟΣΟΚΟΜΕΙΟ ΙΩΑΝΝΙΝΩΝ	10,000.00
ΠΑΝΕΠΙΣΤΗΜΙΟ ΑΙΓΑΙΟΥ	20,000.00
ΠΑΝΕΠΙΣΤΗΜΙΟ ΘΕΣΣΑΛΙΑΣ	600.00
Πανεπιστήμιο Θεσσαλίας 2ο Διεθνές Συνέδριο Εφαρμοσμένης Ιχθυολογίας HydroMedit 2016	800.00
Πανευρωπαϊκό Σωματείο Αναπήρων και Αμεα Συνεργασία - Δημιουργία Κέντρο Εργασίας ΑΜΕΑ Δήμου Φύλης	350.00
ΠΕΚΑΜΕΑ	500.20
Πελοπόννησος Πατρών Εκδόσεις Α.Ε.	2,000.00
ΠΕΟ	350.00
ΠΝΟΗ Φίλοι Έντατικής Θεραπείας του Παιδίου	3,000.00
Πολιτιστικός Σύλλογος Θολαρίων Αιγιάλης Αμοργού Υπέρια	500.00
Πόρτα Ανοιχτή ΑΜΚΕ	4,065.04
Πρόγραμμα «Οι Φθορές που Πληγώνουν»	44,531.00
Πρόγραμμα Αγοράς Ηλεκτρονικών Υπολογιστών σε Σχολεία	60,550.00
Σ. Αυγουλέα - Λιναρδάτου Ανώνυμη Εκπαιδευτική Εταιρεία	813.00
ΣΕΓΑΣ	12,195.12
ΣΕΚ	200.00

* *Names have not been translated into english.*

Name*	Amounts
ΣΚΑΙ ΟΛΟΙ ΜΑΖΙ ΜΠΟΡΟΥΜΕ - BAZAAR A.E.	207.86
ΣΚΑΙ ΟΛΟΙ ΜΑΖΙ ΜΠΟΡΟΥΜΕ - ΔΙΑΝΟΜΕΥΣ Α.Ε.	773.66
Σκακιστικός Όμιλος Ηρακλείου	1,000.00
ΣΤΟΡΓΗ ΣΥΛΛΟΓΟΣ ΦΙΛΩΝ ΤΩΝ ΚΑΡΚΙΝΟΠΑΘΩΝ ΠΑΙΔΙΩΝ	300.00
ΣΥΛ.ΓΟΝΕΩΝ κ' ΚΗΔΕΜΟΝΩΝ 1ου ΔΗΜ.ΣΧ.ΚΕΡΑΤΣΙΝΙΟΥ	300.00
ΣΥΛΛΟΓΟΣ ΑΠΟΦΟΙΤΩΝ ΟΥΡΣΟΥΛΙΝΩΝ ΑΘΗΝΑΣ	1,500.00
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ & ΚΗΔΕΜΟΝΩΝ ΑΤΟΜΩΝ ΜΕ ΝΟΗΤΙΚΗ ΣΤΕΡΗΣΗ	300.00
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ ΚΑΙ ΚΗΔΕΜΟΝΩΝ 1ΟΥ ΓΕΛ ΛΥΚΕΙΟΥ ΚΟΜΟΤΗΝΗΣ	300.00
Σύλλογος Γονέων και Κηδεμόνων 3ου Δημοτικού Σχολείου Αλίμου	1,219.51
Σύλλογος Γονέων και Φίλων Αυτιστικών Ατόμων Ν. Έβρου ο Άγιος Βασίλειος	500.00
ΣΥΛΛΟΓΟΣ ΕΚΠΑΙΔΕΥΤΙΚΩΝ Ν. ΕΒΡΟΥ	250.00
ΣΥΛΛΟΓΟΣ ΕΠΙΧΕΙΡΗΜΑΤΙΩΝ ΚΑΤΑΣΤΗΜΑΤΩΝ ΥΓΕΙΟΝΟΜΙΚΟΥ ΕΝΔΙΑΦΕΡΟΝΤΟΣ ΤΗΝΟΥ	250.00
ΣΥΛΛΟΓΟΣ ΚΑΣΙΩΤΩΝ ΡΟΔΟΥ	500.00
ΣΥΛΛΟΓΟΣ ΚΡΕΟΠΩΛΩΝ Ν. ΣΕΡΡΩΝ	200.00
ΣΥΛΛΟΓΟΣ Νοσήλεια	1,500.00
ΣΥΛΛΟΓΟΣ ΡΥΘΜΙΚΗΣ ΓΥΜΝΑΣΤΙΚΗΣ ΒΕΡΟΙΑΣ	400.00
ΣΥΛΛΟΓΟΣ ΣΚΙΑΘΙΤΩΝ ΔΥΟ ΑΛΕΞΑΝΔΡΟΙ	5,000.00
ΣΥΛΛΟΓΟΣ Φίλων Αμερικανικής Γεωργικής Σχολής	40,000.00
ΣΥΛΛΟΓΟΣ Φίλων Ογκολογικού Νοσοκομείου οι Άγιοι Ανάργυροι	2,500.00
ΣΥΛΛΟΓΟΣ Φίλων των Παιδιών με Χρόνιες Ρευματοπάθειs Παιδικός Αντιρευματικός Αγώνας	2,000.00
ΣΥΝΔ.ΓΟΝΕΩΝ Δ' ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΑΓΛΑΝΤΖΙΑΣ	300.00
ΣΥΝΔ.ΓΟΝΕΩΝ ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΑΓΙΟΥ ΔΗΜΗΤΡΙΟΥ	300.00
ΣΥΝΔ.ΓΟΝΕΩΝ ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΖΗΝΩΝ	300.00
ΣΥΝΔΕΣΜΟΣ ΒΙΟΜΗΧΑΝΙΩΝ ΘΕΣΣΑΛΙΑΣ ΚΑΙ ΚΕΝΤΡΙΚΗΣ ΕΛΛΑΔΟΣ	500.00
Συνδεσμος Επενδυτών και Διαδικτύου - ΣΕΔ	1,000.00
ΣΥΝΔΕΣΜΟΣ ΕΥΗΜΕΡΙΑΣ ΗΛΙΚΙΩΜΕΝΩΝ ΠΑΦΟΥ	1,000.00
Σύνδεσμος Θεραπευτικής Ιππασίας	5,000.00
ΣΥΝΔΕΣΜΟΣ ΤΩΝ ΦΙΛΩΝ ΑΡΧΑΙΟΛΟΓΙΚΟΥ ΜΟΥΣΕΙΩΝ ΘΕΣ/ΚΗΣ	5,000.00
Σχολή Σκύλων Οδηγών Τυφλών Λάρα	8,000.00
Σώμα Ομοτίμων Καθηγητών Πανεπιστημίου Αθηνών	870.00
Σωματείο για την Αντιμετώπιση του Παιδικού Τραύματος	8,000.00
ΣΩΜΑΤΕΙΟ ΕΘΕΛΟΝΤΡΙΩΝ ΚΟΙΝΩΝΙΚΗΣ ΑΛΛΗΛΕΓΓΥΗΣ ΠΕΡΙΦΕΡΕΙΑΣ ΠΟΛΗΣ ΧΡΥΣΟΧΟΥΣ	500.00
ΣΩΜΑΤΕΙΟ ΛΟΓΟΥ ΚΑΙ ΤΕΧΝΗΣ «ΑΛΚΥΟΝΙΔΕΣ»	200.00
Σωματείο Ναυτικών Παιδιών με Ειδικές Ανάγκες η Αργώ	8,000.00
ΣΩΜΑΤΕΙΟ ΦΙΛΟΙ ΚΟΙΝ.ΠΑΙΔΙΑΤΡΙΚΗΣ & ΙΑΤΡΙΚΗΣ	15,000.00
ΤΕΙ ΔΥΤΙΚΗΣ ΕΛΛΑΔΟΣ	975.00
ΤΕΛΛΟΓΛΕΙΟ ΙΔΡΥΜΑ	25,000.00
Φιλοδασική Ένωση Αθηνών	30,000.00
Φιλοι Markin Ελλάδos	928.00
ΦΙΛΟΠΤΩΧΟΣ ΑΓΙΟΥ ΠΑΥΛΟΥ	300.00
ΦΙΛΟΠΤΩΧΟΣ ΑΜΜΟΧΩΣΤΟΥ	300.00
Φλόγα - Σύλλογος Γονιών Παιδιών με Νεοπλασματική Ασθένεια	2,500.00
ΧΑΜΟΓΕΛΟ ΤΟΥ ΠΑΙΔΙΟΥ	1,050.00
Χορωδία Πρέβεζας Αρμονία	500.00
Ωδείο Αθηνών Μουσικός Δραματικός Σύλλογος	25,000.00
	1,563,923.33

DONATIONS TO LEGAL ENTITIES OF AMOUNTS LESS THAN €100 PER LEGAL ENTITY

Name*
ΑΤΥΧΗΜΑΤΑ
ΓΑΛΗΝΗ ΤΩΝ ΑΜΕΑ
ΔΩΡΕΑ ΧΩΡΙΣ ΣΤΟΙΧΕΙΑ
ΠΑΝ/ΝΙΟΣ ΣΥΛ. ΣΥΜΠ. ΟΡΦΑΝΩΝ ΕΓΚΑΤ.& ΚΑΚΟΠ. ΑΝΗΛ. «ΕΛΠΙΔΑ ΓΑΛΗΝΗ κ' ΦΩΣ»
ΣΥΛ. ΠΡΟΣΤ. ΟΡΦΑΝΩΝ ΚΑΚΟΠ. & ΑΝΑΠ. ΑΝΗΛΙΚΩΝ & ΕΝΗΛΙΚΩΝ «ΚΙΒΩΤΟΣ ΤΗΣ ΕΛΠΙΔΑΣ»
ΣΥΛΛΟΓΟΣ ΠΡΟΣΤΑΣΙΑΣ ΟΡΦΑΝΩΝ ΚΑΚΟΠΟΙΗΜΕΝΩΝ & ΑΝΑΠΗΡΩΝ ΑΝΗΜΙΚΩΝ ΚΑΙ ΑΝΗΛΙΚΩΝ
ΦΙΛΟΠΤΩΧΑ ΤΑΜΕΙΑ ΙΕΡΑΣ ΜΗΤΡΟΠΟΛΕΩΣ ΠΑΤΡΩΝ
ΦΡΟΝΤΙΔΑ ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ ΠΡΟΛΗΨΗΣ-ΕΝΗΜΕΡΩΣΗΣ ΚΑΙ ΣΥΜΠΑΡΑΣΤΑΣΗΣ ΠΑΙΔΙΩΝ ΜΕ ΕΓΚΕΦΑΛΙΚΗ ΠΑΡΑΛΥΣΗ ΚΑΙ ΝΟΗΤΙΚΗ ΣΤΕΡΗΣΗ
ΕΛΛΗΝΙΚΟΣ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ - ΤΟΠΙΚΟ ΠΑΡΑΡΤΗΜΑ ΛΗΜΝΟΥ

* *Names have not been translated into english.*

Name*
ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ ΠΡΟΛΗΨΗΣ ΤΡΟΧΑΙΩΝ ΑΤΥΧΗΜΑΤΩΝ ΑΝΗΛΙΚΩΝ «ΑΓΑΠΗ ΓΙΑ ΖΩΗ»
ΜΕΡΙΜΝΑ ΑΝΑΠΗΡΩΝ «Η ΓΑΛΗΝΗ»
ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ ΠΡΟΛΗΨΗΣ ΚΑΙ ΣΥΜΠΑΡΑΣΤΑΣΗΣ ΑΝΗΛΙΚΩΝ ΘΥΜΑΤΩΝ ΤΡΟΧΑΙΩΝ ΑΤΥΧΗΜΑΤΩΝ
ΠΑΝΕΛΛΗΝΙΑ ΕΝΩΣΗ ΤΥΦΛΩΝ
ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ ΤΥΦΛΩΝ ΚΑΙ ΑΚΡΩΤΗΡΙΑΣΜΕΝΩΝ
ΣΥΛΟΓΟΣ ΓΟΝΕΩΝ, ΚΗΔΕΜΟΝΩΝ ΚΑΙ ΦΙΛΩΝ ΑΜΕΑ «ΥΦΑΔΙ»
1ο ΓΥΜΝΑΣΙΟ ΖΕΦΥΡΙΟΥ
ΕΚΠΟΛΙΤΙΣΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΓΡΕΒΕΝΩΝ «ΠΙΝΔΟΣ»
Ο ΑΓΓΕΛΙΟΦΟΡΟΣ ΤΟΥ ΜΗΝΥΜΑΤΟΣ ΤΩΝ ΑΜΕΑ
Musician Association Sanu
ΔΗΜΟΣ ΑΓΛΑΝΤΖΙΑΣ
ΠΑΓΚΥΠΡΙΟΣ ΑΝΤΙΝΑΡΚΩΤΙΚΟΣ ΣΥΝΔΕΣΜΟΣ
ΣΥΝΔΕΣΜΟΣ ΕΥΗΜΕΡΙΑΣ ΑΣΘΕΝΩΝ ΚΑΙ ΑΠΟΡΩΝ ΠΑΙΔΙΩΝ (ΣΕΑΑΠ)

The above table refers to donations to legal entities of amounts less than €100, with total amount equal to €664.33.

TOTAL DONATIONS TO LEGAL ENTITIES	**1,564,587.66**

DONATIONS TO INDIVIDUALS - SEVENTEEN (17) BENEFICIARIES	**19,006.66**

DONATIONS OF FIXED ASSETS

Name*
106ο ΔΗΜΟΤΙΚΟ ΣΧΟΛ.ΘΕΣΣΑΛΟΝΙΚΗΣ
10ο ΝΗΠΙΑΓΩΓΕΙΟ ΚΑΛΑΜΑΤΑΣ
11ο ΓΥΜΝΑΣΙΟ ΙΛΙΟΥ
11ο ΔΗΜ.ΣΧΟΛΕΙΟ ΔΡΟΣΙΑΣ
11ο ΔΗΜ.ΣΧΟΛΕΙΟ ΕΛΕΥΣΙΝΑΣ
12/ΘΕΣΙΟ ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΕΡΑΤΕΑΣ
122ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΘΗΝΩΝ
12ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΕΡΙΣΤΕΡΙΟΥ
14ο ΓΥΜΝΑΣΙΟ ΠΕΡΙΣΤΕΡΙΟΥ
14ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΙΓΑΛΕΩ
15ο ΔΗΜ. ΣΧΟΛΕΙΟ ΙΛΙΟΥ
16ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΛΕΞΑΝΔΡ/ΛΕΩΣ
19ο ΔΗΜ. ΣΧΟΛΕΙΟ ΑΙΓΑΛΕΩ
19ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΧΑΡΝΩΝ
1ο ΓΥΜΝΑΣΙΟ ΜΕΛΙΣΣΙΩΝ
1ο ΔΗΜ. ΣΧΟΛΕΙΟ ΠΕΡΑΜΑΤΟΣ ΙΩΑΝΝΙΝΩΝ
1ο Γ.Ε.Λ. ΧΟΛΑΡΓΟΥ
1ο ΓΕΛ ΝΕΑΣ ΦΙΛΑΔΕΛΦΕΙΑΣ
1ο ΓΕΝ.ΛΥΚΕΙΟ ΠΑΠΑΓΟΥ
1ο ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΚΕΡΑΤΣΙΝΙΟΥ
1ο ΓΥΜΝΑΣΙΟ ΑΛΜΥΡΟΥ
1ο ΓΥΜΝΑΣΙΟ ΓΙΑΝΝΙΤΣΩΝ
1ο ΔΗΜ.ΣΧΟΛΕΙΟ ΑΞΙΟΥΠΟΛΗΣ
1ο ΔΗΜ.ΣΧΟΛΕΙΟ ΔΡΟΣΙΑΣ
1ο ΔΗΜ.ΣΧΟΛΕΙΟ ΠΕΤΡΟΥΠΟΛΗΣ
1ο ΔΗΜΟΤΙΚΟ & 1ο ΝΗΠΙΑΓ.ΠΙΚΕΡΜΙΟΥ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΙΓΙΟΥ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΥΛΟΥ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΣΤΑΥΡΟΥΠΟΛΗΣ
1ο ΕΠΑΓ/ΚΟ ΛΥΚΕΙΟ ΡΕΘΥΜΝΟΥ
1ο ΝΗΠΙΑΓΩΓΕΙΟ ΠΑΛ.ΦΑΛΗΡΟΥ
1ο ΠΕΙΡΑΜΑΤΙΚΟ ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ
2 ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΧΑΛΑΝΔΡΙΟΥ
21ο ΝΗΠΙΑΓΩΓΕΙΟ ΚΑΛΑΜΑΤΑΣ
22ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΒΟΛΟΥ
2ο ΓΥΜΝΑΣΙΟ ΑΝΩ ΤΟΥΜΠΑΣ
2ο ΓΥΜΝΑΣΙΟ ΘΗΒΑΣ

* *Names have not been translated into english.*

Name*
2ο ΛΥΚΕΙΟ ΝΕΑΣ ΦΙΛΑΔΕΛΦΕΙΑΣ
2ο ΓΥΜΝΑΣΙΟ ΕΛΛΗΝΙΚΟΥ
2ο ΓΕΛ ΧΙΟΥ/ΔΝΣΗ Β' ΕΚΠΑΙΔ. Ν.ΧΙΟΥ
2ο ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΑΓ.ΔΗΜΗΤΡΙΟΥ
2ο ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΚΟΡΩΠΙΟΥ
2ο ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΧΑΛΚΙΔΑΣ
2ο ΓΥΜΝΑΣΙΟ ΗΛΙΟΥΠΟΛΗΣ
2ο ΓΥΜΝΑΣΙΟ ΠΑΛΑΙΟΥ ΦΑΛΗΡΟΥ
2ο ΓΥΜΝΑΣΙΟ ΠΡΕΒΕΖΑΣ
2ο ΔΗΜ.ΣΧΟΛΕΙΟ ΑΡΓΥΡΟΥΠΟΛΗΣ
2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΡΕΘΥΜΝΟΥ
2ο ΛΥΚΕΙΟ ΑΓΙΟΥ ΔΗΜΗΤΡΙΟΥ
2ο ΛΥΚΕΙΟ ΔΙΑΠ.ΕΚΠ.ΕΛΛΗΝΙΚΟΥ
2ο ΝΗΠΙΑΓΩΓΕΙΟ ΣΠΑΤΩΝ
35ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΘΗΝΩΝ
39ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΘΗΝΩΝ
3ο ΝΗΠΙΑΓΩΓΕΙΟ ΔΙΔΥΜΟΤΕΙΧΟΥ
3ο & 4ο ΔΗΜ.ΣΧΟΛΕΙΟ Ν.ΨΥΧΙΚΟΥ
3ο ΓΥΜΝΑΣΙΟ ΔΡΑΜΑΣ
3ο ΓΥΜΝΑΣΙΟ ΝΕΑΣ ΣΜΥΡΝΗΣ
3ο ΔΗΜ.ΣΧΟΛΕΙΟ ΑΛΕΞΑΝΔΡΟΥΠΟΛΗΣ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΓΚΙΣΤΡΙΟΥ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΑΛ. ΦΑΛΗΡΟΥ
3ο ΔΗΜΧ. ΣΧΟΛΕΙΟ ΠΟΛΥΚΑΣΤΡΟΥ
3ο ΕΠΑΛ ΑΘΗΝΩΝ
3ο ΛΥΚΕΙΟ ΝΕΑΣ ΣΜΥΡΝΗΣ
4ο ΓΥΜΝΑΣΙΟ ΑΡΓΥΡΟΥΠΟΛΗΣ
4ο ΔΗΜ.ΣΧΟΛΕΙΟ ΖΕΦΥΡΙΟΥ
4ο ΔΗΜ.ΣΧΟΛΕΙΟ ΜΕΤΑΜΟΡΦΩΣΕΩΣ
4ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΡΤΕΜΙΔΟΣ
4ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΔΑΦΝΗΣ
4ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΕΡΑΤΣΙΝΙΟΥ
5ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΖΑΚΥΝΘΟΥ
5ο ΝΗΠΙΑΓΩΓΕΙΟ ΔΙΔΥΜΟΤΕΙΧΟΥ
5ο ΓΥΜΝΑΣΙΟ Ν. ΣΜΥΡΝΗΣ
5ο ΓΥΜΝΑΣΙΟ ΠΑΛΑΙΟΥ ΦΑΛΗΡΟΥ
5ο ΓΥΜΝΑΣΙΟ ΧΑΛΑΝΔΡΙΟΥ
5ο ΔΗΜ.ΣΧΟΛΕΙΟ ΔΡΑΜΑΣ
5ο ΔΗΜ.ΣΧΟΛΕΙΟ ΣΤΑΥΡΟΥΠΟΛΗΣ
5ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΛΑΜΠΑΚΑΣ
5ο ΝΗΠΙΑΓΩΓΕΙΟ ΣΤΑΥΡΟΥΠΟΛΗΣ ΘΕΣ
63ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ
6ο ΓΥΜΝΑΣΙΟ ΓΑΛΑΤΣΙΟΥ
6ο ΔΗΜ. ΣΧΟΛΕΙΟ ΒΥΡΩΝΑ
6ο ΔΗΜΟΤΙΚΟ ΠΡΕΒΕΖΑΣ
6ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΞΗΡΟΛΟΦΟΥ
6ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΡΕΒΕΖΑΣ
71ο ΔΗΜ.ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ
75ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ
7ο ΓΥΜΝΑΣΙΟ ΝΕΑΣ ΣΜΥΡΝΗΣ
7ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΔΑΦΝΗΣ
85ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ
8ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΧΙΟΥ
8ο ΓΥΜΝΑΣΙΟ ΓΛΥΦΑΔΑΣ
8ο ΔΗΜ. ΣΧ. ΒΥΡΩΝΑ
8ο ΔΗΜ. ΣΧ.ΗΛΙΟΥΠΟΛΗΣ
8ο ΔΗΜ. ΣΧΟΛΕΙΟ ΜΑΚΡΥΧΩΡΙΟΥ
8ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΡΓΥΡΟΥΠΟΛΗΣ
8ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΗΛΙΟΥΠΟΛΕΩΣ
9ο ΝΗΠΙΑΓΩΓΕΙΟ ΚΑΜΑΤΕΡΟΥ
Α.Ο. ΑΡΗΣ ΙΛΙΟΥ
ΑΓΡΟΤΙΚΟΣ ΜΕΛΙΣΣΟΚΟΜΙΚΟΣ ΣΥΝΕΤ. ΚΥΘΝΟΥ

* *Names have not been translated into english.*

Name*
ΑΘΛ ΣΥΛ. ΑΝΑΓΕΝΝΗΣΗΣ ΠΕΤΡΟΥΠΟΛΗΣ
ΑΘΛΗΤΙΚΟΣ ΟΜΙΛΟΣ Ο ΜΙΛΩΝ
ΑΘΛΗΤΙΚΟΣ ΣΥΛΛΟΓΟΣ «ΤΟ ΟΙΟΝ»
ΑΡΣΑΚΕΙΟ ΣΧΟΛΕΙΟ ΘΕΣΣΑΛΟΝΙΚΗΣ
Γ.Ε.Α / Γ.Ε.Ν. / Γ.Ε.Σ.
ΓΕΝ. ΛΥΚΕΙΟ ΝΕΑΣ ΧΑΛΚΗΔΟΝΑΣ
ΓΕΝ.ΑΝΤΙΚΑΡΚ/ΚΟ ΝΟΣ. «ΑΓ. ΣΑΒΒΑΣ»
ΓΕΝ.ΠΑΝΑΡΚΑΔΙΚΟ ΝΟΣΟΚΟΜΕΙΟ
ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΠΑΣΤΡΑΣ
ΓΥΜΝΑΣΙΟ ΚΑΙΝΟΥΡΓΙΟΥ ΑΙΤΩΛ/ΝΙΑΣ
ΓΥΜΝΑΣΙΟ ΚΥΠΑΡΙΣΙΑΣ
ΓΥΜΝΑΣΙΟ ΩΡΕΩΝ
ΓΥΜΝΑΣΙΟ-ΛΥΚΕΙΑΚΕΣ ΤΑΞΕΙΣ ΛΑΜΠΕΙΑΣ
ΔΑΣΑΡΧΕΙΟ ΧΑΛΚΙΔΑΣ
ΔΗΜ.ΣΧ.ΣΚΑΛΑΣ ΩΡΩΠΟΥ
ΔΗΜ.ΣΧΟΛ. «ΑΓΙΟΣ ΑΝΔΡΕΑΣ» Ν. ΣΜΥΡΝΗ
ΔΗΜ.ΣΧΟΛ.ΕΙΔ.ΑΓΩΓΗΣ & ΕΚΠ.ΕΔΕΣΣΑΣ
ΔΗΜΟΣ ΔΕΛΦΩΝ
ΔΗΜΟΣ ΠΑΤΜΟΥ
ΔΗΜΟΣ ΠΑΤΡΕΩΝ / ΔΝΣΗ ΚΑΘΑΡΙΟΤΗΤΑΣ
ΔΗΜΟΣ ΦΥΛΗΣ-ΔΗΜ.ΕΝΟΤΗΤΑ ΖΕΦΥΡΙΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΒΥΘΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΚΤΑΙΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΡΛΑΣ ΑΧΑΙΑΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΔΡΕΠΑΝΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΛΟΧΩΡΙΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΗΡΙΝΘΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΙΒΕΡΙΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΟΡΗΣΣΙΑΣ ΚΕΑΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΟΥΤΣΟΠΟΔΙΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΑΙΔΩΝ ΑΓΙΑΣ ΣΟΦΙΑΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΣΚΑΛΑΣ ΠΑΤΜΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΧΡΥΣΟΒΕΡΓΙΟΥ
ΔΙΕΚ ΤΡΙΑΝΔΙΑΣ
ΔΝΣΗ ΔΕΥΤ/ΘΜΙΑΣ ΕΚΠ.ΑΘΗΝΑΣ ΠΟΛ.ΘΕΜ.
ΕΚΑΒ-ΠΑΡΑΡΤΗΜΑ ΛΑΡΙΣΑΣ
ΕΛΛΗΝΙΚΗ ΑΣΤΥΝΟΜΙΑ
ΕΛΛΗΝΙΚΗ ΛΕΣΧΗ ΒΙΒΛΙΟΥ
ΕΛΛΗΝΙΚΟΣ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ ΣΩΜΑ ΕΘΕΛΟΝΤΩΝ ΝΑΥΑΓΟΣΩΣΤΩΝ
ΕΝΙΑΙΑ ΣΧΟΛ.ΕΠΙΤΡ.ΠΡΩΤ.ΕΚΠ.Δ.ΦΥΛΗΣ
ΕΝΩΣΗ ΕΛΛΗΝΩΝ ΧΗΜΙΚΩΝ
ΕΠΑΓΓΕΛ/ΚΟ ΛΥΚΕΙΟ ΜΕΓΑΛΟΠΟΛΕΩΣ
ΕΡΓΑΣΤΗΡΙ ΕΙΔ.ΕΠΑΓΓΕΛ/ΚΗΣ ΕΚΠ/ΣΗΣ & ΚΑΤΑΡΤΙΣΗΣ ΑΙΓΑΛΕΩ
ΕΤΑΤ
ΕΥΑΓΓΕΛΙΚΗ ΣΧΟΛΗ ΣΜΥΡΝΗΣ
ΙΔΡΥΜΑ ΚΟΙΝΩΝΙΚΩΝ ΑΣΦΑΛΙΣΕΩΝ ΚΕΡΑΜΕΙΚΟΥ
ΙΕΡΑ ΜΗΤΡΟΠΟΛΗ ΒΕΡΟΙΑΣ
ΙΕΡΟΣ ΝΑΟΣ ΑΓ. ΕΛΕΥΘΕΡΙΟΥ
ΙΕΡΟΣ ΝΑΟΣ ΑΓ.ΑΙΚΑΤΕΡΙΝΗΣ ΠΕΙΡΑΙΩΣ
ΙΕΡΟΣ ΝΑΟΣ ΑΓΙΑΣ ΣΟΦΙΑΣ ΤΑΥΡΟΥ
ΙΕΡΟΣ ΝΑΟΣ ΖΩΟΔΟΧΟΥ ΠΗΓΗΣ
Κ.Υ.Α.Δ.Α ΚΕΝΤΡΟ ΥΠΟΔΟΧΗΣ & ΑΛΛΗΛΕΓ
ΚΕΝΤΡΟ ΥΓΕΙΑΣ ΠΟΛΥΚΑΡΠΟΥ
ΚΕΝΤΡΟ ΥΓΕΙΑΣ ΦΙΛΙΠΠΙΑΔΑΣ
ΚΕΣΥΠ ΜΕΣΟΛΟΓΓΙΟΥ
ΚΙΒΩΤΟΣ ΤΗΣ ΑΓΑΠΗΣ
ΚΙΒΩΤΟΣ ΤΟΥ ΚΟΣΜΟΥ
ΚΟΙΝ.Σ.ΕΠ.ΠΟΛΥΓΥΡΟΣ
ΚΩΣΤΑΚΗΣ Ι. ΜΙΧΑΛΑ Χ. ΟΕ
ΛΕΣΧΗ ΦΙΛΙΑΣ ΑΚΑΔΗΜΙΑΣ ΠΛΑΤΩΝΟΣ
ΛΙΜΕΝΙΚΟ ΣΩΜΑ
ΞΗΡΟΜΕΡΙΤΙΚΗ ΕΤ.ΛΟΓΟΥ ΤΕΧΝΗΣ

* *Names have not been translated into english.*

Name*
ΟΛΟΗΜΕΡΟ ΝΗΠΙΑΓΩΓΕΙΟ ΑΓΚΙΣΤΡΙΟΥ
ΟΜΙΛΟΣ ΑΝΤΙΣΦ. ΚΕΡΑΤΣΙΝΙΟΥ
ΟΜΙΛΟΣ ΦΟΥΣΚΩΤΩΝ ΣΚΑΦΩΝ ΕΛΛΑΔΟΣ
ΠΑΙΔΙΚΑ ΧΩΡΙΑ SOS ΕΛΛΑΔΟΣ
ΠΑΝΕΛ/ΝΙΑ ΕΝ. ΠΤΥΧ/ΧΩΝ ΚΟΡΥΔΑΛΛΟΥ
ΠΕΔΥ-ΜΟΝΑΔΑ ΥΓΕΙΑΣ ΑΓΡΙΝΙΟΥ
ΠΟΛ.ΣΥΛ.ΜΕΝΙΔΙΟΥ ΑΙΤ/ΝΙΑ ΑΜΒΡΑΚΙΚΟΣ
ΠΟΛ/ΚΟΣ ΣΥΛΛΟΓΟΣ ΑΓ. ΘΩΜΑΣ ΜΕΣΟΛΟΓΓΙΟΥ
ΠΟΛΙΤ/ΚΟΣ ΣΥΛΛΟΓΟΣ ΒΟΥΖΙΩΤΩΝ
ΠΟΛΙΤΙΣΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΑΓΙΟΥ ΜΥΡΩΝΑ
ΠΥΡΟΣΒΕΣΤΙΚΟ ΣΩΜΑ
ΣΤΕΦΗΣ ΑΝΑΣΤΑΣΙΟΣ του ΒΑΣΙΛΕΙΟΣ
ΣΥΛ. ΟΡΟΘΕΤΙΚΩΝ ΕΛΛΑΔΟΣ
ΣΥΛ. ΥΠΟΣΤ.ΑΜΕΑ «ΣΥΜΠΡΑΤΤΩ»
ΣΥΛ. ΓΟΝΕΩΝ & ΚΗΔ.9ου ΔΗΜ.ΕΔΕΣΣΑΣ
ΣΥΛ. ΓΟΝΕΩΝ κ' ΚΗΔΕΜΟΝΩΝ ΑΤΟΜΩΝ ΜΕ ΑΝΑΠΗΡΙΑ
ΣΥΛ. ΓΟΝΕΩΝ ΣΗΜ.ΣΧΟΛΕΙΟΥ ΔΙΟΝ.ΠΙΕΡΙΑΣ
ΣΥΛ. ΓΥΝΑΙΚΩΝ ΣΠΕΡΧΟΓΕΙΑΣ
ΣΥΛ. ΜΠΙΛΙΑΡΔΟΥ ΕΔΕΣΣΑΣ
ΣΥΛΛΟΓΟΣ «ΤΟ ΡΟΥΠΕΛ»
ΣΥΛΛΟΓΟΣ ΑΙΜΟΔΟΣΙΑΣ ΠΑΡΟΥ
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ ΔΗΜ.ΣΧ.ΣΑΡΩΝΙΔΑΣ
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ κ ΚΗΔΕΜΟΝΩΝ 1ο ΔΗΜ. ΣΧΟΛΕΙΟ ΠΑΡΟΙΚΙΑΣ
ΣΥΛΛΟΓΟΣ Η ΚΑΡΔΙΑ ΤΟΥ ΠΑΙΔΙΟΥ
ΣΥΝΔΕΣΜΟΣ ΠΡΟΠΟΝΗΤΩΝ ΙΩΑΝΝΙΝΩΝ
ΣΥΝΕΤΑΙΡΙΣΜΟΣ Η ΕΛΛΗΝΙΚΗ ΠΙΝΔΟΣ
ΣΧΟΛ. ΔΕΥΤΕΡΗΣ ΕΥΚΑΙΡ. ΝΙΓΡΙΤΑΣ
ΣΩΜΑ ΕΛΛΗΝΩΝ ΠΡΟΣΚΟΠΩΝ /1ο ΔΙΟΝΥΣΟΥ
ΣΩΜΑΤΕΙΟ ΠΤΥΧΙΟΥΧΩΝ ΚΟΡΥΔΑΛΛΟΥ
ΤΕΕ ΕΙΔΙΚΗΣ ΑΓΩΓΗΣ
ΤΖΑΝΕΙΟ ΝΟΣΟΚΟΜΕΙΟ
ΤΜΗΜΑ ΚΟΙΝ.ΦΡΟΝΤΙΔΑΣ-ΥΓΕΙΑΣ - ΔΗΜΟΣ ΑΙΓΑΛΕΩ
ΤΟ ΠΕΡΙΒΟΛΙ ΤΗΣ ΓΙΑΓΙΑΣ - ΕΚΠΑΙΔΕΥΤΙΚΕΣ ΥΠΗΡΕΣΙΕΣ
ΤΟΠΙΙΚΗ ΚΟΙΝΟΤΗΤΑ ΚΟΣΚΙΝΩΝ
ΥΠΟΥΡΓΕΙΟ ΔΙΚΑΙΟΣΥΝΗΣ
ΧΑΝΤΖΗΣ ΓΕΩΡΓΙΟΣ
ΧΕΝ ΠΑΙΑΝΙΑΣ ΣΩΜΑΤΕΙΟ

The above table refers to donations of fully amortised fixed assets of the Bank, with total residual value of €21.98.

* *Names have not been translated into english.*

Information in accordance with Article 10 of Law 3401/2005

Corporate announcements of the year 2016 have been posted on the Bank's website
http://www.alpha.gr/page/default.asp?la=1&id=15621

Alpha Bank places SME Securitisation of Euro 320 million with EIB, EBRD and an International Investment Bank	21.12.2016
Announcement	16.12.2016
Final results of the exercise of the Titles Representing Share Ownership Rights (Warrants)	16.12.2016
Announcement	15.12.2016
Notification of important changes concerning voting rights under L. 3864/2010	09.12.2016
Announcement	30.11.2016
Exercise process of the titles representing share ownership rights (warrants) and settlement process of participation orders	30.11.2016
Announcement	30.11.2016
Nine Month 2016 Profit after Tax at Euro 22.2 million	30.11.2016
Notification of important changes concerning voting rights under L. 3864/2010	22.11.2016
Nine month 2016 results announcement scheduled for November 30, 2016	07.11.2016
Announcement	27.10.2016
New interest rates by Alpha Bank	03.10.2016
Announcement	30.09.2016
Announcement	30.08.2016
First Half 2016 results	30.08.2016
Announcement	03.08.2016
Announcement	28.07.2016
First Half 2016 results announcement scheduled for August 30, 2016	15.07.2016
Ordinary General Meeting of the Shareholders of Alpha Bank, of June 30 2016	30.06.2016
Resolutions of the Ordinary General Meeting of Shareholders of Alpha Bank on 30.6.2016 (article 32 para. 1 of Codified Law 2190/1920, para. 4.1.3.3. of the Athens Exchange Regulations)	30.06.2016
Notification of important changes concerning voting rights under L. 3864/2010	29.06.2016
Notification of important changes concerning voting rights under L. 3864/2010	28.06.2016
Notification of important changes concerning voting rights under L. 3864/2010	16.06.2016
Final results of the exercise of the Titles Representing Share Ownership Rights (Warrants)	16.06.2016
Invitation to the Ordinary General Meeting	09.06.2016
AlphCompletion of the fractional balances disposal procedure	08.06.2016
Announcement	31.05.2016
First quarter 2016 Profit before tax at Euro 12.8 million	31.05.2016
Exercise process of the titles representing share ownership rights (warrants) and settlement process of participation orders	27.05.2016
Disposal of fractional share balances	25.05.2016
Alpha Bank, Eurobank and KKR reach agreement to support Greek companies	17.05.2016
First Quarter 2016 results announcement scheduled for May 31, 2016	13.05.2016
Notification of important changes concerning voting rights under L. 3556/2007	12.05.2016

Announcement	10.05.2016
Announcement	04.05.2016
Announcement	28.04.2016
Notification of important changes concerning voting rights under L. 3864/2010	28.04.2016
Notification of important changes concerning voting rights under L. 3556/2007	22.04.2016
Announcement	21.04.2016
Notification of important changes concerning voting rights under L. 3864/2010	11.04.2016
Notification of important changes concerning voting rights under L. 3864/2010	08.04.2016
Alpha Bank appoints Jan Vanhevel as new Board Member, Minas Tanes to step down, effective April 21, 2016	24.03.2016
Replacement of Member of the Board of Directors	24.03.2016
New interest rates by Alpha Bank	21.03.2016
Announcement	04.03.2016
Full Year 2015 Results	03.03.2016
Announcement	01.03.2016
Full Year 2015 results announcement scheduled for March 3, 2016	17.02.2016
Alpha Bank Announces the Launch of a Sale Process for Ionian Hotel Enterprises S.A.	17.02.2016
Notification of important changes concerning voting rights under L. 3864/2010	16.02.2016
Notification of important changes concerning voting rights under L. 3864/2010	11.02.2016
Notification of important changes concerning voting rights under L. 3864/2010	27.01.2016
Reverse Split of Global Depositary Receipts	15.01.2016

Availability of Annual Financial Report

The Annual Financial Report as at 31.12.2016, which includes:

- The Statement by the Members of the Board of Directors
- The Board of Directors' report
- The Explanatory Report of the Board of Directors
- The Corporate Governance Report
- The Independent Auditors' Report
- The Annual Financial Statements of the Bank and the Group

are available on the website address:
http://www.alpha.gr/page/default.asp?la=2&id=16175

The Annual Financial Statements, the Independent Auditors' report and the Board of Directors' Report of consolidated companies are available on the website:

http://www.alpha.gr/page/default.asp?la=2&id=17245.