INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30.9.2017

(In accordance with International Accounting Standard 34)

Athens,
30 November 2017

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Interim Consolidated Financial Statements as at 30.9.2017
(In accordance with IAS 34)

Interim Consolidated Income Statement

(Amounts in thousands of Euro)

		From 1 January to		From 1 July to	
	Note	30.9.2017	30.9.2016*	30.9.2017	30.9.2016*
Interest and similar income	2	1,896,831	2,018,892	625,073	652,069
Interest expense and similar charges	2	(433,852)	(584,887)	(138,199)	(170,854)
Net interest income	2	1,462,979	1,434,005	486,874	481,215
Fee and commission income		297,897	277,238	105,756	98,643
Commission expense		(57,065)	(40,468)	(26,442)	(17,538)
Net fee and commission income		240,832	236,770	79,314	81,105
Dividend income		607	1,153	77	33
Gains less losses on financial transactions	3	115,937	68,857	75,194	9,108
Other income		44,030	43,511	23,314	16,660
		160,574	113,521	98,585	25,801
Total income		**1,864,385**	**1,784,296**	**664,773**	**588,121**
Staff costs		(354,526)	(378,295)	(117,985)	(125,745)
Cost for voluntary separation scheme			(31,560)		(80)
General administrative expenses	4	(404,418)	(370,088)	(143,337)	(130,132)
Depreciation and amortization		(74,380)	(72,726)	(24,372)	(24,311)
Other expenses		(15,324)	(17,334)	(3,105)	(1,105)
Total expenses		**(848,648)**	**(870,003)**	**(288,799)**	**(281,373)**
Impairment losses and provisions to cover credit risk	5	(761,677)	(864,092)	(298,281)	(258,167)
Share of profit/(loss) of associates and joint ventures		(2,180)	(2,773)	(568)	(806)
Profit/(loss) before income tax		**251,880**	**47,428**	**77,125**	**47,775**
Income tax	6	(98,342)	(32,570)	(41,574)	(8,115)
Profit/(loss) after income tax, from continuing operations		**153,538**	**14,858**	**35,551**	**39,660**
Profit /(loss) after income tax from discontinued operations	25	(68,457)	7,354		1,496
Profit/(loss) after income tax		**85,081**	**22,212**	**35,551**	**41,156**
Profit/(loss) attributable to:					
Equity owners of the Bank					
- from continuing operations		153,555	14,668	35,528	39,569
- from discontinued operations		(68,457)	7,354		1,496
		85,098	**22,022**	**35,528**	**41,065**
Non-controlling interests					
- from continuing operations		(17)	190	23	91
Earnings/(losses) per share:					
Basic and diluted (€ per share)	7	0.06	0.01	0.02	0.03
Basic and diluted from continuing operations (€ per share)	7	0.10	0.01	0.02	0.03
Basic and diluted from discontinued operations (€ per share)	7	(0.04)	0.00	0.00	0.00

* *The figures of the Interim Consolidated Income Statement of the comparative periods have been restated due to the presentation of Alpha Bank Srbija A.D. as a discontinued operation (note 27).*

Interim Consolidated Balance Sheet

(Amounts in thousands of Euro)

	Note	30.9.2017	31.12.2016
ASSETS			
Cash and cash balances with Central Banks		1,177,430	1,514,607
Due from banks		1,774,658	1,969,281
Trading securities		18,049	4,701
Derivative financial assets		568,690	634,323
Loans and advances to customers	8	43,566,603	44,408,760
Investment securities			
- Available for sale	9	5,307,913	5,217,053
- Held to maturity	9	15,895	44,999
- Loans and receivables	9	1,215,481	2,682,655
Investments in associates and joint ventures		19,970	21,792
Investment property	10	626,625	614,092
Property, plant and equipment	11	771,378	793,968
Goodwill and other intangible assets	12	381,318	371,314
Deferred tax assets		4,393,550	4,519,046
Other assets		1,338,056	1,450,459
		61,175,616	64,247,050
Assets held for sale	25	114,789	625,216
Total Assets		**61,290,405**	**64,872,266**
LIABILITIES			
Due to banks		14,945,489	19,105,577
Derivative financial liabilities		1,028,591	1,336,227
Due to customers (including debt securities in issue)		33.900.174	32,946,116
Debt securities in issue and other borrowed funds		470,390	616,865
Liabilities for current income tax and other taxes		34,914	33,778
Deferred tax liabilities		24,678	21,219
Employee defined benefit obligations		93,594	91,828
Other liabilities		999,413	879,185
Provisions		348,668	321,704
		51,845,911	55,352,499
Liabilities related to assets held for sale	25	293	406,354
Total Liabilities		**51,846,204**	**55,758,853**
EQUITY			
Equity attributable to equity owners of the Bank			
Share capital	16	463,110	461,064
Share premium	16	10,801,029	10,790,870
Reserves		559,040	400,640
Amounts recognized directly in equity for held for sale items	25	(122)	(68,579)
Retained earnings	16	(2,423,193)	(2,506,711)
		9,399,864	**9,077,284**
Non-controlling interests		**29,230**	**20,997**
Hybrid securities	17	**15,107**	**15,132**
Total Equity		**9,444,201**	**9,113,413**
Total Liabilities and Equity		**61,290,405**	**64,872,266**

The attached notes (pages 9-64) form an integral part of these interim consolidated financial statements

Interim Consolidated Statement of Comprehensive Income

(Amounts in thousands of Euro)

		From 1 January to		From 1 July to	
	Note	30.9.2017	30.9.2016*	30.9.2017	30.9.2016*
Profit/(Loss), after income tax, recognized in the income statement		**85,081**	**22,212**	**35,551**	**41,156**
Other comprehensive income recognized directly in equity:					
Amounts that may be reclassified to the income statement					
Net change in available for sale securities' reserve		167,216	(40,689)	(69,164)	(20,111)
Net change in cash flow hedge reserve		56,417	(141,535)	5,809	(13,840)
Exchange differences on translating and hedging the net investment in foreign operations		(821)	(2,347)	(2,558)	(1,746)
Income tax	6	(65,592)	56,776	17,090	18,133
Amounts that may be reclassified to the income statement from continuing operations		**157,220**	**(127,795)**	**(48,823)**	**(17,564)**
Amounts that may be reclassified to the income statement from discontinued operations		**68,457**	**(1,131)**		**477**
Amounts that may not be reclassified to the income statement from continuing operations					
Net change in actuarial gains/ (losses) in defined benefit obligations		4			
Income Tax		(1)			
		3	-	-	-
Total of other comprehensive income recognized directly in equity, after income tax	6	**225,680**	**(128,926)**	**(48,823)**	**(17,087)**
Total comprehensive income for the period, after income tax		**310,761**	**(106,714)**	**(13,272)**	**24,069**
Total comprehensive income for the period attributable to:					
Equity owners of the Bank					
- from continuing operations		310,756	(113,120)	(13,325)	21,974
- from discontinued operations			6,223		1,973
		310,756	**(106,897)**	**(13,325)**	**23,947**
Non controlling interests					
- from continuing operations		5	183	53	122

* *The figures of the Interim Consolidated Statement of Comprehensive Income of the comparative periods have been restated due to the presentation of Alpha Bank Srbija A.D. as a discontinued operation (note 27).*

The attached notes (pages 9-64) form an integral part of these interim consolidated financial statements

Interim Consolidated Statement of Changes in Equity

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non controlling interests	Hybrid securities	Total Equity
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 - 30.9.2016									
Profit/(loss) for the period, after income tax					22,022	22,022	190		22,212
Other comprehensive income recognized directly in Equity, after income tax				(128,919)		(128,919)	(7)		(128,926)
Total comprehensive income for the period, after income tax				**(128,919)**	**22,022**	**(106,897)**	**183**		**(106,714)**
Share capital increase expenses, after income tax					(689)	(689)			(689)
Purchases/sales and change of ownership interests in subsidiaries				(8,794)	8,794	-			-
(Purchases), (redemptions)/ sales of hybrid securities, after income tax					60	60		(100)	(40)
Appropriation to reserves				1,315	(1,315)	-			-
Other					163	163			163
Balance 30.9.2016		**461,064**	**10,790,870**	**172,522**	**(2,517,850)**	**8,906,606**	**24,181**	**15,132**	**8,945,919**
Changes for the period 1.10 - 31.12.2016									
Profit/(loss) for the period, after income tax					20,118	20,118	(28)		20,090
Other comprehensive income recognized directly in Equity, after income tax				158,127	(7,588)	150,539	(5)		150,534
Total comprehensive income for the period, after income tax				**158,127**	**12,530**	**170,657**	**(33)**		**170,624**
Purchases/sales and change of ownership interests in subsidiaries				(32)	32	-	(3,151)		(3,151)
(Purchases), (redemptions)/ sales of hybrid securities, after income tax					1	1			1
Appropriation to reserves				1,444	(1,444)	-			-
Other					20	20			20
Balance 31.12.2016		**461,064**	**10,790,870**	**332,061**	**(2,506,711)**	**9,077,284**	**20,997**	**15,132**	**9,113,413**

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non controlling interests	Hybrid securities	Total Equity
Balance 1.1.2017		**461,064**	**10,790,870**	**332,061**	**(2,506,711)**	**9,077,284**	**20,997**	**15,132**	**9,113,413**
Changes for the period 1.1-30.9.2017									
Profit/(loss) for the period, after income tax					85,098	85,098	(17)		85,081
Other comprehensive income recognized directly in Equity, after income tax				225,825	(167)	225,658	22		225,680
Total comprehensive income for the period, after income tax				**225,825**	**84,931**	**310,756**	**5**		**310,761**
Conversion of convertible bond into shares	16	2,046	10,159			12,205			12,205
Share capital increase expenses, after income tax					(384)	(384)			(384)
Distribution of dividends							(6)		(6)
Purchases/sales and change of ownership interests in subsidiaries							8,234		8,234
(Purchases), (redemptions)/ sales of hybrid securities, after income tax								(25)	(25)
Appropriation to reserves				1,032	(1,032)	-			-
Other					3	3			3
Balance 30.9.2017		**463,110**	**10,801,029**	**558,918**	**(2,423,193)**	**9,399,864**	**29,230**	**15,107**	**9,444,201**

Interim Consolidated Statement of Cash Flows

(Amounts in thousands of Euro)

	Note	From 1 January to 30.9.2017	30.9.2016*
Cash flows from continuing operating activities			
Profit/(loss) before income tax		251,880	47,428
Adjustments for gain/(losses) before income tax for:			
Depreciation/impairment/write-off of fixed assets		40,146	39,443
Amortization/impairment/write-off of intangible assets		39,166	33,283
Impairment losses from loans, provisions and staff leaving indemnity		824,440	917,384
(Gains)/losses from investing activities		(46,700)	(78,209)
(Gains)/losses from financing activities		(12,953)	42,183
Share of (profit)/loss of associates and joint ventures		2,180	2,773
		1,098,159	**1,004,285**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks		365,175	(196,591)
Trading securities and derivative financial assets		52,284	2,712
Loans and advances to customers		54,480	591,403
Other assets		87,699	54,862
Net increase /(decrease) in liabilities relating to continuing operating activities:			
Due to banks		(4,160,088)	(3,310,783)
Derivative financial liabilities		(251,219)	(69,312)
Due to customers		971,777	539,974
Other liabilities		130,239	117,203
Net cash flows from continuing operating activities before taxes		**(1,651,494)**	**(1,266,247)**
Income taxes and other taxes paid		(19,608)	(19,065)
Net cash flows from continuing operating activities		**(1,671,102)**	**(1,285,312)**
Net cash flows from discontinued operating activities		**7,010**	**4,414**
Cash flows from continuing investing activities			
Investments in associates and joint ventures		(10,237)	(18,522)
Amounts received from disposal of subsidiary		53,100	
Dividends received		607	1,153
Acquisitions of fixed and intangible assets		(81,929)	(128,414)
Disposals of fixed and intangible assets		46,025	28,408
Net (increase)/decrease in investement securities		1,635,467	1,233,389
Net cash flows from continuing investing activities		**1,643,033**	**1,116,014**
Net cash flows from discontinued investing activities		**(52,684)**	**(52,288)**
Cash flows from continuing financing activities			
Repayments of debt securities in issue and other borrowed funds		(132,208)	(102,283)
(Purchases)/sales of hybrid securities		(25)	(15)
Share capital increase expenses	16	(463)	(970)
Net cash flows from continuing financing activities		**(132,696)**	**(103,268)**
Effect of exchange rate differences on cash and cash equivalents		(5,860)	(18,411)
Net increase/(decrease) in cash flows from continuing activities		**(166,625)**	**(290,977)**
Net increase/(decrease) in cash flows from discontinued activities		**(45,674)**	**(47,874)**
Cash and cash equivalents at the beginning of the period		**974,888**	**1,328,133**
Cash and cash equivalents at the end of the period		**762,589**	**989,282**

* *The figures of the Interim Consolidated Statement of Cash Flows of the comparative period have been restated due to the presentation of Alpha Bank Srbija A.D. as a discontinued operation (note 27).*

The attached notes (pages 9-64) form an integral part of these interim consolidated financial statements

Notes to the Interim Consolidated Financial Statements

GENERAL INFORMATION

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

The parent company of the Group is Alpha Bank A.E. which operates under the brand name Alpha Bank. The Bank's registered office is 40 Stadiou Street, Athens and is listed in the General Commercial Register with registration number 223701000 (former 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 30.9.2017 consists of:

CHAIRMAN (Non Executive Member)
Vasileios T. Rapanos

EXECUTIVE MEMBERS

MANAGING DIRECTOR
Demetrios P. Mantzounis

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

NON-EXECUTIVE MEMBERS
Efthymios O. Vidalis */**/****

NON-EXECUTIVE INDEPENDENT MEMBERS
Ibrahim S. Dabdoub **/****
Carolyn Adele G. Dittmeier */***
Richard R. Gildea **/***
Shahzad A. Shahbaz ****
Jan Oscar A. Vanhevel */***

NON-EXECUTIVE MEMBER
(in accordance with the requirements of Law 3864/2010)
Spyridon - Stavros A. Mavrogalos - Fotis */**/***/****

SECRETARY
George P. Triantafyllides

On 29.6.2017, the Board of Directors of the Bank has concluded that the Bank is not subject to the provisions of Law 3723/2008, and as a result Greek Government's right and requirement to appoint a representative to the Bank's Board of Directors, arising from the aforementioned Law, is ceased.

On 28.9.2017 the Non-Executive Independent Member of the Board of Directors, Mr. Evangelos J. Kaloussis, notified his resignation, which came into effect immediately, from any post and office held at the Board of Directors and its Committees.

On 30.6.2017, the Ordinary General Meeting of Shareholders, has appointed the audit firm "Deloitte Certified Public Accountants S.A." for the statutory audit of the year 2017.

The Bank's shares are listed in the Athens Stock Exchange since 1925 and are constantly included 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 and FTSE Med 100 and the FTSE4Good Emerging Index.

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

Apart from the Greek listing, the shares of the Bank are traded over the counter in New York (ADRs).

Total ordinary shares in issue as at 30 September 2017 were 1,543,699,381. In Athens Stock Exchange are traded 1,374,524,235 ordinary shares of the Bank, while the Hellenic Financial Stability Fund ("HFSF") possesses the remaining 169,175,146 ordinary, registered, voting, paperless shares or percentage equal to 10.96% 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, in 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 nine month period of 2017, the average volume of shares trade stood at € 11,632,791 and for warrants at € 4,050.

The credit rating of the Bank performed 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, the article 25 of Law 4416/6.9.2016 added the 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 trading on a regulated market and are required to publish Consolidated Financial Statements

These Interim financial statements have been approved by the Board of Directors on 30 November 2017.

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

The Group has prepared the condensed interim financial statements as at 30.9.2017 in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as it has been adopted by the European Union.

The financial statements have been prepared on the historical cost basis. As an exception, some assets and liabilities are measured at fair value. Those assets are mainly the following:

- Securities held for trading
- Derivative financial instruments
- Available for sale securities
- The convertible bond issued by the Bank which, until its conversion into shares that took place in the first quarter of this year, was 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 applied by the Group in preparing the condensed interim financial statements are consistent with those stated in the published financial statements for the year ended on 31.12.2016, 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 1.1.2017:

- **Amendment to International Accounting Standard 7** "Statement of Cash Flows": Disclosure Initiative (Regulation 2017/1990/6.11.2017)

  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.

  As a result of the adoption of the above amendment by the Group, the aforementioned disclosure is added to the annual financial statements,

- **Amendment to International Accounting Standard 12** "Income Taxes": Recognition of Deferred Tax Assets for Unrealised Losses (Regulation 2017/1989/6.11.2017)

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

The adoption by the European Union, by 31.12.2017, of new standards, interpretations or amendments, which have been issued or may be issued during the year by the International Accounting Standards Board (IASB), and their mandatory or optional adoption for periods beginning on or after 1.1.2017, may affect retrospectively the periods presented in these interim financial statements.

Regarding the new accounting standard IFRS 9, the application of which is mandatory from 1.1.2018, it is noted that the Group has started a Program for the implementation of the new standard, as it is specifically mentioned in note 1.1 of the annual financial statements of 31.12.2016, where also the main changes brought by the new standard in accounting for financial instruments are explained. The progress of the program is evolving according to plan, while most of the individual projects identified are in the implementation phase.

Progress of the IFRS 9 Implementation Program

The design of the governance framework and the process that will be followed for the classification of financial instruments that will be recognized after 1.1.2018 is in progress. In particular, the high level design of the process for the definition of business models as well as for the assessment of the characteristics of contractual cash flows has been completed. At the same time a detailed recording of the classification process in manuals is being carried out and necessary enhancements/modifications are being implemented to IT applications.

Furthermore, regarding the classification of the existing portfolio, the following are noted:

- Loans and advances to customers and Due from banks will be included in business models that permit the classification of instruments at amortised cost (hold to collect), to the extent that from the assessment of their contractual terms it is concluded that their contractual cash flows meet the definition of principal and interest as defined by the new Standard (SPPI test). The above assessment of the contractual terms for the existing portfolio has been completed, while the final classification into a business model will be held on 1.1.2018, based on the facts and circumstances prevailing at that date.
- Bonds, and fixed income investments in general are expected to be recognized at amortized cost or at fair value through other comprehensive income, depending also on their business model at the transition date based on the facts and circumstances prevailing at that date, with the exception of those instruments whose contractual cash flows do not meet the definition of principal and interest which will be measured at fair value through profit or loss.
- For the majority of investments that meet the definition of an equity instrument, the Group plans to elect the measurement at fair value through other comprehensive income recognised directly in equity.

With regards to the impairment work stream, the measurement of expected credit losses requires the use of complex models as well as significant amount of estimates and assumptions regarding future economic conditions. The Group has completed the development of models for the calculation of expected credit losses as well as the validation of these models. The key parameters for determining the expected credit risk losses are the Probability of Default, the Loss given Default, and the Exposure at Default.

At the same time, the process of developing analytical methodologies for the staging of financial instruments, which will reflect changes in credit quality of the issuer/borrower, is being completed. The Group intends to make use of a combination of quantitative and qualitative criteria which include significant changes in the probability of default as well as days past due, with the aim of distinguishing financial assets into those for which expected credit losses will be recognized based on 12 month expected credit losses and into those for which expected credit losses will be recognized based on lifetime expected credit losses.

The Group will incorporate forward looking information both when assessing significant increase in credit risk since initial recognition and when measuring expected credit losses. More specifically, the Group intends to use three macroeconomic scenarios taking into account the relative probabilities of realization of each of them.

Finally, the Group has developed an Impairment Policy based on IFRS 9 which includes a new governance framework for the calculation of credit loss allowances while the recording of the relevant process for the calculation of the impairment losses, which will be carried out through a new IT application, is in progres.

Regarding hedge accounting, the Group intends to continue to apply the provisions of IAS 39.

In addition, the Group is in process of developing new disclosures required by revised IFRS 7 relating to classification and measurement of financial instruments, credit risk arising from financial assets as well as hedge accounting.

Finally, the classification, measurement and impairment requirements apply retrospectively from 1.1.2018 without any requirement to restate comparative information. The Group does not intend to restate comparative information in the context of the transition to IFRS 9.

Impact of the application of IFRS 9

Until today, important assumptions in relation to IFRS 9 application have not been finalized and any impact analysis (e.g. the exercise submitted to EBA) can be based on hypotheses, assumptions and simplified approaches that are still being developed. Therefore, there is no specific and reliable information on the estimated quantitative and qualitative impact of IFRS 9 on the Group's key supervisory indicators and / or financial position.

Regulatory treatment of the impact from the application of IFRS 9

On 25 October 2017 the European Parliament, the Council and the Commission agreed on the proposed amendment of the Regulation (EU) No 575/2013 as regards transitional arrangements for mitigating the impact of the introduction of IFRS 9 on own funds. The agreed solution is expected to be approved by the European Parliament and Council and will be subsequently published in the Official Journal of the EU in early December 2017.

According to the transitional arrangements, institutions are allowed, beginning from the date of initial application of IFRS 9 and for a duration of 5 years, to add back to their CET1 capital the after tax amount of the difference between the loss allowances as of the date of transition to IFRS 9 and the loss allowances as of 31.12.2017 in accordance with IAS 39 ("static" amount). The amount of the difference that would be added to the ratio should decrease on an annual basis based on scaling factors, in order for the amount of loss allowances to decrease over time down to zero to deliver full implementation of the IFRS 9 impact after the end of the 5-year period (phase-in). The factors to be applied per year are the following:0.95 the 1st year, 0.85 the 2nd, 0.7 the 3rd, 0.5 the 4th and 0.25 the last year.

In addition, the institutions are allowed, for a duration of 5 years beginning from the date of initial application of IFRS 9, to add back to the CET1 capital the amount, weighted by the aforementioned scaling factors, of the after tax loss allowances of impairment stages 1 and 2 as of the reporting date to the extent that this amount exceeds the amount of the respective allowances as of the initial application of IFRS 9 (1.1.2018). Stages 1 and 2 are defined respectively as the 12 month expected credit losses and lifetime expected credit losses excluding credit impaired financial assets.

Institutions shall decide whether to apply the transitional arrangements and shall inform the competent authority accordingly, and during the transitional period may, on a one time basis, amend their decision to apply the arrangements where they have received the prior permission of the competent authority.

1.2 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 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 cases related to 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.

1.2.1 Going concern principle

The Group applied the going concern principle for the preparation of the financial statements as at 30.9.2017. For the application of this principle, the Group takes into consideration current economic developments in order to make estimations 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, as specifically analysed in Note 1.31.1 of the annual financial statements as at 31.12.2016. In addition, regarding the progress of the Hellenic Republic financial support program, it is noted that within June the second assessment of the program was completed and the partial disbursement of the third installment amounting to € 8.5 billion was approved. The first disbursement of € 7.7 billion took place in July and covered public debt servicing needs by an amount of € 6.9 billion and clearance of amounts in arrears due from the Hellenic Republic to individuals by an amount of € 0.8 billion. The second disbursement of€ 0.8 billion took place in October with the aim to cover overdue amounts from the Hellenic Republic to individuals. The completion of the second evaluation, the disbursement of installments and the successful issue by the Hellenic Republic, in July of the current year, of a five year bond of € 3 billion, which is the first step for the gradual return to the markets, are expected to contribute to the decrease of uncertainty, the enhancement of business community and investors confidence and consequently, to the return of the economy to positive growth rates. Additionally, in the fourth quarter the third assessment of the financial support program commenced, the timely completion of which will significantly contribute to the achievement of the goals of the program which, under initial design, is expected to be completed in August 2018.

Based on the above and taking into account the Group's high capital adequacy (note 23) as well as the amount of available eligible collaterals through which liquidity is obtained through the 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.

1.2.2 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 is presented in note 21. 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.

As far as debt sustainability is concerned and in accordance with the relevant framework set out by the Eurogroup of 9.5.2016, in the meeting of the same body held in 24.5.2016 measures for enhancing the Greek debt sustainability were broadly described, separately for the short, the medium and the long term. In accordance with this framework, based on the baseline scenario, the gross financing needs of the Greek government should be less than the 15% of GDP after the completion of the program in the medium term while subsequently they should be less than the 20% of GDP. The Eurogroup of 15.6.2017 confirmed the above target. From the above measures of debt relief only the short-term have been specified and put in place.

Following the successful completion of the program for the financial support of the Hellenic Republic, and to the degree deemed necessary, the medium term measures for the Greek debt will be put in place. The specification of these measures will be validated at the end of the program by the Eurogroup so that debt sustainability is ensured. In a long term horizon and in the case of an unexpected unfavorable scenario additional measures for the debt could be applied.

Finally, within July of the current year, the Hellenic Republic issued a five year bond of an amount of € 3 billion. The issuance of the bond and the fact that it was successfully covered are the first steps for the Hellenic Republic to gradually regain access to the financial markets to cover its financing needs.

Based on the above, the Group has not recognized impairment losses on the Greek Government securities that it held as at 30.9.2017, 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.

1.2.3 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 amount of deferred tax assets recognized in the consolidated financial statements as at 30.9.2017 has not changed significantly compared to the respective amount as at 31.12.2016. Therefore, what is stated in note 1.31.3 of the annual financial statements of 31.12.2016 regarding the main categories of deferred tax assets recognized is also applicable to these financial statements. In addition, regarding the methodology applied for the recoverability assessment, what is stated in the aforementioned note of the annual financial statements is also applicable, taking also into consideration the elements that formed the result of the current period.

INCOME STATEMENT

2. Net interest income

	From 1 January to		From 1 July to	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Interest and similar income				
Due from banks	120	6,854	(157)	(67)
Loans and advances to customers	1,433,658	1,517,693	470,157	497,173
Securitized loans	215,176	206,363	75,462	68,377
Trading securities	248	143	111	35
Available for sale securities	164,834	175,276	52,605	57,944
Held to maturity securities	489	2,669	117	490
Loans and receivables securities	849	5,951	100	1,132
Derivative financial instruments	72,332	94,045	23,891	24,169
Other	9,125	9,898	2,787	2,816
Total	**1,896,831**	**2,018,892**	**625,073**	**652,069**
Interest and similar expense				
Due to banks	(148,001)	(216,498)	(45,035)	(62,598)
Due to customers	(138,084)	(149,510)	(46,311)	(47,167)
Debt securities in issue and other borrowed funds	(9,401)	(59,079)	(1,684)	(14,780)
Derivative financial instruments	(77,856)	(97,634)	(25,300)	(26,001)
Other	(60,510)	(62,166)	(19,869)	(20,308)
Total	**(433,852)**	**(584,887)**	**(138,199)**	**(170,854)**
Net interest income	**1,462,979**	**1,434,005**	**486,874**	**481,215**

During the nine month period of 2017, net interest income was increased due to the termination of the issuance of securities guaranteed by the Greek Government, according to the Law 3723/2008 and the reduction of borrowing cost arising from Eurosystem which fully offset the reduction of interest income from loans' portfolio.

3. Gains less losses on financial transactions

	From 1 January to		From 1 July to	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Foreign exchange differences	15,174	13,766	8,021	7,950
Trading securities:				
- Bonds	680	600	(46)	85
- Shares	110	(131)	(78)	17
Investment securities:				
- Bonds	55,192	16,475	21,726	2,545
- Shares	(325)	79,276	(792)	(485)
- Other securities	3,260	(1,590)	931	2
From sale of holdings	5,116	(1,705)	3,701	(10)
From sale of loans portfolio	3,346	19,257		8,381
Derivative financial instruments	55,907	(32,587)	27,536	(11,943)
Other financial instruments	(22,523)	(24,504)	14,195	2,566
Total	**115,937**	**68,857**	**75,194**	**9,108**

Current period's "Gains less losses on financial transactions" were affected mainly by:

- Losses of € 37.3 million included in the caption "Other financial instruments" arising from a fair value measurement at the initial recognition of the Group's financial assets, in the context of loans and receivables restructuring at fair value performed during the first semester of 2017.

- Gains of € 13.5 million included in the caption "Other financial instruments". arised from disposal of loans' portfolio. In details, during the third quarter of 2017, Bank's subsidiary Alpha Bank Romania SA, entered into an agreement with a prospective buyer, regarding the sale of a portion of its retail loan portfolio. After the partial completion of the sale agreement the corresponding gain resulted, whilst details of the transaction are included in note 25.
- Gains of € 55.2 million included in the caption "Bonds" of investment portfolio concern gains of € 39.7 million from the disposal of Greek Government Bonds and gains of 15.5 million from the disposal of other Corporate bonds.
- Gains of € 54 million included in the caption "Derivative financial instruments" concern the credit valuation adjustment of transactions with the Greek Government due to the reduce of its credit margin.

The "Gains less losses on financial transactions" of the nine month period of 2016 were affected mainly by :

- The acquisition of the shares of Visa Europe from Visa Inc.in the context of which the Group recognized in the caption "Shares of Investment Securities" the amount of € 55.6 million. This amount consists of the cash received at the closing of the transaction and the recognition of the present value of the deferred payment on the third anniversary.
- Recognition at a fair value of € 16.3 million of preference shares of Visa Inc. that the Group acquired under the above transaction in credit of "Gains less losses on financial transactions".
- Losses amounting to € 37.9 million in caption "Other financial instruments" concern the valuation of Ionian Hotel Enterprises A.E. due to its reclassification as asset held for sale (note 25).

4. General administrative expenses

	From 1 January to		From 1 July to	
	30.9.2017	**30.9.2016**	**30.9.2017**	**30.9.2016**
Operating leases of buildings	30,408	31,622	10,481	10,426
Rent and maintenance of EDP equipment	16,615	14,589	5,889	4,795
EDP expenses	21,592	21,483	7,517	6,979
Marketing and advertisement expenses	16,532	16,126	5,335	5,521
Telecommunications and postage	14,052	16,979	4,710	5,346
Third party fees	52,770	34,648	19,964	13,409
Consultants fees	6,457	5,749	2,051	2,374
Contribution to the Deposit guarantee fund – Investment Fund and Solvency Fund	39,074	46,233	12,578	13,123
Insurance	7,280	8,687	2,301	2,013
Consumables	3,333	4,531	1,464	1,590
Electricity	7,608	8,928	2,854	3,500
Third party fees for customer acquisition	31	21	8	6
Taxes (VAT, real estate etc)	67,540	58,607	27,533	23,440
Services from collection agencies	26,245	22,729	9,450	9,536
Building and equipment maintenance	5,370	6,644	1,747	2,304
Security	9,220	9,247	3,475	3,109
Cleaning fees	3,449	4,171	1,292	1,527
Commission for the amount of Deferred Tax Asset guaranteed by the Greek State (Note 6)	10,107		1,441	
Other	66,735	59,094	23,247	21,134
Total	**404,418**	**370,088**	**143,337**	**130,132**

General administrative expenses for the nine month period of 2017 present an increase compared to the previous period, mainly due to the increase in third party fees and the real estate property tax (ENFIA), which at a Group level stands at € 3.5 million.

Moreover, the results of the nine month period of 2017 were burdened by € 10.1 million, which relates to the annual commission attributed to the amount of deferred tax asset, guaranteed by the Greek Government, according to the article 82 of Law 4472/19.5.2017, out of which € 5.8 million relates to the commission for the year 2016 which was accounted for during the first semester of 2017.

5. Impairment losses and provisions to cover credit risk

	From 1 January to		From 1 July to	
	30.9.2017	**30.9.2016**	**30.9.2017**	**30.9.2016**
Impairment losses on loans and advances to customers (note 8)	783,790	888,582	306,866	267,776
Provisions to cover credit risk relating to off balance sheet items (note 15)	(1,797)	110	(126)	(447)
Recoveries	(20,316)	(24,600)	(8,459)	(9,162)
Total	**761,677**	**864,092**	**298,281**	**258,167**

6. 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 is 29% after 1 January 2015, from 26% that was in force.

For the Bank's subsidiaries and branches operating in other countries, the applicable nominal tax rates for accounting periods 2016 and 2017 are as follows:

Cyprus	12.5
Bulgaria	10
Serbia	15
Romania	16
FYROM	10
Albania	15
Jersey	10
United Kingdom	19* (from 1.4.2017)
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, 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 10 days of the 10th 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 10th month after the end of the audited financial year. In accordance with article 56 of Law 4410/3.8.2016 for the fiscal years from 1.1.2016 onwards, the issuance of tax certificate is rendered optional. Intention of the companies of the Group is to continue receiving a tax certificate. For fiscal years 2011 up to 2016 the Bank and its local subsidiaries have obtained the relevant tax certificate without any qualifications on the tax issues covered.

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 25:

	From 1 January to		From 1 July to	
	30.9.2017	**30.9.2016**	**30.9.2017**	**30.9.2016**
Current	20,163	8,753	9,159	1,944
Tax Audit difference	15,638		15,638	
Deferred	62,541	23,817	16,777	6,171
Total	**98,342**	**32,570**	**41,574**	**8,115**

Under the tax audit that is performed by Tax authorities for the year ended in 31.12.2010, the Bank participated in the Voluntary Disclosure Program (VDP) and submitted Amending Income Tax Return in order to be subject to reduced additional taxes, as compared to the additional taxes that would be levied without the VDP. The total amount of taxes and penalties amounted to approximately € 15.6 million. The tax audit is in progress.

* *Until 31.3.2017 the tax rate was 20%.*

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		From 1 July to	
	30.9.2017	**30.9.2016**	**30.9.2017**	**30.9.2016**
Debit difference of Law 4046/2012	33,416	33,416	11,139	11,139
Debit difference of Law 4465/2017	1,474		210	
Write-offs, depreciation and impairment of fixed assets	9,680	10,507	3,636	3,847
Valuation/impairment of loans	(101,640)	(66,432)	(36,066)	(5,983)
Valuation of loans due to hedging	(150)	(777)	(40)	(137)
Employee defined benefit obligations and insurance funds	19,160	26,146	200	947
Valuation of derivatives	24,639	(8,026)	9,955	(1,973)
Effective interest rate	922	(44)	162	235
Fair value change of liabilities to credit institutions and other borrowed funds due to fair value hedge	(39,965)	3,937	(464)	466
Valuation/impairment of bonds and other securities	106,765	(15,790)	2,696	(26,351)
Tax losses carried forward	29,546	32,007	17,458	8,055
Other temporary differences	(21,306)	8,873	7,891	15,926
Total	**62,541**	**23,817**	**16,777**	**6,171**

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 approval of the General Meeting of Shareholders, relates to tax assets arising from 2016 onwards and refers to tax period of 2015 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 the relevant deferred tax asset which is included to the same legislation according to article 5 of Law 4303/17.10.2014 and relates to accumulated provisions and other general losses due to credit risk, is limited to the amount related to the provisions for credit risk, which were accounted until 30.6.2015.

According to article 43 of Law 4465/4.4.2017 "Integration of Directive 2014/92/EU of the European Parliament and Council held on 23.7.2014 for the comparability of charges related to payment accounts, the change of payment account and the access to payment accounts with basic characteristics and other provisions", the articles 27 and 27a of the Income Tax Code were amended (Law 4172/2013). According to the new legislation, the debit difference, that will arise from the write-off of debtors' debts and the loss from the sale of loans of the legal entities supervised by the Bank of Greece, is recognised as a deduction from gross income and is amortized over a period of 20 years. The deferred tax asset which will be recognized from the abovementioned debit difference as well as of any accounting write-offs of loans or credits, not converted into debit difference until the end of the year when the accounting write-off took place, are converted into a final and settled claim against the Government, based on the abovementioned terms and conditions.

The total amount of deferred tax asset from (a) the debit difference from the write-off of debtors' debts and the sale of loans, (b) the temporary differences from any accounting write-off of loans and credits and (c) the temporary differences from accumulated provisions and other lossses due to credit risk, is limited to the total tax amount related to accumulated provisions and other losses due to credit risk, recognised until 30.6.2015.

This amendment ensures that the loan write-offs and disposals, aiming to decrease the non performing loans, will not result in the loss of regulatory capital.

The above apply from 1.1.2016.

On 30.9.2017 the amount of deferred tax assets which is estimated to be within the scope of the aforementioned Law is € 3,307 million (31.12.2016: € 3,342 million).

According to article 82 of Law 4472/19.5.2017 "Public Pension Provisions and amendment of provisions of Law 4387/2016, measures for the implementation of budgetary targets and reforms, social support measures and labor regulations, Medium term Fiscal Strategy Framework 2018-2021 and other provisions" credit institutions and other entities that fall under the provisions of article 27A of Law 4172/2013, are required to pay an annual commission to the Greek Government for the amount of the guaranteed deferred tax asset that results from the differrence between the tax rate currently in force (29%) and the tax rate that was in force until 31.12.2014 (26%).

Additionally, article 14 of the aforementioned law provides a reduction in the tax rate, from 29% currently in force, to 26%, implied to profits from business activity acquired by legal entities keeping double-entry books. This reduction refers to income earned in the tax year beginning on 1.1.2019, provided that according to the estimation of the International Monetary Fund and the European Commission there is no divergence from the medium-term budgetary targets. With explicit reference to the law, this reduction does not apply to credit institutions for which the tax rate remains 29%.

During 2016, the Bank recognized deferred tax assets of € 84.4 million relating to the impairment of the Bank's investment in the subsidiary, Alpha Bank Srbija A.D. The loss from the sale of the investment in a foreign subsidiary is recognized as deductible from the gross expenses during the year upon the finalization of the disposal, 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". The sale of the subsidiary was completed during the first semester of 2017.

A reconciliation between the effective and nominal tax rate is provided below:

	From 1 January to			
	30.9.2017		30.9.2016	
	%		%	
Profit/(loss) before income tax		**251,880**		**47,428**
Income tax (nominal tax rate)	33.04	83,229	44.26	20,992
Increase/(decrease) due to:				
Non taxable income	(0.33)	(820)	(24.07)	(11,414)
Non deductible expenses	1.97	4,963	15.20	7,210
Tax audit differences	6.21	15,638		
Other tax adjustments	(1.85)	(4,668)	33.28	15,782
Income tax (effective tax rate)	**39.04**	**98,342**	**68.67**	**32,570**

	From 1 July to			
	30.9.2017		30.9.2016	
	%		%	
Profit/(loss) before income tax		**77,125**		**47,775**
Income tax (weighted average nominal tax rate)	27.32	21,067	40.31	19,258
Increase/(decrease) due to:				
Tax losses carried forward	(0.09)	(73)	(0.34)	(162)
Adjustments Tax rates	2.60	2,009	(9.41)	(4,498)
Tax audit differences	20.28	15,638		
Other tax adjustments	3.80	2,933	(13.57)	(6,483)
Income tax (effective tax rate)	**53.91**	**41,574**	**16.99**	**8,115**

The nominal tax rate is the weighted average nominal tax rate which is calculated using the income tax ratio on earnings before taxes, for each of the Group's subsidiaries.

Income tax of other comprehensive income recognized directly in Equity

	From 1 January to					
	30.9.2017			30.9.2016		
	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	165,657	(48,673)	116,984	(40,551)	16,941	(23,610)
Net change in cash flow hedge reserve	56,417	(16,361)	40,056	(141,535)	41,103	(100,432)
Foreign exchange differences on translating and hedging the net investment in foreign operations	69,195	(558)	68,637	(3,608)	(1,276)	(4,884)
Total	**291,269**	**(65,592)**	**225,677**	**(185,694)**	**56,768**	**(128,926)**
Amounts that may not be reclassified to the Income Statement						
Net change in actuarial gains/(losses) of defined benefit obligations	4	(1)	3			
Total	**291,273**	**(65,593)**	**225,680**	**(185,694)**	**56,768**	**(128,926)**

	From 1 July to					
	30.9.2017			30.9.2016		
	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	(69,164)	18,888	(50,276)	(19,713)	13,398	(6,315)
Net change in cash flow hedge reserve	5,809	(1,685)	4,124	(13,840)	3,977	(9,863)
Foreign exchange differences on translating and hedging the net investment in foreign operations	(2,558)	(113)	(2,671)	(1,667)	758	(909)
Total	**(65,913)**	**17,090**	**(48,823)**	**(35,220)**	**18,133**	**(17,087)**
Amounts that may not be reclassified to the Income Statement						
Net change in actuarial gains/(losses) of defined benefit obligations						
Total	**(65,913)**	**17,090**	**(48,823)**	**(35,220)**	**18,133**	**(17,087)**

On the above appendix, the tax from discontinued operations is null (30.9.2016: debit tax € 8).

During the nine month period of 2017, "Retained earnings" includes a credit tax amount of € 79 which relates to the share capital increase which took place on 23.2 2017.

Respectively, during the nine month period 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.

7. 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 is 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 consequently the basic and dilutive earnings/(losses) per share should not differ.

	From 1 January to		From 1 July to	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Profit/(losses) attributable to Equity owners of the Bank	**85,098**	**22,022**	**35,528**	**41,065**
Weighted average number of outstanding ordinary shares	1,542,350,730	1,536,881,200	1,542,350,730	1,536,881,200
Basic and diluted earnings/(losses) per share (in €)	0.0552	0.0143	0.0230	0.0267

	From 1 January to		From 1 July to	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Profit/(loss) from continuing operations attributable to Equity owners of the Bank	**153,555**	**14,668**	**35,528**	**39,569**
Weighted average number of outstanding ordinary shares	1,542,350,730	1,536,881,200	1,542,350,730	1,536,881,200
Basic and diluted earnings/(losses) per share from continuing operations (in €)	0.0996	0.0095	0.0230	0.0257

	From 1 January to		From 1 July to	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Profit/(loss) from discontinued operations attributable to Equity owners of the Bank	**(68,457)**	**7,354**		**1,496**
Weighted average number of outstanding ordinary shares	1,542,350,730	1,536,881,200	1,542,350,730	1,536,881,200
Basic and diluted earnings/(losses) per share from discontinued operations (in €)	(0.0444)	0.0048		0.0010

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 total 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 representing 0.44% of total shares, which were taken under consideration for the calculation of the weighted average number of outstanding ordinary shares of the period 1.1 - 30.9.2017.

ASSETS

8. Loans and advances to customers

	30.9.2017	31.12.2016
Individuals		
Mortgages	19,266,255	19,670,133
Consumer:		
- Non-securitized	3,802,894	4,041,109
- Securitized	1,406,559	1,272,572
Credit cards:		
- Non-securitized	715,327	718,425
- Securitized	543,934	540,376
Other	1,401	705
Total	**25,736,370**	**26,243,320**
Companies		
Corporate loans:		
- Non-securitized	25,976,336	26,595,645
- Securitized	2,359,698	2,514,014
Finance leases (Leasing):		
- Non-Securitized	349,889	347,810
- Securitized	338,334	324,773
Factoring	501,541	528,618
Total	**29,525,798**	**30,310,860**
Other receivables	426,300	412,833
	55,688,468	**56,967,013**
Less:		
Allowance for impairment losses *	(12,121,865)	(12,558,253)
Total	**43,566,603**	**44,408,760**

The Bank and Alpha Leasing S.A. have proceeded in securitization of consumer loans, corporate loans, credit cards and finance lease receivables through special purpose entities controlled by them.

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 S.A. retained in all cases the risks and rewards deriving from the securitized portfolios.

As at 30.9.2017 mortgage loans included loans amounting to € 1,142.7 million (31.12.2016: € 15.5 million) that have been granted as collateral in the covered bonds program of the Bank. On 30.9.2017 the above mentioned covered bonds amounted to € 1,005 million (31.12.2016: € 5 million) (note 14).

* *In addition to the allowance for impairment losses regarding loans and advances to customers, a provision of € 1,226 (31.12.2016: € 3,195) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to € 12,123,091 (31.12.2016: € 12,561,448).*

Allowance for impairment losses

Balance 1.1.2016	**12,021,755**
Impairment losses for the period from continuing operations (note 5)	888,582
Impairment losses for the period from discontinued operations	(2,105)
Transfers of accumulated provisions to assets held for sale	(99,975)
Sales of impaired loans	(17,958)
Change in present value of the allowance account	333,141
Foreign exchange differences	(6,987)
Loans written-off during the period	(663,883)
Balance 30.9.2016	**12,452,570**
Changes for the period 1.10. - 31.12.2016	
Impairment losses for the period from continued operations	309,356
Impairment losses for the period from discontinued operations	(2,085)
Transfers of accumulated provisions to assets held for sale	(71,605)
Utilization of accumulated provisions for other movements	(16,425)
Sales of impaired loans	163
Change in present value of the allowance account	80,694
Foreign Exchange differences	14,880
Loans written-off during the period	(209,295)
Balance 31.12.2016	**12,558,253**
Changes for the period 1.1. - 30.9.2017	
Impairment losses for the period (note 5)	783,790
Transfers of accumulated provisions from assets held for sale	2,992
Sales of impaired loans/Disposal of subsidiaries	(70,344)
Change in present value of the allowance account	229,506
Foreign exchange differences	(71,752)
Loans written-off during the period	(1,308,237)
Other uses of accumulated provisions	(2,343)
Balance 30.9.2017	**12,121,865**

In the context of management of non performing loans, the Group proceeded in loans' write-offs of € 1,308 million, during the nine month period of 2017.

The finance lease receivables by duration are as follows:

	30.9.2017	31.12.2016
Up to 1 year	329,073	324,206
From 1 year to 5 years	225,603	202,472
Over 5 years	215,197	237,799
	769,873	**764,477**
Non accrued finance lease income	(81,650)	(91,894)
Total	**688,223**	**672,583**

The net amount of finance lease receivables by duration is analyzed as follows:

	30.9.2017	31.12.2016
Up to 1 year	315,336	309,997
From 1 year to 5 years	191,672	165,083
Over 5 years	181,215	197,503
Total	**688,223**	**672,583**

9. Investment and held for trading securities

i. Held for trading securities

Securities held for trading amounted to € 18 million on 30.9.2017 (31.12.2016: € 4.7 million) out of which Greek Government bonds € 15.4 million (31.12.2016: € 2.3 million).

ii. Investment securities

a. Available for sale

The available for sale portfolio amounted to € 5,307.9 million as at 30.9.2017 (31.12.2016: € 5,217.1 million). These amounts include securities issued by the Greek Government that amounted to € 3,497.6 million as at 30.9.2017 (31.12.2016: € 3,589.7 million) out of which € 1,354.3 million (31.12.2016: € 1,510.8 million) relate to Greek Government Treasury bills. In addition, the available for sale portfolio includes bonds issued by the European Financial Stability Facility (EFSF), with a book value of € 293.3 million (31.12.2016: € 9.2 million) from placements in secondary market.

The Group during the nine month period of 2017 has recognized impairment losses for other bonds amounting to € 2.2 million, for shares amounting to € 255 and for mutual funds amounting to € 97 which are included in the account "Gains less losses on financial transactions".

b. Held to maturity

The held to maturity portfolio amounts to € 15.9 million as at 30.9.2017 (31.12.2016: € 45 million). The variation between the comparative periods is mainly attributed to bond maturities of a total carrying value of € 13.4 million, the recall of corporate bond with a carrying value of € 9.2 million and the sale of a corporate bond with a carrying value of € 6.5 million.

c. Loans and receivables

Loans and receivables include bonds issued by the European Financial Stability Facility (E.F.S.F.)

These bonds under the original contract could only be used as collateral to obtain liquidity from the Eurosystem or from interbank counterparties in 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 stated that the Bank may participate with the EFSF bonds in the purchase program for the bonds issued by central governments, special bodies-securities issuers and European supranational institutions of the Eurozone (Public Sector Purchase Program - PSPP) conducted by ECB. According to the ECB's decision, a total up to 50% of each EFSF issue could be purchased until the completion of the program in March 2017.

Until 23.01.2017, the Bank conducted sale transactions of EFSF securities at a nominal value of € 140 million, under the PSPP program.

In the context of the implementation of short-term measures for public debt relief, the European Stability Mechanism (ESM), the EFSF, the HFSF, the Greek Government and the four Greek systemic banks signed a bond exchange agreement in March 2017.

Under this agreement, 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.

During the nine month period of 2017 and under this agreement, the Bank exchanged floating rate bonds of nominal value € 1,313.6 million, issued by EFSF, with equal in nominal value bonds, of fixed coupon, issued by EFSF, with a maturity of 30 years, which were repurchased by EFSF. On 30.9.2017 the book value of the loans and receivables portfolio stood at € 1,215.5 million. (31.12.2016: € 2,682.7 million).

10. Investment property

	Land - Buildings
Balance 1.1.2016	
Cost	800,910
Accumulated depreciation and impairment losses	(177,248)
1.1.2016 - 30.9.2016	
Net book value 1.1.2016	623,662
Additions	47,243
Additions from companies consolidated for the first time in 2016	12,135
Reclassification from "Property, plant and equipment"	25,314
Reclassification to "Assets held for sale"	(40,233)
Foreign exchange differences	2,236
Disposals/Write-offs	(23,925)
Depreciation charge for the period from continuing operations	(9,564)
Depreciation charge for the period from discontinued operations	(107)
Net book value 30.9.2016	**636,761**
Balance 30.9.2016	
Cost	813,495
Accumulated depreciation and impairment losses	(176,734)
1.10.2016 - 31.12.2016	
Net book value 1.10.2016	636,761
Additions	28,598
Reclassification to "Property, plant and equipment"	(2)
Reclassification of "Investment assets" of discontinued operations to "Assets held for sale"	(6,374)
Foreign exchange differences	(2,775)
Disposals/Write-offs	(6,659)
Depreciation charge for the period from continuing operations	(3,266)
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)
1.1.2017 - 30.9.2017	
Net book value 1.1.2017	614,092
Additions	25,085
Additions from companies consolidated for the first time in 2017	21,919
Reclassification from "Property, plant and equipment"	7,353
Foreign exchange differences	(1,757)
Disposals/Write-offs	(26,881)
Subsidiary disposal	(3,700)
Depreciation charge for the period from continuing operations	(9,247)
Impairment losses	(239)
Net book value 30.9.2017	**626,625**
Balance 30.9.2017	
Cost	844,902
Accumulated depreciation and impairment losses	(218,277)

During the current period there was no significant variation in investment property.

In 2016, an impairment loss amounting to € 32.2 million was recognized, in order for the carrying amount of investment property not to exceed their recoverable amount as at 31.12.2016, as estimated by certified valuators.

The additions from companies consolidated for the first time in 2017 relate mainly to investment property which were obtained as collateral for loans and acquired by the Group in the context of its credit risk methodology.

11. Property, plant and equipment

	Land and Buildings	Leased equipment	Equipment	Total
Balance 1.1.2016				
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 - 30.9.2016				
Net book value 1.1.2016	792,627	1,441	66,833	860,901
Foreign exchange differences	(346)	11	64	(271)
Additions	5,344	70	16,873	22,287
Additions from companies consolidated for the first time in 2016			243	243
Disposals/Write-offs	(1,936)	(3)	(64)	(2,003)
Reclassification to "Investment property"	(25,314)			(25,314)
Reclassification to "Other assets"	(4,035)			(4,035)
Reclassification from/to "Property, plant and equipment"	(78)	(467)	545	-
Depreciation charge for the period from continuing operations	(15,508)	(249)	(14,122)	(29,879)
Depreciation charge for the period from discontinued operations	(917)		(363)	(1,280)
Net book value 30.9.2016	**749,837**	**803**	**70,009**	**820,649**
Balance 30.9.2016				
Cost	1,133,733	3,450	479,065	1,616,248
Accumulated depreciation and impairment losses	(383,896)	(2,647)	(409,056)	(795,599)
1.10.2016 - 31.12.2016				
Net book value 1.10.2016	749,837	803	70,009	820,649
Foreign exchange differences	60	(12)	(101)	(53)
Additions	4,730	1	3,541	8,272
Additions from companies consolidated for the first time in 2016			35	35
Disposals/Write-offs	(1,104)		(22)	(1,126)
Reclassification from "Investment property"	2			2
Reclassification to "Assets held for sale"	(19,579)		(1,387)	(20,966)
Reclassification of assets from discontinued operations to "Assets held for sale"	(400)			(400)
Reclassification from/to "Property, plant and equipment"	1	(4)	3	-
Depreciation charge for the period from continuing operations	(4,179)	(67)	(4,260)	(8,506)
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)
1.1.2017 - 30.9.2017				
Net book value 1.1.2017	725,550	721	67,697	793,968
Foreign exchange differences	(86)	(1)	(89)	(176)
Additions	6,866	45	16,121	23,032
Additions from companies consolidated for the first time in 2017	1		5	6
Disposals/Write-offs	(3,089)		(221)	(3,310)
Reclassification to "Investment property"	(7,353)			(7,353)
Reclassification to "Other assets"	(5,867)			(5,867)
Depreciation charge for the period from continuing operations	(15,010)	(204)	(13,593)	(28,807)
Impairment losses			(115)	(115)
Net book value 30.9.2017	**701,012**	**561**	**69,805**	**771,378**
Balance 30.9.2017				
Cost	1,078,045	3,398	453,614	1,535,057
Accumulated depreciation and impairment losses	(377,033)	(2,837)	(383,809)	(763,679)

During the current period there was no significant variation in property, plant and equipment.

In 2016, an impairment loss of € 3.9 million was recognized for property, plant and equipment and was recorded in "Other Expenses".

12. Goodwill and other intangible assets

	Goodwill	Software	Other	Total
Balance 1.1.2016				
Cost	2,900	544,009	152,363	699,272
Accumulated amortization and impairment losses		(300,555)	(53,566)	(354,121)
1.1.2016 - 30.9.2016				
Net book value 1.1.2016	2,900	243,454	98,797	345,151
Additions		59,576		59,576
Foreign exchange differences		(27)		(27)
Amortization charge for the period from continuing operations		(19,564)	(13,719)	(33,283)
Amortization charge for the period from discontinued opearations		(185)		(185)
Net book value 30.9.2016	**2,900**	**283,254**	**85,078**	**371,232**
Balance 30.9.2016				
Cost	2,900	603,103	152,201	758,204
Accumulated amortization and impairment losses		(319,849)	(67,123)	(386,972)
1.10.2016 - 31.12.2016				
Net book value 1.10.2016	2,900	283,254	85,078	371,232
Additions		19,844		19,844
Reclassification to "Other assets held for sale"		(2)		(2)
Reclassification of intangible assets of discontinued operations to "Assets held for sale"		(1,461)		(1,461)
Foreign exchange differences		(19)		(19)
Disposals/ Write-offs		(170)		(170)
Amortization charge for the period from continuing operations		(6,782)	(4,573)	(11,355)
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 losses		(326,811)	(59,623)	(386,434)
1.1.2017 - 30.9.2017				
Net book value 1.1.2017		290,809	80,505	371,314
Additions		49,189		49,189
Additions from companies consolidated for the first time in 2017		5		5
Foreign exchange differences		(24)		(24)
Amortization charge for the period from continuing opearations		(22,608)	(13,718)	(36,326)
Impairment losses		(2,840)		(2,840)
Net book value 30.9.2017	-	**314,531**	**66,787**	**381,318**
Balance 30.9.2017				
Cost		665,222	141,485	806,707
Accumulated amortization and impairment losses		(350,691)	(74,698)	(425,389)

The additions of the current period, mainly concern acquisitions of user rights for computer applications.

LIABILITIES

13. Due to banks

	30.9.2017	31.12.2016
Deposits:		
- Current accounts	37,093	35,304
- Term deposits		
Central Banks	11,565,700	18,331,086
Other credit institutions	22,686	21,053
Cash collateral for derivative margin account	46,147	25,465
Sale of repurchase agreements (Repos)	2,791,351	411,914
Borrowing funds	478,381	277,404
Deposits on demand		
- Other credit institutions	4,131	3,351
Total	**14,945,489**	**19,105,577**

Group's deposits from Eurosystem decreased by €6.8 billion during the nine month period, of 2017, mainly due to the signing of new repurchase agreements (Repos), the sale of EFSF bonds through the PSPP program (note 9) and other bonds, as well as the increase of customers' deposits.

In June 2016, the European Central Bank decided to introduce 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 €3.1 billion.

The caption "Borrowed funds" mainly includes liabilities due to European Investment Bank and European Bank for Reconstruction and Development and International Finance Corporation amounting to € 478.4 million (31.12.2016: € 276.3 million).

14. Debt securities in issue and other borrowed funds

i. Issues guaranteed by the Greek Government (Law 3723/2008)

Under the program for the enhancement of the Greek's economy liquidity, according to Law 3723/2008, during the nine month period of 2017, the Bank proceeded to the issuance of senior debt securities guaranteed by the Greek Government amounting to € 300 million whilst the maturities/redemptions for the same period amounted to € 1.3 billion.

The Bank repayed the total balance of senior debt securities guaranteed by the Greek State during the first semester of 2017 (31.12.2016: € 1 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*

In the context of the existing program of direct covered bonds issuance of amount € 8 billion, the Bank issued, on 2.8.2017, a bond with a nominal value of € 1 billion collateralized with mortgage loans of a nominal value of € 1.2 billion, maturity date on 23.10.2018 and bearing an interest rate corresponding to Euribor 3 months plus a margin of 1.2%. The issuance that is wholly purchased by the Bank, is used as collateral in financing operations.

These 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 current balance of covered bonds as at 30.9.2017 amounts to € 1,005 billion (31.12.2016 € 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 in the Bank's website.*

iii. Senior debt securities

Balance 1.1.2017	**26,834**
Changes for the period 1.1 - 30.9.2017	
Maturities/Repayments	(17,719)
Accrued interest	548
Balance 30.9.2017	**9,663**

iv. Liabilities from the securitization of shipping loans

Balance 1.1.2017	**252,320**
Changes for the period 1.1 - 30.9.2017	
Maturities/Repayments	(103,292)
Accrued interest	5,074
Foreign exchange differences	(21,709)
Balance 30.9.2017	**132,393**

The Bank has proceeded to a shipping loan securitization transaction, transferring them to the fully consolidated Special Purpose Entity, Alpha Shipping Finance Ltd, which raised funding from third parties. The liability of the Group to third parties on 30.9.2017 amounts to € 132 million.

v. Liabilities from the securitization of corporate (SME) loans

Balance 1.1.2017	**320,053**
Changes for the period 1.1 – 30.9.2017	
Capitalized expenses	(1,411)
Maturities/Repayments	(3,231)
Accrued interest	4,072
Balance 30.9.2017	**319,483**

The Bank during the previous year proceeded in 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 and from the Bank. The liability of the Group to third parties on 30.9.2017 amounts to € 319 million.

vi. Liabilities from the securitization of other loans

Liabilities arising from the securitization of consumer loans, corporate loans, credit cards and leasing are not included in "Debt securities in issue and other borrowed funds" since these securities of nominal value € 4.5 billion have been issued by special purpose entities and are held by the Bank.

vii. Subordinated debt

a. Subordinated debt (Lower Tier II, Upper Tier II)

Balance 1.1.2017	**82,338**
Changes for the period 1.1 - 30.9.2017	
Maturities/Repayments	(25,685)
Accrued interest	387
Balance 30.9.2017	**57,040**

b. Convertible bond loan

Balance 1.1.2017	**13,995**
Changes for the period 1.1 - 30.9.2017	
Fair value change	(1,790)
Maturities	(12,205)
Balance 30.9.2017	**-**

The convertible bond concerns bond issuance with nominal value of € 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 convertible bond matured on 1.2.2017, and on 23.2.2017 following the exercise of the conversion right from the total bondholders, the Bank proceeded to a share capital increase (Note 16).

Total of debt securities in issue and other borrowed funds as at 30.9.2017	**518,579**

Of the above debt securities in issue amounting to € 518,579 an amount of € 48,189 (31.12.2016: € 78,675) 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" as at 30.9.2017, amounts to € 470,390 (31.12.2016: € 616,865).

15. Provisions

	30.9.2017	31.12.2016
Insurance	251,431	219,530
Provisions to cover credit risk and other provisions	97,237	102,174
Total	**348,668**	**321,704**

a. Insurance

	30.9.2017	31.12.2016
Life insurance		
Mathematical reserves	250,956	218,996
Outstanding claim reserves	475	534
Total	**251,431**	**219,530**

b. Provisions to cover credit risk and other provisions

Balance 1.1.2016	**129,640**
Changes for the period 1.1 - 30.9.2016	
Provisions to cover credit risk relating to off balance sheet items from continuing operations (note 5)	110
Provisions to cover credit risk relating to off-balance sheet items from discontinued operations	39
Provision for voluntary separation scheme of Alpha Bank Cyprus Ltd	30,993
Used provision for voluntary separation scheme Alpha Bank Cyprus Ltd	(30,993)
Used provision for separation scheme of Alpha Bank A.E.	(2,624)
Other provisions for the period	11,955
Other provisions used during the period	(3,478)
Foreign exchange differences	32
Balance 30.9.2016	**135,674**
Changes for the period 1.10 - 31.12.2016	
Reclassification of provisions from Alpha Bank Srbija A.D. to "Liabilities related to assets held for sale"	(1,139)
Provisions to cover credit risk relating to off-balance sheet items	(1,506)
Used provision for voluntary separation scheme Alpha Bank A.E.	(32,638)
Other provisions for the period	4,830
Other provisions used for companies that were consolidated for the first time in 2015	(2,444)
Other provisions used during the period	(614)
Foreign exchange differences	11
Balance 31.12.2016	**102,174**
Changes for the period 1.1. - 30.9.2017	
Provisions to cover credit risk relating to off-balance sheet items (note 5)	(1,797)
Used provision for voluntary separation scheme of Alpha Bank A.E.	(7,522)
Other provisions used during the period	(8,994)
Other provisions for the period	13,435
Foreign exchange differences	(59)
Balance 30.9.2017	**97,237**

The amounts of other provisions charged to the profit and loss account are included in "Other Expenses" of the income statement.

On 30.9.2017 the balance of provisions to cover credit risk relating to off-balance sheet items amounts to € 1.2 million (31.12.2016: € 3.2 million) and other provisions to € 96 million (31.12.2016: € 99 million) out of which:

- An amount of € 41 million relates to pending legal cases. (31.12.2016: € 38.6 million).
- An amount of € 21.5 million (31.12.2016: € 29 million) refers to the remaining of the € 64.3 million provision of separation scheme which was recorded by the Bank on 31.12.2015, in the context of the updated restructuring plan and other commitments. The Bank, within the second quarter of 2017 set up a specific program for personnel working in the Prefecture of Thessaloniki which includes the legal compensation and other inceptives depending on personnel's age which will also be covered by this provision.

During 2016, Alpha Bank Cyprus Ltd prepared a voluntary separation scheme, aiming to achieve substantial benefit in operational costs. The Group recognized during the first quarter 2016 a provision of amount € 31 million for the expected cost, which was used during the second quarter for the compensations.

EQUITY

16. Share capital and Retained earnings

a. Share capital

On 23.2.2017, as a result of exercising the conversion right of all bondholders, the Bank's Board of Directors, approved the share capital increase of €2,045,454.30, due to the conversion of the convertible bond of €150 million that was issued on 1.2.2013, under the agreement with Credit Agricole S.A., Crédit Agricole Corporate and Investment Bank.

As a result of the above the Bank's share capital on 30.9.2017 amounts to €463,109,814.30.

From the conversion, 6,818,181 new ordinary, registered, voting, paperless shares of the Bank with a nominal value of €0.30 each, were issued and registered to Athens Stock Exchange on 18.4.2017.

b. Share premium

Following the above share capital increase «Share premium» was increased by €10,159,089.69.

c. Retained earnings

i. Since in 2016 there were no distributable profits, in accordance with article 44a of Codified Law 2190/1920, the Ordinary General Meeting of Shareholders on 30.6.2017 decided the non-distribution of dividends to ordinary shareholders of the Bank.

ii. The caption "Retained Earnings" as at 30.9.2017 includes expenses relating to the share capital increase, amounting to €0.4 million (31.12.2016: €0.7 million) net of income tax.

17. Hybrid securities

	30.9.2017	31.12.2016
Perpetual with 1st call option on 18.2.2015 and annually	15,232	15,232
Securities held by Group companies	(125)	(100)
Total	**15,107**	**15,132**

ADDITIONAL INFORMATION

18. Contingent liabilities and commitments

a. Legal issues

The Group, in the ordinary course of business, is 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 raised 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 an advesre outcome, and the result may be reliable estimated, the Group books a provision which is included in the Balance Sheet, under the caption "Provisions". On 30.9.2017 the amount of the such provision stood at € 41.0 million.

For cases where according to their progress and the evaluation of the Legal department on 30.9.2017, an adverse outcome is not probable or the potential outflow cannot be reliably estimated due to the complexity of the cases, the time period they will last and the uncertainty of their outcome, the Group has not booked a provision.

According to the estimations of the Legal department, the ultimate settlement of the claims and lawsuits is not expected to have a material effect on the financial position or the operations of the Group.

b. Tax issues

The Bank has been audited by the tax authorities for the years up to and including 2009. For the year 2010, tax audit is in progress (note 6), while for the years 2011 up to 2016, the Bank has obtained a tax certificate with no qualifications according to the article 82 of Law 2238/1994 and the article 65a of Law 4174/2013, whereas for the year 2016 the Bank is expected to receive tax certificate with no qualifications. 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 it has obtained a tax certificate with no qualifications.

Alpha Bank's branches in London and Bulgaria have been audited by the tax authorities up to and including the years 2013 and 2016 respectively. For Bulgaria Branch, the tax audit for the year 2016 was completed in February 2017. Former 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 since September 2014.

On 2.6.2015, the merger 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. For the years 2011 up to 2013 it has obtained a tax certificate with no qualifications.

Based on Ministerial Decision 1006/5.1.2016 there is no exemption from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and they have received an unqualified tax audit certificate. Therefore, the tax authorities may reaudit the tax books for previous years.

Additional taxes and penalties may be imposed as a result of such tax audits, which cannot be reliably determined.

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 2012-2014)	2011
3. Alpha Bank Romania S.A.	2006
4. Alpha Bank Srbija A.D. (the Bank has been disposed as at 11.4.2017)	2004
5. Alpha Bank Albania SH.A.	2011
Leasing companies	
1. Alpha Leasing A.E. ** (tax audit is in progress for year 2012)	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
3. Alpha Ventures A.E. **/***	2009
4. Alpha A.E. Ventures Capital Management - AKES **/***	2009

** *These companies received tax certificate for the years 2011 to 2016 without any qualification (note 6).*

*** *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
Investment Banking (continue)	
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 Brokers 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 2012)	2009
2. Ionian Hotel Enterprises A.E. ** (the company was disposed on 16.12.2016)	2011
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 disposed 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 Amarousion I A.E. (commencement of operation 2012)	* *
14. Alpha Investment Property Amarousion 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 -the company was disposed on 18.5.2017)	*
17. Stockfort Ltd (commencement of operation 2010)	*
18. Romfelt Real Estate S.A. (commencement of operation 1991)	*
19. AGI-RRE Zeus S.R.L. (commencement of operation 2012)	*
20. AGI-RRE Poseidon S.R.L. (commencement of operation 2012)	*
21. AGI-RRE Hera S.R.L. (commencement of operation 2012)	*
22. AGI-BRE Participations 2 E.O.O.D. (commencement of operation 2012)	*
23. AGI-BRE Participations 2BG E.O.O.D. (commencement of operation 2012)	*
24. AGI-BRE Participations 3 E.O.O.D. (commencement of operation 2012)	*
25. AGI-BRE Participations 4 E.O.O.D. (commencement of operation 2012)	*
26. APE Fixed Assets A.E.**/***	2009
27. SC Cordia Residence S.R.L.	2013
28. HT-1 E.O.O.D (commencement of operation 2013)	*
29. AGI-RRE Cleopatra S.R.L. (commencement of operation 2014)	*
30. AGI-RRE Hermes S.R.L. (commencement of operation 2014)	*
31. SC Carmel Residential S.R.L. (commencement of operation 2013)	*
32. Alpha Investment Property Neas Kifissias A.E. (commencement of operation 2014)	*
33. Alpha Investment Property Kallirois A.E. (commencement of operation 2014)	*
34. Alpha Investment Property Livadias A.E. (commencement of operation 2014)	*
35. AGI-SRE Ariadni D.O.O. (commencement of operation 2015-the company was disposed on 20.6.2017)	*
36. Alpha Investment Property Kefalariou A.E. (commencement of operation 2015)	*
37. Alpha Investment Property Neas Erythreas A.E. (commencement of operation 2015)	*
38. Alpha Investment Property Chanion A.E. (former Anaplasis Plagias A.E.) (commencement of operation 2011)	*
39. Asmita Gardens S.R.L.	2010
40. Ashtrom Residents S.R.L. (commencement of operation 2006)	*
41. Cubic Center Development S.A. (commencement of operation 2010)	*
42. AGI-BRE Participations 5 E.O.O.D. (commencement of operation 2015)	*
43. AGI-SRE Participations 1 D.O.O. (commencement of operation 2016)	*
45. Th Top Hotels Srl	*
46. Alpha Investment Property Kallitheas A.E. (commencement of operation 2017)	*

* *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 to 2016 without any qualification (note 6).*

*** *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 LLC (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 the year 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)	*

* *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 to 2016 without any qualification (note 6).*

*** *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 a tax audit.*

c. Operating leases

The Group's minimum future lease payments are:

	30.9.2017	31.12.2016
- less than one year	40,246	41,708
- between one and five years	86,185	104,517
- over five years	118,906	146,383
Total	**245,337**	**292,608**

The minimum future lease fees are:

	30.9.2017	31.12.2016
- less than one year	14,291	13,419
- between one and five years	45,593	43,754
- over five years	44,597	48,527
Total	**104,481**	**105,700**

d. Off balance sheet liabilities

The Group 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.

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 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:

	30.9.2017	31.12.2016
Letters of credit	23,808	47,993
Letters of guarantee and other guarantees	3,363,530	3,519,793

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.

The liability from limits that can not be recalled (committed) in case where counterparties fail to meet their contractual obligations as at 30.9.2017 amounts to € 524.3 million (31.12.2016: € 494.7 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 € 0.2 million.

e. Assets pledged

Assets pledged, as at 30.9.2017 are analyzed as follows:

- Deposits pledged amounting to € 0.8 billion concerning the Group's obligation to maintain deposits in Central Banks according to ratios determined in the respective country.
- Due from Banks:

i. Deposits pledged amounting to € 0.2 billion concerning guarantees provided on behalf of the Greek Government.

ii. Deposits pledged to credit institutions amounting to € 0.95 billion which have been provided as guarantee for derivative transactions.

iii. Deposits pledged to credit institutions amounting to € 0.03 billion which have been provided for Letter of Credit or Guarantee Letters issued by the Bank in order to facilitate clients' imports.

iv. Deposits of € 6.2 million were pledged to the Resolution Fund as irrevocable payment commitment for a part of 2016 and 2017 contribution. The commitment has to be fully secured by cash as decided by the Single Resolution Board.

v. An amount of € 4 million has been given as collateral for the issuance of bonds of € 1 billion held by the Bank, as mentioned below under "Loans and advances to customers" (note 18.e.vi).

- Loans and advances to customers:
  i. an amount of nominal value of € 18.8 billion pledged to Central Banks for liquidity purposes.
  ii. a carrying amount of € 3.5 billion, which relates to corporate, consumer loans, receivables from finance lease agreements and credit cards has been securitized for the issuance of the Group's special purpose entities' bonds of a nominal value of € 4.2 billion held by the Bank, of which an amount of € 2.33 billion has been given as collateral for repurchase agreements (repo).
  iii. a carrying amount of € 0.4 billion, which relates to shipping loans, has been securitized for the purpose of financing the Group through a Special Purpose Entitiy, which amounts to € 0.1 billion at 30.9.2017. An amount of € 0.024 billion included in "Due from Banks" has been given as collateral for the aforementioned transaction.
  iv. a carrying amount of € 0.6 billion which relates to corporate loans have been securitized for the issuance of the Group's special purpose entitie's bonds, which amounts to € 0.6 billion at 30.9.2017, out of which € 0.3 billion is held by the Bank. An amount of € 0.07 billion included in "Due from Banks" has been given as collateral for the aforementioned transaction
  v. an amount of nominal value of € 0.06 billion has been given as collateral for other loan facilities.
  vi. an amount of mortgage loans of a nominal value of € 1.2 billion, has been given as collateral for the issuance of bonds held by the Bank amounted to € 1 billion as at 30.9.2017 and has been given as collateral for repurchase agreements (repo).
- Securities held for trading and investment securities portfolio:

i. an amount of nominal value of € 3.61 billion of Greek Government securities, of which a nominal amount of € 3.11 billion has been pledged to Central Banks for liquidity purposes, of a nominal amount of € 0.01 billion has been given as collateral for other loan facilities, whilst a nominal amount of € 0.49 billion has been given as collateral for repurchase agreements (repo).

ii. an amount of nominal value of € 0.92 billion relates to securities issued by the European Financial Stability Facility (EFSF) of which an amount of nominal value of € 0.46 has been pledged to Central Banks with the purpose to participate in main refinancing operations and an amount of nominal value of € 0.46 billion has been given as collateral for repurchase agreement (repo).

iii. an amount of € 0.21 billion of other corporate securities has been given as a collateral of repo agreements.

iv. an amount of 0.13 billion, which relates to bonds issued by third parties, has been given to Central Banks for liquidity purposes.

19. 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**	**30.9.2017**	**31.12.2016**
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 Srbija A.D. (26e,26m)	Serbia		100.00
5. 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	99.98	100.00

Name	Country	Group's ownership interest %	
		30.9.2017	31.12.2016
Investment Banking (continue)			
3. Alpha Ventures A.E. (26z, 26j)	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.(26b)	Greece	100.00	100.00
Real estate and hotel			
1. Alpha Astika Akinita A.E.	Greece	93.17	93.17
2. Oceanos A.T.O.E.E.	Greece	100.00	100.00
3. Emporiki Development and Real Estate Management A.E. (26p)	Greece	100.00	100.00
4. Alpha Real Estate D.O.O. Beograd (28c)	Serbia	93.17	93.17
5. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	93.17	93.17
6. Chardash Trading E.O.O.D.	Bulgaria	93.17	93.17
7. Alpha Real Estate Services S.R.L.	Romania	93.17	93.17
8. Alpha Investment Property Chalandriou A.E (26k)	Greece	100.00	100.00
9. Alpha Investment Property Attikis A.E.	Greece	100.00	100.00
10. Alpha Investment Property Attikis II A.E.	Greece	100.00	100.00
11. Alpha Investment Property Amarousion I A.E. (26k)	Greece	100.00	100.00
12. Alpha Investment Property Amarousion II A.E. (26k)	Greece	100.00	100.00
13. AGI-RRE Participations 1 S.R.L.	Romania	100.00	100.00
14. AGI-BRE Participations 1 E.O.O.D.(26q)	Bulgaria		100.00
15. Stockfort Ltd	Cyprus	100.00	100.00
16. Romfelt Real Estate S.A.	Romania	98.86	98.86
17. AGI-RRE Zeus S.R.L.	Romania	100.00	100.00
18. AGI – RRE Athena S.R.L.(26r)*	Romania		100.00
19. AGI – RRE Poseidon S.R.L.	Romania	100.00	100.00
20. AGI – RRE Hera S.R.L.	Romania	100.00	100.00
21. AGI-BRE Participations 2 E.O.O.D.	Bulgaria	100.00	100.00
22. AGI-BRE Participations 2BG E.O.O.D.	Bulgaria	100.00	100.00
23. AGI-BRE Participations 3 E.O.O.D.	Bulgaria	100.00	100.00
24. AGI-BRE Participations 4 E.O.O.D.	Bulgaria	100.00	100.00
25. APE Fixed Assets A.E. (26aa)	Greece	72.20	72.20
26. SC Cordia Residence S.R.L.	Romania	100.00	100.00
27. HT-1 E.O.O.D.	Bulgaria	100.00	100.00
28. AGI-RRE Venus S.R.L.(26r) *	Romania		100.00
29. AGI-RRE Cleopatra S.R.L. (26t)	Romania	100.00	100.00
30. AGI-RRE Hermes S.R.L. **	Romania	100.00	100.00
31. SC Carmel Residential S.R.L.	Romania	100.00	100.00
32. Alpha Investment Property Neas Kifisias A.E. (26k)	Greece	100.00	100.00
33. Alpha Investment Property Kallirois A.E.	Greece	100.00	100.00
34. Alpha Investment Property Livadias A.E.	Greece	100.00	100.00

* *The companies are deleted from the Company Register.*

** *The company does not have financial activity.*

Name	Country	Group's ownership interest % 30.9.2017	31.12.2016
Real estate and hotel (continue)			
35. AGI-SRE Ariadni D.O.O.(26s)	Serbia		100.00
36. Asmita Gardens S.R.L.	Romania	100.00	100.00
37. Alpha Investment Property Kefalariou A.E.(26a,26f)	Greece	54.17	100.00
38. Ashtrom Residents S.R.L.	Romania	100.00	100.00
39. AGI-BRE Participations 5 E.O.O.D.	Bulgaria	100.00	100.00
40. Cubic Center Development S.A.	Romania	100.00	100.00
41. Alpha Investment Property Neas Erythreas A.E.	Greece	100.00	100.00
42. Alpha Investment Property Chanion A.E. (former Anaplasis Plagias A.E.)(26k, 26u)	Greece	100.00	100.00
43. AGI-SRE Participations 1 D.O.O.	Serbia	100.00	100.00
44. Alpha Investment Property Spaton A.E.(26l)	Greece	100.00	
45. TH Top Hotels SRL(26t)	Romania	97.5	
46. Alpha Investment Property Kallitheas A.E.**(26v)	Greece	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 (26a, 26f, 26l, 26v)	Cyprus	100.00	100.00
4. Ionian Holdings A.E.	Greece	100.00	100.00
5. Ionian Equity Participations Ltd (26x, 26z)	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	Cyprus	100.00	100.00
9. Alpha Group Ltd	Cyprus	100.00	100.00
10. Katanalotika 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	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	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	Cyprus	93.17	93.17
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	Cyprus	100.00	100.00
34. AGI-Cypre Tochni Ltd	Cyprus	100.00	100.00

** *The company does not have financial activity.*

Name	Country	Group's ownership interest % 30.9.2017	31.12.2016
Special purpose and holding entities (continue)			
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	Cyprus	100.00	100.00
38. AGI-Cypre Ermis Ltd (26h)	Cyprus	100.00	100.00
39. AGI-SRE Participations 1 Ltd	Cyprus	100.00	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.	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

Name	Country	Group's ownership interest % 30.9.2017	31.12.2016
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. (26y)	Greece	51.00	51.00
4. Rosequeens Properties Ltd.	Cyprus	33.33	33.33
5. Cepal Holdings A.E. (26c, 26n, 26o, 26w)	Greece		45.00
6. Panarae Saturn LP (26j)	Jersey	62.50	

APE Investment Property is the parent Company of a Group of Companies, in which the subsidiaries SYMET A.E., Astakos Terminal A.E., Akarport A.E. and NA.VI.PE A.E. are included. Furthemore, Rosequeens Properties Ltd. is the parent Company of a group of Companies where its subsidiary is Rosequeens propertiesS.R.L. The Group accounts the aforementioned groups under the equity method, based on their consolidated financial statements.

C. ASSOCIATES

Name	Country	Group's ownership interest % 30.9.2017	31.12.2016
1. AEDEP Thessalias and Stereas Ellados	Greece	50.00	50.00
2. A.L.C. Novelle Investments Ltd	Cyprus	33.33	33.33
3. Banking 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.	Greece	50.00	50.00
7. Selonda Aquaculture A.E.G.E.	Greece	21.97	21.97
8. Nireus Aquaculture A.E.	Greece	20.65	20.65
9. Famar S.A. (26i)	Greece	47.04	
10. Cepal Holdings A.E. (26c, 26n, 26o, 26w)	Greece	42.77	

During the current period, the Group, through the recovery of collaterals used for the loan portfolio, gained control over the entity TH Top Hotels Srl, by acquiring 97.50% of its share capital for € 85.7. The business operations of the above mentioned entity is the licence of operation of the hotels acquired by the Group through the subsidiary AGI-RRE Cleopatra Srl.

It is noted that the valuation assessment for the aforementioned entity's assets and liabilities acquired by the Group, has not been finalized and taking into account the current fair value valuation, no goodwill has arised from the acquisition.

Finally it is mentioned that:

- The amount of income and gain/(loss) arose after the acquisition date, that were included in the Consolidated Statement of Total Comprehensive Income for the period, are not material,
- The Group's income and gain/(loss) would not differ significantly, if the aforementioned entities had been acquired since the beginning of the year.

During the current period, the Bank acquired 47.04% of the share capital of the company Famar S.A., which is parent company of a group, at a price of four euro and seventy cents. This acquisition of the shares by the Bank as well as by three other Greek Banks, lenders of the company, took place within the context of the French pre-bankruptcy procedure, that Famar entered into with a view to its restructuring. At the same time, the greek banks and a loan management company entered into an agreement, which determines the way of decision making regarding the management of Famar, in order to maximize the recovery potential of the value of the loans granted to the company by the Greek Banks. In addition, it is noted that according to Famar's Articles of Association, there are corporate issues for which decision making is based on the number of shareholders instead of the percentage of shares held. The company's shares are pledged for loans granted by the aforementioned Greek banks to the previous shareholder of Famar S.A, both before and after the restructuring agreement. The Bank assessed the above and classified the participation of Famar S.A. in the caption "Investments in associates".

Cepal Holdings S.A. is the parent company of the group companies with subsidiaries the companies Cepal Hellas Financial Services Societe Anonyme for the Management of Receivables from Loans and Credits, Kaican Services Limited and Kaican Hellas S.A.

Bank's participation in Cepal Holdings S.A. reclassified from joint ventures to associates following the agreement of company's shareholders, signed during the second quarter of 2017, and the 4.5.2017 company's amended Articles of Association.

Consolidated financial statements do not include the Commercial Bank of London Ltd which is a dormant company and Smelter Medical Systems A.E., Aris-Diomidis Emporiki S.A., Metek S.A., Flagbright 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.

20. Operating segment

(Amounts in millions of Euro)

	1.1 . 30.9.2017						
	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South. Eastern Europe	Other	Total
Net interest income	721.0	479.4	9.5	72.5	177.6	3.0	1,463.0
Net fee and commission income	79.0	91.9	34.3	16.0	19.2	0.4	240.8
Other income	6.4	(27.8)	2.9	126.7	13.1	37.1	158.4
Total income	**806.4**	**543.5**	**46.7**	**215.2**	**209.9**	**40.5**	**1,862.2**
Total expenses	**(495.6)**	**(123.6)**	**(22.8)**	**(21.3)**	**(130.2)**	**(55.1)**	**(848.6)**
Impairment losses	(668.3)	11.5			(104.9)		(761.7)
Profit/(Loss) before income tax	**(357.5)**	**431.4**	**23.9**	**193.9**	**(25.2)**	**(14.6)**	**251.9**
Income tax							(98.3)
Profit/(Loss) after income tax from continuing operations	**(357.5)**	**431.4**	**23.9**	**193.9**	**(25.2)**	**(14.6)**	**153.6**
Profit/(Loss) from discontinued operations					(68.5)		(68.5)
Profit/(Loss) after income tax	**(357.5)**	**431.4**	**23.9**	**193.9**	**(93.7)**	**(14.6)**	**85.1**
Assets 30.9.2017	24,787.8	15,155.1	399.5	8,451.9	8,151.3	4,344.8	61,290.4
Liabilities 30.9.2017	22,920.7	6,031.9	1,661.7	15,334.1	5,729.0	168.8	51,846.2

(Amounts in millions of Euro)

	1.1 - 30.9.2016						
	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other	Total
Net interest income	754.7	518.2	11.0	(46.6)	194.2	2.5	1,434.0
Net fee and commission income	83.5	101.0	25.9	6.2	19.3	0.9	236.8
Other income	5.0	9.2	(1.5)	21.0	35.1	41.9	110.7
Total income	**843.2**	**628.4**	**35.4**	**(19.4)**	**248.6**	**45.3**	**1,781.5**
Total expenses before Voluntary Separation Scheme Cost	**(493.4)**	**(113.8)**	**(19.9)**	**(21.9)**	**(133.1)**	**(56.3)**	**(838.4)**
Impairment losses	(330.7)	(411.6)			(121.8)		(864.1)
Voluntary Separation Scheme Cost					(31.6)		(31.6)
Profit/(Loss) before income tax	**19.1**	**103.0**	**15.5**	**(41.3)**	**(37.9)**	**(11.0)**	**47.4**
Income tax							(32.6)
Profit/(Loss) after income tax from continuing operations	**19.1**	**103.0**	**15.5**	**(41.3)**	**(37.9)**	**(11.0)**	**14.8**
Profit/(Loss) from discontinued operations					7.4		7.4
Profit/(Loss) after income tax	**19.1**	**103.0**	**15.5**	**(41.3)**	**(30.5)**	**(11.0)**	**22.2**
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

i. Retail Banking

Includes all individuals (retail banking customers), professionals, small and very small companies operating in Greece and abroad excluding countries in South Eastern Europe.

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

Includes all medium-sized and large companies, with international activities, corporations with international business activities, corporations managed by the Corporate Banking Division and shipping companies operating in Greece and on abroad except from South Eastern European countries. The Group offers working capital facilities, corporate loans, and letters of guarantee for the abovementioned corporations. This sector also includes leasing products which are provided by the subsidiary company Alpha Leasing A.E. as well as factoring services which are provided by the subsidiary company ABC Factors A.E..

iii. Asset Management/Insurance

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 former subsidiary Alpha Insurance A.E. or through the subsidiary Alphalife A.A.E.Z..

iv. Investment Banking/Treasury

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

Consists of the Group's subsidiaries, which operate in South-Eastern Europe. It is noted that Bulgaria's Branch, Alpha Bank's former subsidiaries Alpha Bank A.D. Skopje, and Alpha Bank Srbija A.D. are not included in the results of the continuing activities in this sector anymore. Their financial result is included in the category "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 relevant figures of subsidiaries abroad are included in the Southeast Europe operating segment.

The following lending figures of the Bank, ABC factors and Alpha Leasing SA are included in the assets of "Retail Banking" and "Corporate Banking" operating segments. In addition, ABC Factors S.A. and Alpha Leasing S.A. lending figures are administered by Non-Performing Loans Division and Wholesale Banking, according to the internal procedures of the Bank.

	30.9.2017			31.12.2016		
	Balance before Impairment	Accumulated Impairment	Balance after Impairment	Balance before Impairment	Accumulated Impairment	Balance after Impairment
Mortgages	7,733,061	2,310,923	5,422,138	7,655,203	2,032,511	5,622,692
Consumer loans	4,298,612	2,335,112	1,963,499	4,336,599	2,394,214	1,942,385
Corporate loans	13,417,827	6,864,193	6,553,635	14,030,221	7,785,885	6,244,336
Total	**25,449,500**	**11,510,228**	**13,939,272**	**26,022,023**	**12,212,610**	**13,809,413**

21. 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 Group monitors the credit risk from its exposure to the Greek Government as well as the remaining peripheral Eurozone countries.

i. Exposure to the Greek Government

The table below presents the Group's total exposure in Greek Government securities:

	30.9.2017		31.12.2016	
Portfolio	Nominal value	Carrying amount	Nominal value	Carrying amount
Available for sale	3,882,705	3,497,599	4,175,594	3,589,720
Trading	18,863	15,404	2,861	2,256
Total	**3,901,568**	**3,513,003**	**4,178,455**	**3,591,976**

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 carrying amount of securities issued by the public entities/public bodies/organizations on 30.9.2017 amounted to € 119.1 million (31.12.2016: € 151.9 million).

The Group'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

	30.9.2017	31.12.2016
	Carrying amount	Carrying amount
Derivative financial instruments – assets	304,639	342,737
Derivative financial instruments – liabilities	(32,574)	(69,299)

Derivative financial assets from public sector entities/organizations amounted to € 0.8 million as at 30.9.2017 (31.12.2016: € 8.4 million).

Additionally, the Group's exposure to loans granted to public entities/public bodies/organizations of the Greek Government stood at € 1,107.5 million as at 30.9.2017 (31.12.2016: € 1,112 million), for which the Group as at 30.9.2017 has recognized an allowance for loan losses of € 47.6 million (31.12.2016:€ 49.1 million).

Furthermore, the balance of the Group's loans bearing a guarantee from the Greek Government (loans with direct guarantee by the Greek Government, loans with TEMPME guarantee, loans bearing a guarantee ratified with joint ministerial decisions) stood at € 690.5 million as at 30.9.2017 (31.12.2016: € 720.6 million). For those loans, an allowance for loan losses of € 123.9 million had been recognized as at 30.9.2017 (31.12.2016: € 149.2 million).

Off balance sheet exposure

	30.9.2017		31.12.2016	
	Nominal value	Fair Value	Nominal value	Fair Value
Greek Government Bonds received as guarantee for financing			56,373	57,162
Greek Government Bonds received as guarantee for derivative transactions purposes	300,000			

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 € 76.2 million (31.12.2016: € 114.5 million), bonds issued by the Italian Republic with a book value of € 24.8 million (31.12.2016: € 9.8 million) and bonds issued by the Spanish Republic with a book value of € 30.4 million (31.12.2016: € 10.8 million).

The Group as at 30.9.2017 had no exposures to bonds issued by Portugal and Ireland.

Off balance sheet exposure

	30.9.2017		31.12.2016	
	Nominal value	Fair Value	Nominal value	Fair Value
Italian Government Treasury Bills received as guarantee for financing	5,000	5,083		

22. Disclosures relevant to the fair value of financial instruments

Fair value of financial instruments measured at amortized cost

	30.9.2017		31.12.2016	
	Fair value	Carrying amount	Fair value	Carrying amount
Financial Assets				
Loans and advances to customers	43,188,411	43,566,603	44,102,220	44,408,760
Investment securities				
- Held to maturity	15,389	15,895	41,859	44,999
- Loans and receivables	1,241,944	1,215,481	2,743,600	2,682,655
Financial Liabilities				
Due to customers	33,876,970	33,900,174	32,913,723	32,946,116
Debt securities in issue *	477,353	470,390	599,743	602,870

* *On 31.12.2016, 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 Former Emporiki Bank since this security is measured at fair value. The convertible bond matured on 1.2.2017 (note 16).*

The table above presents the fair value and the carrying amount of financial instruments which are measured at amortized cost.

The fair value of loans is estimated based on the interbank market yield curves by adding a liquidity premium and adjustments for credit 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 of these cases, the future cash flows (floating rate) are calculated based on the implied forward rates until their maturity.

The fair value of held to maturity securities and debt securities in issue is calculated using market prices, as long as the market is active. In all other cases as well as for the loans and receivables portfolio, the discounted cash flows method is used and all significant variables are based either on observable market data or on a combination of observable and unobservable market data.

The fair value of other financial assets and liabilities which are valued at amortized cost does not differ materially from the respective carrying amount

Hierarchy of financial instruments measured at fair value

	30.9.2017			
	Level 1	Level 2	Level 3	Total Fair value
Derivative Financial Assets	3,712	538,989	25,989	568,690
Securities held for trading				
- Bonds and Treasury bills	15,348			15,348
- Shares	2,701			2,701
Available for sale securities				
- Bonds and Treasury bills	4,951,437	188,410	30,493	5,170,340
- Shares	42,528	21,733	53,797	118,058
- Other variable yield securities	19,515			19,515
Derivative financial liabilities		1,028,591		1,028,591
Convertible bond loan	-	-	-	-

	31.12.2016			
	Level 1	Level 2	Level 3	Total Fair value
Derivative Financial Assets	4,224	624,740	5,359	634,323
Securities held for trading				
- Bonds and Treasury bills	2,256			2,256
- Shares	2,445			2,445
- Other variable yield securities				
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 loan			13,995	13,995

The tables above present the fair value of level hierarchy financial instruments which are measured at fair value based on the inputs used for the fair value measurement.

Securities traded in an active market and exchange-traded derivatives are classified as Level 1.

The derivatives and 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 and derivatives whose fair value is estimated using significant unobservable inputs.

Shares whose fair value is assessed based on calculations are classified either in Level 2 or Level 3, depending on the contribution of unobservable data to the estimation of their fair value. The fair value of both non listed shares and shares not traded in an active market is determined based either on multiples valuation method or 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 a discount rate.

In particular, with respect to investments in quoted shares for which it has not been used market price, the market was considered inactive because the number of daily transactions was low, whilst no transactions were inquired at a substantial number of daily sessions. On the basis of the above and after taking into account the fact that the main shareholders hold a high share of voting rights resulting to a low degree of diversification in the Athens Stock Exchange over time, the market price of the shares was not considered to be representative of their fair value and the Group determines the fair value using the multiples method. These shares were classified at Level 3 and their fair value stood at euro 10 million.

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 collaterals' endowement 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.

Regarding derivatives, the Group estimates a Credit Valuation Adjustment by taking into account counterparty credit risk for Derivative Financial Instruments trading in OTC. In order to consider the bilateral nature of counterparty risk, the Group estimates bilateral credit valuation adjustments (BCVA) for the OTC derivatives held on a counterparty level taking into consideration netting and collateral agreements in force. BCVA is calculated across all counterparties with a material effect on the respective derivative fair values taking into consideration the default probability of both the counterparty and Alpha Group, the impact of first to default, the expected OTC derivative exposure and loss given default of the counterparty and of Alpha Group and the specific characteristics of netting and collateral agreements in force.

Collateral is simulated along with the derivative portfolio exposure over the life of the related instruments. Calculations performed depend largely on observable market data. Market quoted counterparty and group CDS spreads are used in order to derive the respective probability of default, a market standard recovery rate is assumed for developed market counterparties, correlations between market data are taken into account and a series of simulations is performed to model the portfolio exposure over the life of the related instruments. In the absence of quoted market data, counterparty and loss given default are provided by the group's internal credit and facility rating systems for the valuation of collaterals and credit worthiness.

A breakdown of BCVA across counterparty sectors and credit quality (as defined for presentation purposes of the table "Analysis of neither past due nor impaired Loans and Advances to customers) is given below:

	30.9.2017	31.12.2016
Counterparty Sector		
Corporate	(9,214)	(7,874)
Sovereign	(16,782)	(71,084)

	30.9.2017	31.12.2016
Counterparty Credit Quality		
Strong	(259)	
Satisfactory	(17,302)	(72,337)
Watch List (higher Risk)	(8,436)	(6,621)

The Group used the discount cash flow method to assess the 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 A.E. Present value of discounted cash flows amounted to € 9.7 million on 30.9.2017. Taking into account that the cost for preferred shares' acquisition of Ionian Hotel Enterprises S.A. amounts to € 5.2 million, the estimated fair value of sales price as of 30.9.2017 amounted to € 4.5 million. The above valuation is classified to Level 3 as for the estimation of fair value unobservable inputs were used.

Finally, the valuation of the convertible bond loan was based on its estimated share price at the maturity date of the bond, as reflected in the Group's business plan, which is unobservable market parameter.

The Group recognizes the transfer between fair value hierarchy Levels at the end of each reporting period.

Within the period, € 5.9 million of Greek corporate bonds were transferred from Level 1 to Level 2, as the liquidity margin (bid-ask spread) exceeded the limit set out for the characterization of market as an active one. In addittion, within the period, € 53.8 million of Greek corporate bonds were transferred from Level 2 to Level 1 as the liquidity margin (bis-ask spread) exceeded the limit set out for the charactrerization of market as an active one.

The table below presents the valuation methods used for the measurement of Level 3 fair value:

	30.9.2017			
	Total Fair Value	**Fair Value**	**Valuation Method**	**Significant non-observable inputs**
Derivative Financial Assets	25,989	11,236	Discounted cash flows with interest rates being the underlying instruments, taking into account the credit risk	The probability of default and the loss given default of the counterparty (BCVA adjustment) is calculated with the use of an internal model
		14,594	Discounted option taking into account the counterparty's credit risk	Credit Risk Spread
		159	Discounted cashflows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	30,493	30,493	Based on issuer price - Discounted cash flows with estimation of credit risk - Discounted cash flows with estimation of bond's return and estimation of shares return as a result of expected restructuring	Issuer's Price - Margin of Credit Risk / Return of Bonds and Shares
Available for sale shares	53,797	53,797	Discounted cash flows - Multiples valuation method	Future profitability of the issuer

	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 rates being the underlying instruments,taking into account the credit risk	The probability of default and the loss given default of the counterparty (BCVA adjustment) is 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	Issuer price / Credit spread
Available for sale shares	46,326	46,326	Discounted cash flows - Multiples valuation method	Future profitability of the issuer
Convertible bond loan	13,995	13,995	Discounted cash flows - Multiples valuation method	Assessment of issuers market price

Material unobservable inputs that were used for the valuation of Ionian Hotel Enterprises A.E. contingent 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.

	30.9.2017			
	Assets		Liabilities	
	Available for sale securities	Derivative Financial Assets	Derivative Financial Liabilities	Convertible Bond
Opening balance 1.1.2017	**63,313**	**5,359**		**(13,995)**
Total gain or loss recognized in the income statement	8,354	14,388		1,790
Total gain or loss recognized directly in equity	2,957			
Purchases/Issues	10,507			
Sales/Repayments/Settlements/Exercises	(23,802)	(1,137)		12,205
Transfers to Level 3 from Level 2	22,971	8,732		
Transfers from Level 3 to level 2	(10)	(1,353)		
Balance 30.9.2017	**84,290**	**25,989**		**-**
Amounts included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period 1.1-30.9.2017	147	14,388		

During the period, a bond was transferred from Level 2 to Level 3 amounting to € 23 million, since non observable parameters were used for valuation purposes. In addition, during the period, a bond was transferred from Level 3 to Level 2 amounting to € 10, since observable parameters were used for valuation purposes.

Finally, in the context of the debt restructuring of acertain borrower, the Bank acquired the option to purchase a stake in its share capital for a symbolic price. This option was recognized as a derivative with a fair value of € 14,594.

	31.12.2016			
	Assets		Liabilities	
	Available for sale securities	Derivative Financial Assets	Derivative Financial Liabilities	Convertible Bond
Opening balance 1.1.2016	**62,797**	**3,530**		**(24,600)**
Total gain or loss recognized in the income statement	(820)	(470)		11,040
Total gain or loss recognized directly in equity	1,635			
Purchases/Issues	420			
Sales/Repayments/Settlements	(2,444)	(356)		
Transfers to Level 3 from Level 1	4,838			
Transfers to Level 3 from Level 2		3,671		
Transfers to Level 1 from Level 3	(932)			
Transfers to Level 2 from Level 3		(1,157)		
Balance 30.9.2016	**65,494**	**5,218**		**(13,560)**
Changes for the period 1.10 - 31.12.2016				
Total gain or loss recognized in the income statement	434	(333)	119	(435)
Total gain or loss recognized directly in equity	1,269			
Purchases/Issues	36			
Sales/Repayments/Settlements	(3,920)	(176)	638	
Transfers to Level 3 from Level 2		835	(1,570)	
Transfers to Level 1 from Level 3				
Transfers to Level 2 from Level 3		(203)	813	
Balance 31.12.2016	**63,313**	**5,359**	**-**	**(13, 995)**
Amounts included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period 1.1 - 30.9.2016	(749)	(462)		11,040

During 2016, €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 derivative financial assets 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) effected significantly the final valuation. On 31.12.2016 the above parameter did not contribute significantly in the final valuation of those derivatives resulting in getting transferred to Level 2.

Sensitivity analysis for Level 3 financial instruments that their valuation on 30.9.2017 was based on significant 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 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 credit ratings by 2 grades / Increase the loss given default by 10%		(2,473)		
	Assessment of the adequacy of reserves for the payment of hybrid securities dividends	Increase the probability of dividend payments to 100%		(148)		
	Credit Risk Spread	Increase credit risk's spread		(851)		
Available for sale bonds	Issuer price / Credit spread/ Return of Bond's and Share Price	Variation +/-10% in issuer's price, -/+ 10% on the adjustment due to estimation of credit risk, -/+ 10% on estimated return, furthermore +/-10% on the estimated valuation of shares			1,896	(1,963)
Available for sale shares	Future profitability of the Issuer	Variation +/- 10% in P/B and EV/Sales ratios (multiples valuation method)		(85)	1,264	(1,158)
Total				**(3,557)**	**3,160**	**(3,121)**

As far as Ionian Hotel Enterprises A.E. contingent sale price is concerned, according to the sensitivity analysis performed and fluctuation to 0.50% in cost of equity, the range in contingent sale price is at a minimum value of € 4.06 million and at a maximum value of € 4.54 million.

23. Capital adequacy

The policy of the Group is to maintain a strong capital base, in order to ensure the Bank's development, and the trust of depositors, shareholders, markets and business partners.

Share capital increases are conducted following resolutions of the General Meeting of Shareholders or of the Board of Directors, in accordance with the Articles of Incorporation and the relevant laws.

The Group is allowed to purchase treasury shares, as permitted under the applicable laws.

The capital adequacy is supervised by the Single Supervisory Mechanism (SSM) of the European Central Bank (ECB), to which reports are submitted on a quarterly basis. The minimum capital requirements regarding Common Equity Tier I (CET1), Tier 1 and Capital Adequacy Ratios of the Group are stipulated by Bank of Greece (BoG) Executive Committee Acts.

The Capital Adequacy Ratio compares the Group's regulatory capital with the risks that the Group undertakes (Risk Weighted Assets-RWAs). Regulatory capital includes CET1 capital (share capital, reserves, minority interests), additional Tier 1 capital (hybrid securities) and Tier 2 capital (subordinated debt). RWAs 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 incorporated into law 4261/2014 along with the EU regulation 575/2013 of the European Parliament and the European Council, dated 26 June 2013 "CRD IV" came into force which gradually introduce the new capital adequacy framework (Basel III) for credit institutions.

According to the above regulatory framework, the Group follows the transitional arrangements in force for the calculation of capital ratios. Moreover:

- Besides the 8% Capital Adequacy Ratio limit, there are limits of 4.5% for the CET1 ratio and 6% for the Tier 1 ratio.
- The gradual maintenance, from 1.1.2016 until 31.12.2019, of capital buffers additional to the CET1 Capital, is required. In particular:
    - Since 1.1.2017 a capital conservation buffer of 1.25% exists, which will gradually rise to 2.5% by 31.12.2019.
    - The Bank of Greece through Executive Committee Acts set the following capital buffers:
        - A countercyclical capital buffer rate for 2017, standing at "zero percent" (0%) (Executive Committee Acts 107/ 19.12.2016, 115/ 15.3.2017, 119/15.6.2017 & 122/12.9.2017).
        - Other systemically important institutions (O-SII) buffer for 2017 standing at "zero percent" (0%) (Executive Committee Act 104/18.11.2016).

These limits should be met both on a standalone and on a consolidated basis.

	30.9.2017 (estimated)	31.12.2016
Common Equity Tier I	17.8%	17.1%
Tier I	17.8%	17.1%
Capital adequacy ratio	**17.9%**	**17.1%**

On 8 December 2016, the ECB informed Alpha Bank that for 2017 the minimum limit for the Overall Capital Requirement (OCR) is 12.25%.

The OCR is composed by the minimum own fund requirements (8%), according to article 92(1) of the CRR, the additional own fund requirements of Pillar II (P2R), according to article 16(2)(a) of the Regulation 1024/2013/EU, and 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.

The ECB will run a stress-testing exercise in 2018. This will be conducted by EBA for the largest European banks and by ECB for the banks which are not included in the first group, following the same methodology which was finalized on 17.11.2017 as published by EBA. The results of the stress testing exercise will be factored into the overall assessment within the 2018 Supervisory Review and Evaluation Process (SREP). Alpha Bank has been selected to participate in the stress test exercise of ECB, which is expected to be launched at the beginning of 2018.

24. 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:

	30.9.2017	31.12.2016*
Assets		
Loans and advances to customers	1,224	1,320
Liabilities		
Due to customers	9,878	12,302
Employee defined benefit obligations	240	260
Total	**10,118**	**12,562**
Letters of guarantee and approved limits	**2,272**	**2,315**

	From 1 January to	
	30.9.2017	30.9.2016*
Income		
Interest and similar income	35	81
Fee and commission income	2	73
Total	**37**	**154**
Expenses		
Interest expense and similar charges	12	40
Fees paid to key management and close family members	2,653	2,604
Total	**2,665**	**2,644**

b. The outstanding balances with the Bank's subsidiaries, joint ventures and associates as well as the results related to these transactions are as follows:

	30.9.2017	31.12.2016
Assets		
Loans and advances to customers	231,588	229,559
Other assets	1,163	229
Total	**232,751**	**229,788**
Liabilities		
Due to customers	32,930	22,642

	From 1 January to	
	30.9.2017	30.9.2016
Income		
Interest and similar income	2,086	4,473
Fee and commission income	13	3
Other income	192	174
Total	**2,291**	**4,650**
Expenses		
Interest expense and similar charges	54	115
General administrative expenses	1,925	1,939
Total	**1,979**	**2,054**

* *Certain amounts of the comparative period have been restated in order to be comparable.*

c. The Employees Supplementary Fund maintains deposits with the Bank amounting to € 10 (31.12.2016: € 296). Periods' interest expenses relating to deposits amount to € 1 (30.9.2016: € 17).

d. The Hellenic Financial Stability Fund (HFSF) exercises significant influence on the Bank. In particular, according to Law 3864/2010 and the Relationship Framework Agreement ("RFA") as of 23.11.2015, which replaced the previous of 2013, HFSF has representation 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 and the results related to these transactions are analyzed as follows:

	From 1 January to	
	30.9.2017	**30.9.2016**
Income		
Fee and commission income	8	8

25. Assets held for sale and discontinued operations

The Bank under the approved from the European Commission Restructuring Plan (Note 42 of the consolidated financial statements 31.12.2016) 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 its branch in Bulgaria, to the sale of Alpha Bank A.D. Skopje, Alpha Bank Srbija A.D. and Ionian Hotel Enterprises A.E., while the Bank also commenced the sale of 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, announced, with a joint statement, their agreement, in the main terms, for the transfer of the 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, the terms of the transfer which provide for a cash consideration of 1 Euro and a partial undertaking of Branch's debt obligations by the buyer.

From 30.6.2015 the assets of Bulgaria Branch and direct related liabilities met the criteria to be classified as "held for sale" in accordance with IFRS 5, since on that date the management had already taken the decision to sell the unit and negotiations with the potential buyer had been initiated. In addition, Bulgaria Branch represents a separate geographical area of operations for the Group, which is part of the South-Eastern Europe sector for reporting purposes per operational segment.

Following the classification of Bulgaria Branch, which is the only company in the banking sector through which the Group operates in Bulgaria, as held for sale, its operations represent "discontinued operations" for the Group.

Therefore, during 2015 the Group, for financial reporting purposes, measured the assets and liabilities of Bulgaria Branch at the lower of their carrying amount and fair value less costs to sell and recognized the difference, which amounted to € 89,007 as a loss in the caption "Profit/(Loss) after tax income from discontinued operations" in the Income Statement.

On 1.3.2016 the disposal and the transfer of shares was completed and the Group has adjusted prior recorded loss from the disposal of the Branch with the final net assets as of that date.

Income Statement and Statement of Comprehensive Income

The following table presents the results of Bulgaria Branch for the period from 1.1.2016 to the disposal date. It is noted that the results and cash flows arising from the Bulgaria Branch are presented as "discontinued operations" both in the Income Statement and the Statement of Cash Flows.

	From 1 January to		From 1 July to	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Interest and similar income		3,123		
Interest expense and similar charges		(556)		
Net interest income		2,567		
Fee and commission income		842		
Commission expense		(74)		
Net fee and commission income		768		
Dividend income				
Gains less losses on financial transactions		64		
Other income		79		
Total income		**3,478**		
Staff costs		(1,575)		
General administrative expenses		(2,042)		
Depreciation		(397)		
Other expenses		(30)		
Total expenses		**(4,044)**		
Impairment losses and provisions to cover credit risk		1,563		
Profit/(Loss) before income tax		**997**		
Income tax				
Profit/(Loss), after income tax		**997**		
Gain/(Loss) from the disposal after income tax		(748)		(560)
Net Profit/(Loss) after income tax from discontinued operations		**249**		**(560)**

The amount of cash and cash equivalent of the Bulgaria Branch, which was transferred at the disposal, amounted to € 9,942.

Alpha Bank A.D. Skopje

The Bank, during the fourth quarter of 2015, began the process of selling its subsidiary Alpha Bank AD Skopje (ABS). ABS is the smallest subsidiary of the Group in the Balkans and it has an insignificant 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 offers for the acquisition of the 100% of the ABS shares and of the 100% of the hybrid instrument (subordinated loan) granted to the ABS by the parent company (both of them consist the "Perimeter Transaction").

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".

The disposal was completed on 10.5.2016 for a total amount of € 3.2 million.

Income Statement and Statement of Comprehensive Income

The results and cash flows from Alpha Bank AD Skopje are presented as "discontinued operations" in the Income Statement, the Statement of Comprehensive Income and the Cash Flow Statement.

The following table analyzes the amounts presented in the Statement of Comprehensive Income.

	From 1 January to		From 1 July to	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Interest and similar income		1,525		
Interest expense and similar charges		(382)		
Net interest income		1,143		
Fee and commission income		404		
Commission expense		(183)		
Net fee and commission income		221		
Dividend income				
Gains less losses on financial transactions		132		
Other income		40		
Total income		**1,536**		
Staff costs		(907)		
General administrative expenses		(691)		
Depreciation		(134)		
Other expenses		(80)		
Total expenses		**(1,812)**		
Impairment losses and provisions to cover the credit risk		(482)		
Profit/(Loss) before income tax		**(758)**		
Income tax		21		
Profit/(Loss) after income tax		**(737)**		
Gain from the disposal after income tax		1,535		
Net Profit/(Loss) after income tax from discontinued operations		**798**		
Exchange differences on translating and hedging the net investment in foreign operations		(40)		
Amounts that may be reclassified in the Income Statement from discontinued operations		**(40)**		
Total comprehensive income for the period after income tax		**758**		

The amount of cash and cash equivalent of Alpha Bank A.D. Skopje, which was transferred at the 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, following the sale agreement, the Group acquired the option to invest € 5.2 million and receive in return preference shares issued by the subsidiary or shares of the company that will emerge following 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 option enables the Group to collect an additional amount depending on the financial performance of the company's and therefore represents a contingent consideration. This option was recognized in the caption of "other assets" at fair value, which was € 4.5 million as at 30.9.2017.

The outcome from the sale of Ionian Hotel Enterpsises A.E. was a loss of € 38,273 and it was recorded in the caption "gains less losses on financial transactions".

From the above, an amount of € 37,916 had already been recorded as a loss during the nine month period of 2016 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. Since 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 A.E. which was transferred at disposal amounted to € 67.8.

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 relative contract signed on 23.2.2017, whilst on 11.4.2017 the transaction was completed for a total price of € 53 million following the necessary 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 met 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 for the year ended 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 € 72,722 in the caption "Profit/(Loss) after tax from discontinued operations". After the above valuation, the assets of Alpha Bank Srbija A.D. on 31.12.2016 amounted to € 512,403 and its liabilities to € 406,058.

Taking into account the classification of subsidiary as held for sale and the tax laws, 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 from the valuation of assets and liabilities which amounts to € 11,719.

The loss recognized directly in equity up to the date of the completion of the disposal , amounted to € 69,275 and was recycled in the results of the first semester of 2017 and is presented in the caption "Profit/(Loss) after income tax from discontinued operations" in the Income Statement. The respective loss recognized directly in Equity as at 31.12.2016 amounted to € 68,457.

Income Statement and Statement of Comprehensive Income

The results and cash flows resulted from Alpha Bank Srbija A.D. are presented as "discontinued operations" in the Income Statement, in the Statement of Comprehensive Income and in the Cash Flow Statement.

In the table below, the figures presented in the Statement of Comprehensive Income are analyzed.

	From 1 January to		From 1 July to	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Interest and similar income	6,943	23,553		7,425
Interest expense and similar charges	(1,374)	(3,831)		(1,220)
Net interest income	5,569	19,722		6,205
Fee and commission income	1,860	5,869		2,017
Commission expense	(476)	(1,226)		(479)
Net fee and commission income	1,384	4,643		1,538
Dividend income				
Gains less losses on financial transactions	991	538		249
Other income	156	542		118
Total income	**8,100**	**25,445**		**8,110**
Staff costs	(3,069)	(8,897)		(2,966)
General administrative expenses	(3,749)	(10,749)		(3,616)
Depreciation		(1,572)		(492)
Other expenses	(19)	(68)		(23)
Total expenses	**(6,837)**	**(21,286)**		**(7,097)**
Impairment losses and provisions to cover credit risk	1,111	2,140		1,043
Profit/(Loss) before income tax	**2,374**	**6,299**		**2,056**
Income tax		8		
Profit/(Loss), after income tax	**2,374**	**6,307**		**2,056**
Loss from the disposal after income tax	(70,831)			
Profit/(Losses) after income tax from discontinued operations	**(68,457)**	**6,307**		**2,056**
Net change in the reserve from available for sale securities	(1,559)	137		397
Exchange differences on translating and hedging the net investment in foreign operations	70,016	(1,220)		80
Income tax		(8)		
Amounts that may be reclassified in the Income Statement	**68,457**	**(1,091)**		**477**
Total Comprehensive Income after income tax	**-**	**5,216**		**2,533**

The amount of cash and cash equivalents of Alpha Bank Srbija A.D. which was transferred at disposal amounted to €89,265.

APE Fixed Assets A.E., APE Commercial Property A.E., APE Investment Property A.E.

In June 2016 consultants were engaged and the liquidation process 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.

Since 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 program to find buyer while the sale is expected to be completed within the forthcoming period (note 28b). Consequently the above mentioned companies continue to be classified as Assets held for sale.

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., consolidated with the equity method, the Group measured the fair value of its participation and of the loans and receivables of these companies which constitute part of the net investment in them. From the aforementioned measurement during the prior year, losses amounting to € 19.3 million arose and were recorded in the caption "Gains less losses on financial transactions" in the Income Statement.

Taking into account that these companies are not a separate major line of business of the Group, the criteria to be classified as "discontinued operations" are not met. The companies are included in "Other" for operating segment disclosure purposes.

In the table below is presented an analysis of the discrete assets and liabilities of APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE which are classified in the Balance Sheet as assets held for sale.

Balance Sheet

	30.9.2017	31.12.2016
Asset		
Loans and advances to customers	47,570	47,570
Investments in associates and joint ventures	39,244	39,244
Investment Property	39,872	39,872
	126,686	126,686
Valuation at Fair Value	(19,105)	(19,317)
Total assets held for sale	**107,581**	**107,369**
LIABILITIES		
Deferred tax liabilities	289	296
Other liabilities	4	
Total liabilities related to assets held for sale	**293**	**296**
Amounts recognized directly in equity to assets held for sale	**(122)**	**(122)**
Non-controlling interests related to assets held for sale	**10,959**	**10,953**

Other assets held for sale

Assets held for sale include also other fixed assets held for sale of the Group of an amount of € 6.2 million (31.12.2016: € 5.4 million).

Additionally, during the third quarter of 2017, Alpha Bank Romania S.A. entered into an agreement with a prospective buyer regarding the sale of a retail loan portfolio. The transfer of the loan portfolio is partially completed, the outcome of which is included is the caption "gains less losses on financial transactions". The remaining retail loan portfolio, following under this agreement, is expected to be transferred in the near future. Consequently, since 30.9.2017, and in accordance with IFRS 5 the aforementioned loan portfolio amounting to € 1 million, is classified as held for sale. Thereby, as at 30.9.2017, the total amount of the Group's assets held for sale stands at € 114,789 (31.12.2016: € 625,216).

In addition, the Bank has classified its participation in Selonda Aquaculture A.E.G.E. and Nireus Aquaculture A.E. as Assets held for sale since its intention is to dispose them in the near future. The estimated fair value of the companies is one Euro.

Finally, following the capitalization of Unisoft's loan, the corresponding share is included in "Assets held for sale" with a fair value of one euro.

The Group, for the purpose of the preparation of its financial statements, evaluates the undertaken actions in the context of its restructuring plan, in order to classify, were applicable based on IFRS 5, the assets and its directly related liabilities to held for sale (presented in note 1.17 of the consolidated financial statements as at 31.12.2016).

26. Corporate events

a. On 5.1.2017 the Bank's subsidiary Alpha Group Investments Ltd disposed the 45.84% of the shares of the Group subsidiary AEP Kefalariou A.E. for an amount of € 11.

b. On 16.1.2017 the Bank participated in the share capital increase of its subsidiary, Alphalife A.A.E.Z with the amount of € 25 million.

c. On 24.1.2017 the Group's joint venture Aktua Hellas Holding A.E., was renamed to Cepal Holdings S.A.

d. On 25.1.2017 the company Aktua Hellas Financial Solutions A.E., a subsidiary of Cepal Holdings S.A. was renamed to Cepal Hellas Financial Services Societe Anonyme for the Management of Receivables from Loans and Credits.

e. On 30.1.2017 the Bank reached an agreement with the Serbian MK Group for the whole disposal of shares (100%) of its investment in the share capital of Alpha Bank Srbija A.D.

f. On 3.2.2017 the Bank's subsidiary, Alpha Group Investments Ltd participated in the share capital increase of its subsidiary AEP Kefalariou A.E. with the amount of € 9.75 million.

g. On 23.2.2017 following the exercise of the option of conversion from the total bondholders, the Bank participated in the capital increase due to the conversion of the convertible bond issue of 1.2.2013, in the context of the agreement with Credit Agricole S.A. for the acquisition of Former Emporiki Bank. From the conversion, 6,818,181 common shares issued corresponding to the 0.44% of total shares.

h. On 3.3.2017, following the Group's subsidiary AGI-Cypre Ermis Ltd loan capitalization, the Bank participated in the share capital increase of the subsidiary, acquiring the 75% of its share capital.

i. On 7.3.2017 following the restructuring plan, the Bank acquired the 47.04% of the share capital of Famar S.A. (note 19).

j. On 29.3.2017 the Group's subsidiary Alpha Ventures S.A. participated in the joint venture Panarae Saturn S.A. with the amount of € 964.

k. On 6.4.2017 the Group subsidiaries AEP Amarousion I A.E., AEP Amarousion II A.E., AEP Chalandriou A.E., AEP N.Kifisias A.E. and AEP Chanion A.E. increased their share capital by € 2.1 million, € 0.43 million, € 16.5 million, € 0.5 million and € 0.06 million respectively.

l. On 10.4.2017, the Bank's subsidiary Alpha Group Investments Ltd founded the company Alpha Investment Property Spaton A.E. for an amount of € 24.

m. On 11.4.2017 the sale of all shares of the Bank's subsidiary, Alpha Bank Srbija A.D. was completed.

n. On 4.5.2017, the Bank proceeded to the sale of 1% Cepal Holdings S.A. shares, and participated in its share capital increase with an amount of € 8.33 million. On 18.5.2017 the Bank proceeded in an additional sale of 1.23% Cepal Holdings S.A. shares.

o. On 4.5.2017 the company Cepal Holdings S.A. completed the acquisition of the entity, Kaican Services Ltd, established in Great Britain, paying an amount of € 3.6 million.

p. On 9.5.2017, a capital repayment of € 28.6 million of Bank's subsidiary, Emporiki Development and Real Estate Management A.E., was completed.

q. On 18.5.2017, the sale of all shares of Group's subsidiary, AGI BRE Participations 1 EOOD was completed.

r. On 26.5.2017, the deregistration of Group's subsidiaries, AGI-RRE Athena Srl and AGI-RRE Venus Srl, from Romanian Company Register was completed.

s. On 20.6.2017, the sale of all shares of Group's subsidiary, AGI-SRE Ariadni DOO was completed.

t. On 27.6.2017, the Group's subsidiary, AGI-RRE Cleopatra Srl, acquired 97.5% of TH Top Hotels Srl shares for an amount of € 85.7.

u. On 10.7.2017, the Group's subsidiary AEP Chanion A.E. proceeded to its share capital increase by an amount of € 2 million.

v. On 17.7.2017 the Bank's subsidiary Alpha Group Investments Ltd founded the company Alpha Investment Property Kallithea A.E. for an amount of € 24.

w. On 18.7.2017, following Cepal Holdings S.A. share capital increase with the issue of 138,367 ordinary shares, the Bank's participation was formed at 42.48% of Cepal Holdings S.A. share capital.

x. On 28.7.2017, a capital repayment of € 9.5 million of Bank's subsidiary, Ionian Equity Participations Ltd, was completed.

y. On 1.8.2017, the Bank proceeded to the coverage of its participation to the joint venture, Alpha TANEO AKES, by increasing the joint venture's share capital with an amount of € 83.2.

z. On 11.9.2017, the sale of all shares of the Bank's subsidiary, Ionian Equity Participation Ltd, to Alpha Ventures A.E., was completed for an amount of € 27.42 million.

aa. On 13.9.2017, the Bank proceeded to the coverage of its participation to its subsidiary, APE Fixed Assets A.E., by increasing the subsidiary's share capital with an amount of € 93.86.

27. Restatement of financial statements

The figures of the comparative period were restated following the Alpha Bank Srbija's A.D. classification as discontinued operations (note 25).

Below are restated statements of income and cash flows for the period 1.1-30.9.2016 due to this classification.

Consolidated Income Statement

	From 1 January to 30.9.2016		
	Published Amounts	Restatements due to the presentation of Alpha Bank Srbija A.D. as discontinued operation	Restated amounts
Interest and similar income	2,042,445	(23,553)	2,018,892
Interest expense and similar charges	(588,718)	3,831	(584,887)
Net interest income	1,453,727	(19,722)	1,434,005
Fee and commission income	283,107	(5,869)	277,238
Commission expense	(41,694)	1,226	(40,468)
Net fee and commission income	241,413	(4,643)	236,770
Dividend income	1,153		1,153
Gains less losses on financial transactions	69,395	(538)	68,857
Other income	44,053	(542)	43,511
	114,601	(1,080)	113,521
Total income	**1,809,741**	**(25,445)**	**1,784,296**
Staff costs	(387,192)	8,897	(378,295)
Cost of Voluntary Separation Scheme	(31,560)		(31,560)
General administrative expenses	(380,837)	10,749	(370,088)
Depreciation and amortization	(74,298)	1,572	(72,726)
Other expenses	(17,402)	68	(17,334)
Total expenses	**(891,289)**	**21,286**	**(870,003)**
Impairment losses and provisions to cover credit risk	(861,952)	(2,140)	(864,092)
Share of profit/(loss) of associates and joint ventures	(2,773)		(2,773)
Profit/(Loss) before income tax	**53,727**	**(6,299)**	**47,428**
Income tax	(32,562)	(8)	(32,570)
Net profit/(Loss) after income tax	**21,165**	**(6,307)**	**14,858**
Net profit/(Loss) after income tax from discontinued operations	1,047	6,307	7,354
Net profit/(Loss) after income tax	**22,212**		**22,212**
Profit/(Loss) attributable to:			
Equity owners of the Bank			
- from continuing operations	20,975	(6,307)	14,668
- from discontinued operations	1,047	6,307	7,354
	22,022	**-**	**22,022**
Non-controlling interests	190		190
Earnings/(losses) per share:			
Basic and diluted earnings/(losses) (€per share):	0.01		0.01

	From 1 July to 30.9.2016		
	Published Amounts	Restatements due to the presentation of Alpha Bank Srbija A.D. as discontinued operation	Restated amounts
Interest and similar income	659,494	(7,425)	652,069
Interest expense and similar charges	(172,074)	1,220	(170,854)
Net interest income	487,420	(6,205)	481,215
Fee and commission income	100,660	(2,017)	98,643
Commission expense	(18,017)	479	(17,538)
Net fee and commission income	82,643	(1,538)	81,105
Dividend income	33		33
Gains less losses on financial transactions	9,357	(249)	9,108
Other income	16,778	(118)	16,660
	26,168	(367)	25,801
Total income	**596,231**	**(8,110)**	**588,121**
Staff costs	(128,711)	2,966	(125,745)
Cost of Voluntary Separation Scheme	(80)		(80)
General administrative expenses	(133,748)	3,616	(130,132)
Depreciation and amortization	(24,803)	492	(24,311)
Other expenses	(1,128)	23	(1,105)
Total expenses	**(288,470)**	**7,097**	**(281,373)**
Impairment losses and provisions to cover credit risk	(257,124)	(1,043)	(258,167)
Share of profit/(loss) of associates and joint ventures	(806)		(806)
Profit/(Loss) before income tax	**49,831**	**(2,056)**	**47,775**
Income tax	(8,115)		(8,115)
Net profit/(Loss) after income tax	**41,716**	**(2,056)**	**39,660**
Net profit/(Loss) after income tax from discontinued operations	(560)	2,056	1,496
Net profit/(Loss) after income tax	**41,156**		**41,156**
Profit/(Loss) attributable to:			
Equity owners of the Bank			
- from continuing operations	41,625	(2,056)	39,569
- from discontinued operations	(560)	2,056	1,496
	41,065	**-**	**41,065**
Non-controlling interests	91		91
Earnings/(losses) per share:			
Basic and diluted (€per share):	0.03		0.03

Consolidated Statement of Cash Flows

	From 1 January to 30.9.2016		
	Published amounts	Restatements 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	53,727	(6,299)	47,428
Adjustments for gain/(losses) before income tax for:			
Depreciation/Impairment of fixed assets	40,830	(1,387)	39,443
Amortization/Impairment of intangible assets	33,468	(185)	33,283
Impairment losses from loans, provisions and staff leaving indemnity	915,244	2,140	917,384
(Gains)/losses from investing activities	(78,209)		(78,209)
(Gains)/losses from financing activities	42,183		42,183
(Gains)/losses ratio from associates and joint ventures	2,773		2,773
	1,010,016	**(5,731)**	**1,004,285**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks	(159,589)	(37,002)	(196,591)
Trading securities and derivative financial assets	2,712		2,712
Loans and advances to customers	581,158	10,245	591,403
Other assets	54,981	(119)	54,862
Net increase/(decrease) in liabilities relating to continuing operating activities:			
Due to banks	(3,309,587)	(1,196)	(3,310,783)
Derivative financial liabilities	(69,312)		(69,312)
Due to customers	532,587	7,387	539,974
Other liabilities	116,874	329	117,203
Net cash flows from continuing operating activities before taxes	**(1,240,160)**	**(26,087)**	**(1,266,247)**
Income taxes and other taxes paid	(19,468)	403	(19,065)
Net cash flows from continuing operating activities	**(1,259,628)**	**(25,684)**	**(1,285,312)**
Net cash flows from discontinued operating activities	**(21,270)**	**25,684**	**4,414**
Cash flows from continuing investing activities			
Investments in subsidiaries and associates	(18,522)		(18,522)
Dividends received	1,153		1,153
Purchases of fixed and intangible assets	(129,106)	692	(128,414)
Disposals of fixed and intangible assets	28,619	(211)	28,408
Net (increase)/decrease in investement securities	1,205,972	27,417	1,233,389
Net cash flows from continuing investing activities	**1,088,116**	**27,898**	**1,116,014**
Net cash flows from discontinued investing activities	**(24,390)**	**(27,898)**	**(52,288)**
Cash flows from continuing financing activities			
Receipts/(Repayments) of debt securities in issue and other borrowed funds	(102,283)		(102,283)
(Purchases)/sales of hybrid securities	(15)		(15)
Share capital increase expenses	(970)		(970)
Net cash flows from continuing financing activities	**(103,268)**		**(103,268)**
Effect of exchange rate differences on cash and cash equivalents	(18,411)		(18,411)
Net increase/(decrease) in cash flows – continuing activities	**(293,191)**	**2,214**	**(290,977)**
Net increase/(decrease) in cash flows – discontinued activities	**(45,660)**	**(2,214)**	**(47,874)**
Cash and cash equivalents at the beginning of the period	**1,328,133**	**-**	**1,328,133**
Cash and cash equivalents at the end of the period	**989,282**	**-**	**989,282**

28. Events after the balance sheet date

a. On 15.11.2017, the Greek Government announced the exchange of the 20 PSI bonds issued, maturing from 2023 to 2042, with new bonds that will be issued with maturity of 5, 10, 15, 17 and 25 years, respectively. Through the smoothing of Greek Government's interest rate curve, this exchange aims to improve the debt securities' liquidity in the secondary market. The new bonds will pay an annual fixed coupon, bearing an interest rate ranging between 3.5% and 4.2%. The Greek Government will continue paying the accrued interest of the PSI bonds until 5.12.2017, which is the settlement date of the transaction. The exchange does not include any other cash payment except for the payment of the accrued interest.

b. On 24.11.2017, Group's joint venture APE Commercial Property A.E. completed the disposal of its investment in the share capital of the entity EL.P.ET. Balkaniki A.E.

c. On 28.11.2017 Alpha Astika Akinita A.E. proceeded to the disposal of all shares of its subsidiary Alpha Real Estate D.O.O. Beograd.

Athens, 30 November 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**