ALPHA BANK

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30.9.2011

(In accordance with International Accounting Standard 34)

Athens,
November 28, 2011

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Interim Consolidated Financial Statements as at 30.9.2011
(In accordance with IAS 34)

Interim Consolidated Income Statement

(Thousands of Euro)

	Note	From 1 January to		From 1 July to	
		30.9.2011	30.9.2010	30.9.2011	30.9.2010
Interest and similar income		2,769,366	2,639,028	969,570	901,504
Interest expense and similar charges		(1,438,729)	(1,266,473)	(518,293)	(446,323)
Net interest income		1,330,637	1,372,555	451,277	455,181
Fee and commission income		257,346	292,794	85,570	96,631
Commission expense		(40,850)	(37,501)	(13,418)	(13,364)
Net fee and commission income		216,496	255,293	72,152	83,267
Dividend income		3,612	3,160	136	2,048
Gains less losses on financial transactions		132,021	17,229	76,034	2,618
Other income		45,986	42,606	13,845	14,192
		181,619	62,995	90,015	18,858
Total income		**1,728,752**	**1,690,843**	**613,444**	**557,306**
Staff costs	2	(403,768)	(414,928)	(133,224)	(135,215)
General administrative expenses		(352,805)	(370,246)	(115,474)	(123,164)
Depreciation and amortization expenses	9, 10, 11	(69,702)	(68,931)	(23,517)	(24,231)
Other expenses		(5,647)	382	(3,392)	3
Total expenses		**(831,922)**	**(853,723)**	**(275,607)**	**(282,607)**
Impairment losses and provisions to cover credit risk	3	(827,419)	(644,321)	(295,242)	(223,058)
Share of profit/(loss) of associates		1,703	(902)	931	(437)
Profit/(loss) before income tax, additional tax and impact from exposure to Greek Government bonds		**71,114**	**191,897**	**43,526**	**51,204**
Income tax before the impact of impairment of Greek Government bonds	5	(29,512)	(54,240)	(15,894)	(13,786)
Additional tax (Law 3845/2010)	5		(61,879)		
		41,602	**75,778**	**27,632**	**37,418**
Impairment losses of Greek Government bonds after income tax	4	(608,068)		(69,447)	
Profit/(loss) after income tax		**(566,466)**	**75,778**	**(41,815)**	**37,418**
Profit/(loss) attributable to:					
Equity owners of the Bank		**(566,697)**	**75,523**	**(41,901)**	**37,307**
Non-controlling interests		231	255	86	111
Earnings/(losses) per share:					
Basic and diluted (€ per share)	6	(1.17)	0.04	(0.11)	0.04

The attached notes (pages 9-38) form an intergral part of these interim consolidated financial statements

Interim Consolidated Balance Sheet

(Thousands of Euro)

	Note	30.9.2011	31.12.2010
ASSETS			
Cash and balances with Central Banks		2,094,208	4,124,283
Due from banks		1,910,390	2,397,664
Securities held for trading		18,444	41,268
Derivative financial assets		635,837	441,082
Loans and advances to customers	7	47,222,202	49,304,745
Investment securities			
- Available for sale	8	3,112,267	2,375,964
- Held to maturity	8	4,724,560	5,282,498
Investments in associates		52,222	49,617
Investment property	9	64,935	71,729
Property, plant and equipment	10	1,232,001	1,240,658
Goodwill and other intangible assets	11	180,917	193,191
Deferred tax assets		617,330	427,554
Other assets		641,293	666,984
		62,506,606	66,617,237
Non-current assets held for sale		194,895	181,078
Total Assets		**62,701,501**	**66,798,315**
LIABILITIES			
Due to banks	12	20,653,585	16,461,381
Derivative financial liabilities		1,445,510	1,105,433
Due to customers (including debt securities in issue)		31,682,063	38,292,501
Debt securities in issue held by institutional investors and other borrowed funds	13	2,237,873	3,561,188
Liabilities for current income tax and other taxes		23,569	136,520
Deferred tax liabilities		333,231	263,510
Employee defined benefit obligations		56,081	52,592
Other liabilities		976,625	1,058,511
Provisions	14	91,718	82,745
Total Liabilities		**57,500,255**	**61,014,381**
EQUITY			
Equity attributable to equity owners of the Bank			
Share capital	15	1,100,281	3,451,067
Share premium		2,757,653	406,867
Reserves		206,559	104,441
Retained earnings	15	584,429	1,248,496
		4,648,922	5,210,871
Non- controlling interests		**12,012**	**13,413**
Hybrid Securities		**540,312**	**559,650**
Total Equity		**5,201,246**	**5,783,934**
Total Liabilities and Equity		**62,701,501**	**66,798,315**

Interim Consolidated Statement of Comprehensive Income

(Thousands of Euro)

	Note	From 1 January to 30.9.2011	From 1 January to 30.9.2010	From 1 July to 30.9.2011	From 1 July to 30.9.2010
Profit/(Loss) after income tax, recognized in the income statement		**(566,466)**	**75,778**	**(41,815)**	**37,418**
Other comprehensive income recognized directly in Equity:					
Change in available for sale securities' reserve		43,773	(161,370)	(42,345)	(33,955)
Change in available for sale securities reserve due to impairment of Greek Government bonds	4	91,307		14,414	
Change in cash flow hedge reserve		7,110	(40,602)	2,396	61
Exchange differences on translating and hedging the net investment in foreign operations		(1,663)	(13,557)	2,155	(11,714)
Income tax	5	(40,551)	49,054	3,179	8,260
Total other comprehensive income recognized directly in Equity, after income tax	5	**99,976**	**(166,475)**	**(20,201)**	**(37,348)**
Total comprehensive income for the period, after income tax		**(466,490)**	**(90,697)**	**(62,016)**	**70**
Total comprehensive income for the period attributable to:					
Equity owners of the Bank		**(466,113)**	**(91,095)**	**(61,645)**	**(132)**
Non-controlling interests		(377)	398	(371)	202

The attached notes (pages 9-38) form an intergral part of these interim consolidated financial statements

Interim Consolidated Statement of Changes in Equity

(Thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non-controlling interests	Hybrid securities	Total
Balance 1.1.2010		**3,451,067**	**406,867**	**239,253**	**1,274,961**	**5,372,148**	**17,424**	**583,787**	**5,973,359**
Changes for the period 1.1 - 30.9.2010									
Profit for the period, after income and additional tax					75,523	75,523	255		75,778
Other comprehensive income, after income tax, recognized directly in Equity				(166,618)		(166,618)	143		(166,475)
Total comprehensive income for the period, after income tax				**(166,618)**	**75,523**	**(91,095)**	**398**		**(90,697)**
Expenses relating to the share capital increase after income tax					(607)	(607)			(607)
Purchases/sales and change of ownership interests in subsidiaries					(11,181)	(11,181)	(4,201)		(15,382)
Purchases/ redemptions, sales of hybrid securities, after income tax					3,518	3,518		(15,570)	(12,052)
Dividend paid for preference shares					(57,945)	(57,945)			(57,945)
Dividends distributed to non-controlling interests							(330)		(330)
Dividends paid to hybrid securities owners					(25,822)	(25,822)			(25,822)
Appropriation to reserves				20,830	(20,830)				
Other					189	189			189
Balance 30.9.2010		**3,451,067**	**406,867**	**93,465**	**1,237,806**	**5,189,205**	**13,291**	**568,217**	**5,770,713**
Changes for the period 1.10 - 31.12.2010									
Profit for the period, after income and additional tax					10,126	10,126	135		10,261
Other comprehensive income, after income tax, recognized directly in Equity				10,977		10,977	314		11,291
Total comprehensive income for the period, after income tax				**10,977**	**10,126**	**21,103**	**449**		**21,552**
Purchases/sales and change of ownership interests in subsidiaries					(60)	(60)	(327)		(387)
Purchases/ redemptions, sales of hybrid securities, after income tax					2,797	2,797		(8,567)	(5,770)
Dividends paid to hybrid securities owners					(2,351)	(2,351)			(2,351)
Appropriation to reserves				(1)	1				
Other					177	177			177
Balance 31.12.2010		**3,451,067**	**406,867**	**104,441**	**1,248,496**	**5,210,871**	**13,413**	**559,650**	**5,783,934**

(Thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non-controlling interests	Hybrid securities	Total
Balance 1.1.2011		**3,451,067**	**406,867**	**104,441**	**1,248,496**	**5,210,871**	**13,413**	**559,650**	**5,783,934**
Changes for the period 1.1 - 30.9.2011									
Profit for the period, after income tax					(566,697)	(566,697)	231		(566,466)
Other comprehensive income, after income tax, recognized directly in Equity				100,584		100,584	(608)		99,976
Total comprehensive income for the period, after income tax				**100,584**	**(566,697)**	**(466,113)**	**(377)**		**(466,490)**
Reduction in the nominal value of ordinary shares		(2,350,786)	2,350,786						
Purchases/sales and change of ownership interests in subsidiaries					(456)	(456)	(1,024)		(1,480)
Purchases/ sales of hybrid securities, after income tax					10,403	10,403		(19,338)	(8,935)
Dividend paid for preference shares	15b				(75,200)	(75,200)			(75,200)
Dividends paid to hybrid securities owners					(30,546)	(30,546)			(30,546)
Appropriation to reserves				1,534	(1,534)				
Other					(37)	(37)			(37)
Balance 30.9.2011		**1,100,281**	**2,757,653**	**206,559**	**584,429**	**4,648,922**	**12,012**	**540,312**	**5,201,246**

Interim Consolidated Statement of Cash Flows

(Thousands of Euro)

	Note	From 1 January to 30.9.2011	30.9.2010
Cash flows from operating activities			
Profit before income tax, additional tax and impact from exposure to Greek Government bonds		71,114	191,897
Impairment losses from Greek Government bonds, before income tax	4	(760,085)	
Profit/(loss) before income and additional tax		(688,971)	191,897
Adjustments for:			
Depreciation of fixed assets	9, 10	47,084	47,972
Amortization of intangible assets	11	22,618	20,959
Impairment losses from loans and provisions		864,542	671,851
Impairment losses from Greek Government bonds	4	760,085	
Other adjustments		4,997	
(Gains)/losses from investing activities		(61,030)	18,602
(Gains)/losses from financing activities		(131,540)	53,007
Share of (profit)/loss from associates		(1,703)	902
		816,082	**1,005,190**
Net (increase)/decrease in assets relating to operating activities:			
Due from banks		401,424	(676,442)
Securities held for trading and derivative financial assets		(171,930)	(166,043)
Loans and advances to customers		1,241,461	684,433
Other assets		26,560	44,974
Net increase/(decrease) in liabilities relating to operating activities:			
Due from banks		4,192,203	2,277,511
Derivative financial liabilities		347,187	652,398
Due to customers		(7,638,578)	(4,763,785)
Other liabilities		(83,253)	33,732
Net cash flows from operating activities before taxes		**(868,844)**	**(908,032)**
Income taxes and other taxes paid		(153,062)	(124,804)
Net cash flows from operating activities		**(1,021,906)**	**(1,032,836)**
Cash flows from investing activities			
Investments in subsidiaries and associates		(1,617)	(15,382)
Dividends received		3,594	3,160
Purchases of fixed and intangible assets		(65,897)	(91,580)
Disposals of fixed and intangible assets		11,042	9,539
Net (increase)/decrease in investment securities		(743,982)	(1,395,824)
Net cash flows from investing activities		**(796,860)**	**(1,490,087)**
Cash flows from financing activities			
Expenses relating to the share capital increase			(799)
Dividends paid		(96,281)	(58,275)
Repayment of debt securities		(163,634)	(30,432)
(Purchases)/sales of hybrid securities		(5,930)	(9,097)
Dividends paid to hybrid securities owners		(30,897)	(25,822)
Net cash flows from financing activities		**(296,742)**	**(124,425)**
Effect of exchange rate fluctuations on cash and cash equivalents		(664)	(24,079)
Net increase / (decrease) in cash and cash equivalents		**(2,116,172)**	**(2,671,427)**
Cash and cash equivalents at the beginning of the period		**3,151,288**	**6,187,182**
Cash and cash equivalents at the end of the period		**1,035,116**	**3,515,755**

The attached notes (pages 9-38) form an intergral 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: banking, financing, financial services, investment banking and brokerage services, insurance services, real estate management, hotel activities.

The parent company of the Group is ALPHA BANK A.E. which operates under the brand name of ALPHA BANK. The Bank's registered office is 40 Stadiou Street, Athens and it is listed as a societe anonyme with registration number 6066/06/B/86/05. The Bank's duration is until 2100 which can be extended by the General Meeting of Shareholders.

In accordance with article 4 of the Articles of Incorporation, the Bank's 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 22.6.2010 expires in 2014.

The Board of Directors as at 30.9.2011, according to the minutes of its meeting held on 22.3.2011, consists of:

CHAIRMAN (Executive Member)

Yannis S. Costopoulos

VICE CHAIRMAN (Non Executive Independent Member)

Minas G. Tanes ***

EXECUTIVE MEMBERS

MANAGING DIRECTOR

Demetrios P. Mantzounis

EXECUTIVE DIRECTORS AND GENERAL MANAGERS

Spyros N. Filaretos (COO) ***

Artemis Ch. Theodoridis

George C. Aronis (from 22.3.2011)

NON-EXECUTIVE MEMBERS

Sophia G. Eleftheroudaki (resigned on 23.11.2011)

Paul G. Karakostas *

Nicholaos I. Manessis **

Ioanna E. Papadopoulou

NON-EXECUTIVE INDEPENDENT MEMBERS

George E. Agouridis *

Pavlos A. Apostolides ** (resigned on 18.11.2011)

Thanos M. Veremis

Evangelos J. Kaloussis */***

Ioannis K. Lyras **

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* *Member of the Audit Committee*

** *Member of the Remuneration Committee*

*** *Member of the Risk Management Committee*

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

Sarantis – Evangelos G. Lolos

SECRETARY

Hector P. Verykios

The Ordinary General Meeting of Shareholders, held on 21.6.2011, has appointed as auditors of the semi annual and annual financial statements for 2011 the following:

Principal Auditors:	Nikolaos E. Vouniseas
	Charalambos G. Sirounis
Substitute Auditors:	Nikolaos Ch. Tsiboukas
	John A. Achilas

of KPMG Certified Auditors A.E.

The Bank's shares have been listed in the Athens Stock Exchange since 1925. As at September 30, 2011 Alpha Bank was ranked tenth in terms of market capitalization. Additionally, the Bank's share is included in a series of international indices, such as S&P Europe 350, FTSE Med 100, MSCI Europe, DJ Euro Stoxx and FTSE4Good.

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

As at September 30, 2011 the Bank has 534,269,648 ordinary and 200,000,000 preference shares in issue.

During the nine month period of 2011 an average of 2,312,567 shares have been traded daily.

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

- Moody's: Caa2
- Fitch Ratings: B-
- Standard & Poor's: CCC

The financial statements have been approved by the Board of Directors on November 28, 2011

ACCOUNTING POLICIES APPLIED

1. Basis of presentation

The Group has prepared the condensed interim financial statements as at 30.9.2011 in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

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

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

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

The accounting policies applied by the Group in preparing the condensed interim financial statements are consistent with those stated in the published financial statements for the year ended 31.12.2010, after taking into account the following amendments of International Accounting Standards and the Interpretations, which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2011:

- **Amendment of International Financial Reporting Standard 1** «Limited Exemption from Comparative IFRS7 Disclosures for First-time Adopters» (Regulation 574/30.6.2010)
- **Amendment of International Accounting Standard 24** «Related Party Disclosures» (Regulation 632/19.7.2010)
- **Amendment of International Accounting Standard 32** «Classification of Rights Issues» (Regulation 1293/23.12.2009)
- **Improvements to International Accounting Standards** (Regulation 149/18.2.2011)
- **Amendment of Interpretation 14** «Prepayment of a Minimum Funding Requirement» (Regulation 633/19.7.2010)
- **Interpretation 1**9 «Extinguishing Financial Liabilities with Equity Instruments» (Regulation 662/23.7.2010)

The adoption of the above did not have a substantial impact on the Group's financial statements.

The adoption by the European Union, by 31.12.2011, 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 1.1.2011 may retrospectively affect the periods presented in these interim financial statements.

Estimates, decision making criteria and significant sources of uncertainty

The estimates and judgments applied by the Group 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 to take into account current conditions, and the effect of any changes is recognised in the period in which the estimate is revised. The main sources of uncertainty relating to estimations used in the preparation of the current period's interim financial statements relate to the estimation of the value of bonds issued by the Greek State that are owned by the Group.

More specifically, within the first six months of 2011, the Group recognised an impairment loss relating to the value of bonds issued by the Greek State. The impairment loss was calculated using appropriate assumptions at the time, which were derived from the description of the bonds' exchange program based on the decisions of the European Summit of July 21st, 2011 and the projections regarding interest rates. However, the European Summit on 26 October 2011 agreed upon a new plan to decrease Greek debt and the Greek bonds exchange program developed based on the decisions of the European Summit of the 21st July, 2011 will therefore not be applied. The new plan provides for a voluntary exchange of existing Greek Government bonds with new ones. The exact terms of the new exchange program are expected to be defined by the end of 2011, so that the bonds will be exchanged in the beginning of 2012.

The ultimate impact of the new plan on the value of bonds depends on factors such as:

- The terms of the new bonds (nominal value, interest rate, tenor, guarantees)
- The participation rate of the private sector
- The developments in the Eurozone debt crisis

The significant degree of uncertainty created by the above factors which have not been defined at this time does not permit a reliable estimation of the impairment loss for Greek Government bonds in the current period's interim financial tatements and therefore, it is possible that the final impact on the value of the bonds will differ from the impairment recognised in the current period's financial statements.

INCOME STATEMENT

2. Staff Costs

The Bank, in collaboration with AXA Insurance, has created a new savings plan for its employees that were hired and insured for the first time in 1.1.1993 and onwards. The plan's effective date is on 1 January 2011 and its aim is to provide a lump monetary benefit to retiring employees. The plan's assets, which will be formed by the fixed monthly contributions of the Bank and its employees, will be invested in low risk mutual funds. In particular, for employees hired by the Bank and insured from 1.1.1993 until 31.12.2004 the final lump sum benefit to be received upon retirement will have as a minimum the amount as defined in Law 2084/1992.

3. Impairment losses and provisions to cover credit risk

	From 1 January to		From 1 July to	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
Impairment losses of loans and advances to customers (note 7)	834,755	661,540	294,887	223,225
Provisions to cover credit risk relating to off-balance sheet items (note14)	3,438	(187)	1,715	(125)
Recoveries	(10,774)	(17,032)	(1,360)	(42)
Total	**827,419**	**644,321**	**295,242**	**223,058**

4. Exposure to credit risk from debt issued by peripheral countries in the Eurozone

a. Exposure to Greek Government debt

An analysis of impairment losses of Greek Government bonds is depicted below:

	Available for sale	Held to maturity	Total
Impairment losses of Greek Government bonds	91,307	668,778	760,085
Deferred tax	(18,261)	(133,756)	(152,017)
Impairment losses of Greek Government bonds after income tax	**73,046**	**535,022**	**608,068**

In the context of the European Summit on 21 July 2011, a financial proposal was formed for a voluntary replacement program for existing securities issued by the Greek Government maturing up to 2020, with new securities of extended maturities which will be issued by the Greek state and their capital will be guaranteed by a high credit rating institution. The Group, estimating that the participation in the above program for the restructuring of the Greek debt with adverse consequences for the investor, as described in the relevant letter of inquiry sent by the Minister of Finance, constituted objective evidence of impairment of the value of bonds that fall within this program, recognized in its interim financial statements as at 30.6.2011 impairment losses amounting to € 673.3 million before tax, for the Greek Government bonds maturing up to 13.7.2020. In addition, in the third quarter of 2011 an impairment loss amounting to € 86.8 million before tax was recognized for the above mentioned securities as described in detail in note 8.

In the European Summit on 26 October 2011, the implementation of a new plan for the reduction of Greek debt was agreed and consequently the program for the replacement of Greek Government bonds that had been developed based on the decisions of the European Summit on 21 July 2011 will not be implemented. The new plan provides for the development of a new program for the voluntary replacement of Greek Government bonds with new ones with the ultimate aim to achieve the reduction in the nominal value of debt owned by the private sector by 50%. The aim of the new bond replacement program in combination with the remaining measures that relate to the restructuring of the Greek economy is that debt will reach 120% of GDP up to 2020.

The precise terms of the new bond replacement program are expected to be clarified after the negotiations of all involved parties by the end of 2011, so that the exchange of bonds will occur in the beginning of 2012. The fact that the basic terms of the new voluntary replacement program for the Greek Government bonds have not been defined yet such as, the characteristics of the new bonds which will replace the old securities (nominal value, tenor, interest rate, guarantees) as well as any incentives to participate in the program, create uncertainty in relation to the expected cash flows of the portfolio and do not permit the reliable reassessment of impairment losses for the Greek Government bonds in the interim financial statements of 30.09.2011. The development of conversations between involved parties and the finalization of the terms of the replacement which is expected by the end of the current year will render possible the reassessment of the recoverable value of the Greek Government bond portfolio.

The table that follows depicts the Group's total exposure to Greek Government securities as at 30.9.2011, with the exception of securities amounting to €2.9 billion which relate to treasury bills and to the bond received by the Bank in exchange for the preference shares it had issued in favour of the Greek State in the context of Law 3723/2008.

Portfolio	Amortized cost before impairment	Book value before impairment (1)/ Fair value (2)	Book value after impairment (1)/ Fair value (2)
Available for sale	206,165	164,559 (2)	164,559 (2)
Held to maturity	3,678,251	3,678,251 (1)	2,955,783 (1)
Trading	8,511	7,309 (2)	7,309 (2)
Total	**3,892,927**	**3,850,119**	**3,127,651**

The table that follows presents the maturity analysis of the above securities:

Portfolio	Up to 1 year	1 to 5 years	More than 5 years	Total
Available for sale	37,421	98,168	28,970	164,559
Held to maturity	79,118	2,127,130	749,535	2,955,783
Trading	4,696	1,726	887	7,309
Total	**121,235**	**2,227,024**	**779,392**	**3,127,651**

Out of the securities with remaining maturity more than 5 years, a total amount of € 164.1 million matures after the year 2020, analyzed further into € 11.6 million in the available for sale, € 152.3 million in the held to maturity and € 0.2 million in the trading portfolio.

The table that follows depicts the hierarchy of Greek Government securities (including treasury bills) accounted at fair value, based on the quality of inputs used for the estimation of their fair value:

	30.9.2011		31.12.2010	
	Available for sale portfolio	Trading portfolio	Available for sale portfolio	Trading portfolio
Level 1	2,192,604	7,309	1,377,775	27,561
Level 2	270	-	536	-
Level 3	-	-	-	-
Total	**2,192,874**	**7,309**	**1,378,311**	**27,561**

The Group's exposure to Greek Government risk from financial instruments other than securities is depicted in the table below:

Balance sheet items	Book Value	Fair Value
Derivative financial instruments – assets	227,784	227,784
Derivative financial instruments – liabilities	135,152	135,152
Off balance sheet items	**Nominal Value**	**Fair Value**
Bonds accepted as guarantees for funding purposes	123,318	84,271

The amounts that the Bank has granted as loans to the central or local governments are not material.

b. Exposure to the peripheral Eurozone countries' debt

As at 30.9.2011 the Group had no exposure to bonds issued by Spain, Portugal, Ireland and Italy.

5. Income tax

According to Law 3697/2008 the tax rate for 2010 is 24%.

According to article 14 of Law 3943/2011 "Combating tax evasion, staffing of the tax auditing department and other provisions under the responsibility of the Ministry of Finance", a 20% tax rate is effective for the legal entities from 1.1.2011 and thereon. For profit distribution, withholding tax is imposed with a 25% tax rate. For financial statements up to 31.12.2010 a tax rate of 21% was imposed on distributed profits.

The nominal tax rates of years 2010 and 2011 of the subsidiaries and the Bank's branches operating abroad are as follows:

Cyprus	10
Bulgaria	10
Serbia	10
Romania	16
FYROM	10 [1]
Albania	10
Ukraine	23
Jersey	10
United Kingdom	28

In accordance with article 5 of Law 3845/6.5.2010 "Measures for the implementation of the supporting mechanism of the Greek economy through the Eurozone Member-States and the International Monetary Fund" an additional tax was imposed to legal entities for social responsibility purposes calculated on the total net income for fiscal year 2010 (accounting year 1.1-31.12.2009) provided that it exceeds € 100,000. The additional tax is imposed on profits before income tax as reported under International Financial Reporting Standards (IFRS), only if these are greater than the total taxable profits.

The additional tax recognized in the Consolidated Financial Statements as at 31.3.2010 amounted to € 61.8 million which was paid in January 2011.

According to Law 84/29.4.2011 additional tax was imposed in credit institutions operating in Cyprus, which is calculated at a rate of 0.095% on their total deposits as at 31.12.2010 and 31.12.2011 and shall be paid in four installments commencing from 31.5.2011.

The income tax expense is analysed as follows:

	From 1 January to		From 1 July to	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
Current	40,113	56,559	20,266	14,516
Deferred	(10,601)	(2,319)	(4,372)	(730)
	29,512	**54,240**	**15,894**	**13,786**
Deferred tax due to the impairment of Greek Government bonds	(152,017)		(17,362)	
Total	**(122,505)**	**54,240**	**(1,468)**	**13,786**
Additional tax (Law 3845/2010)		61,879		

The current tax for the nine month period of 2011 includes an additional tax arising from the Bank's tax audit for the years 2008 and 2009 as well as an additional tax of Cyprus Credit Institutions.

[1] *From 1.1.2009 non distributable profits are not subject to tax. When distributed are taxed at the effective rate on the date of distribution.*

Deferred tax recognized in the income statement is attributable to temporary differences the effects of which are analyzed as follows:

	From 1 January to		From 1 July to	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
Write-offs, depreciation and amortization of fixed and intangible assets	3,899	3,946	1,953	2,332
Valuation of loans	23,353	64,194	46,118	17,541
Suspension of interest accruals	29,233	31,768	8,893	17,396
Loans impairment	(63,166)	(75,021)	(18,705)	(26,422)
Employee defined benefit obligations	1,934	12,975	(454)	(891)
Valuation of derivatives	(10,137)	(49,544)	(34,910)	(16,509)
Application of effective interest rate	(5,471)	2,829	297	674
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	1,155	(8,547)	(1,771)	492
Valuation of bonds	11,251	15,727	5,642	6,274
Valuation of other securities	2,319	(81)	559	224
Tax losses carried forward	(6,635)	(1,860)	(1,067)	(1,313)
Other differences	1,664	1,295	(10,927)	(528)
	(10,601)	**(2,319)**	**(4,372)**	**(730)**
Impairment of Greek Government bonds	(152,017)		(17,362)	
Total	**(162,618)**	**(2,319)**	**(21,734)**	**(730)**

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

	From 1 January to			
	30.9.2011		30.9.2010	
	%		%	
Profit before income tax, additional tax and impact from exposure to Greek Government bonds		**71,114**		**191,897**
Impairment losses of Greek Government bonds		(760,085)		
Profit/(loss) before income tax		**(688,971)**		**191,897**
Income tax (tax rate)	19.90	(137,094)	19.23	36,903
Increase/(decrease) due to:				
Additional tax on income from fixed assets	(0.14)	982	0.09	169
Non taxable income	0.15	(1,024)	(0.35)	(665)
Non deductible expenses	(0.74)	5,106	1.05	2,018
Withholding tax that has not been offset			2.61	5,000
Other differences	(1.38)	9,525	5.64	10,815
Income Tax (effective tax rate)	**17.79**	**(122,505)**	**28.27**	**54,240**

	From 1 July to			
	30.9.2011		30.9.2010	
	%		%	
Profit before income tax, additional tax and impact from exposure to Greek Government bonds		**43,526**		**51,204**
Impairment losses of Greek Government bonds		(86,809)		
Profit/(loss) before income tax		**(43,283)**		**51,204**
Income tax (tax rate)	19.52	(8,448)	17.93	9,181
Increase/(decrease) due to:				
Additional tax on income from fixed assets	0.11	(48)	0.11	55
Non taxable income	0.02	(7)	0.67	344
Non deductible expenses	(3.78)	1,636	1.55	792
Withholding tax that has not been offset			3.87	1,983
Other differences	(12.47)	5,399	2.79	1,431
Income Tax (effective tax rate)	**3.40**	**(1,468)**	**26.92**	**13,786**

The tax rate of 19.90% for the nine month period of 2011 and 19.23% for the nine month period of 2010 is the weighted average nominal tax rate based on the nominal income tax rate and the profit before tax of the Group's subsidiaries.

Income tax of other comprehensive income recognized directly in Equity

	From 1 January to					
	30.9.2011			30.9.2010		
	Before Income tax	Income tax	After Income tax	Before Income tax	Income tax	After Income tax
Change in available for sale securities' reserve	43,773	(12,260)	31,513	(161,370)	39,085	(122,285)
Change in available for sale securities' reserve due to the impairment of Greek Government bonds	91,307	(18,261)	73,046			
Change in cash flow hedge reserve	7,110	(1,422)	5,688	(40,602)	9,744	(30,858)
Tax rate effect (Law 3943/2011)		(9,358)	(9,358)			
Exchange differences on translating and hedging the net investment in foreign operations	(1,663)	750	(913)	(13,557)	225	(13,332)
Total	**140,527**	**(40,551)**	**99,976**	**(215,529)**	**49,054**	**(166,475)**

	From 1 July to					
	30.9.2011			30.9.2010		
	Before Income tax	Income tax	After Income tax	Before Income tax	Income tax	After Income tax
Change in available for sale securities' reserve	(42,345)	6,249	(36,096)	(33,955)	7,798	(26,157)
Change in available for sale securities' reserve due to the impairment of Greek Government bonds	14,414	(2,883)	11,531			
Change in cash flow hedge reserve	2,396	(479)	1,917	61	(15)	46
Tax rate effect (Law 3943/2011)						
Exchange differences on translating and hedging the net investment in foreign operations	2,155	292	2,447	(11,714)	477	(11,237)
Total	**(23,380)**	**3,179**	**(20,201)**	**(45,608)**	**8,260**	**(37,348)**

6. Earnings/ (losses) per share

a. Basic

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

b. Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding for the period to assume conversion of all dilutive potential ordinary shares.

The Group does not have dilutive potential ordinary shares and additionally, based on the preference shares' terms of issuance, basic and dilutive earnings per share should not differ.

	From 1 January to		From 1 July to	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
Profit/(losses) attributable to ordinary equity owners of the Bank	(566,697)	75,523	(41,901)	37,307
Weighted average number of outstanding ordinary shares	534,269,648	534,269,648	534,269,648	534,269,648
Basic and diluted earnings/ (losses) per share (in €)	(1.06)	0.14	(0.08)	0.07

Taking into consideration the impact of the accrued return on preference shares, earnings / (losses) per share are formed as follows:

	From 1 January to		From 1 July to	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
Profit / (losses) attributable to ordinary equity owners of the Bank less the accrued return on preference shares of the Greek State (Law 3723/2008)	(622,943)	21,387	(60,856)	19,064
Weighted average number of outstanding ordinary shares	534,269,648	534,269,648	534,269,648	534,269,648
Basic and diluted earnings/ (losses) per share (in €)	(1.17)	0.04	(0.11)	0.04

ASSETS

7. Loans and advances to customers

	30.9.2011	31.12.2010
Individuals:		
Mortgages	14,214,507	14,288,457
Consumer:		
- Non-Securitized	2,728,591	2,701,235
- Securitized	1,776,041	1,958,435
Credit cards		
- Non-Securitized	266,209	466,927
- Securitized	756,998	724,027
Other	63,670	68,541
Total	**19,806,016**	**20,207,622**
Companies:		
Corporate loans:		
- Non-Securitized	26,784,759	27,494,817
- Securitized	1,437,631	1,562,067
Financial Leasing:		
- Non-Securitized	690,910	736,627
- Securitized	418,796	460,872
Factoring	471,240	612,211
Total	**29,803,336**	**30,866,594**
Receivables from insurance and re-insurance activities	10,673	11,197
Other receivables	267,631	439,324
	49,887,656	**51,524,737**
Less:		
Allowance for impairment losses [1]	(2,665,454)	(2,219,992)
Total	**47,222,202**	**49,304,745**

The Bank and Alpha Leasing A.E. have proceeded in securitizing consumer, corporate loans, credit cards and finance leases 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 owning the bonds issued by the special purpose entities) the Bank and Alpha Leasing AE retained in all cases the risks and rewards deriving from the securitized portfolios.

The Bank has proceeded in the issuance of covered bonds covered by mortgage loans. As at 30.9.2011 the balance of the covered bonds amounted to € 3.7 billion and the value of mortgage loans provided as coverage for the above mentioned bonds amounted to € 4.7 billion.

[1] *In addition to the allowance for impairment losses and advances to customers, a provision of €3,865 (31.12.2010: €438) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to €2,669,319 (31.12.2010: €2,220,430).*

Allowance for impairment losses

Balance 1.1.2010	**1,642,808**
Changes for the period 1.1 - 30.9.2010	
Impairment losses for the period (note 3)	661,540
Change in the present value of the allowance account	92,738
Foreign exchange differences	1,915
Loans written-off during the period	(301,869)
Balance 30.9.2010	**2,097,132**
Changes for the period 1.10 - 31.12.2010	
Impairment losses for the period	240,337
Change in the present value of the allowance account	36,540
Foreign exchange differences	8,192
Loans written-off during the period	(162,209)
Balance 31.12.2010	**2,219,992**
Changes for the period 1.1 - 30.9.2011	
Impairment losses for the period (note 3)	834,755
Change in the present value of the allowance account	134,918
Foreign exchange differences	(2,192)
Loans written-off during the period	(522,019)
Balance 30.9.2011	**2,665,454**

The finance lease receivables by duration are as follows:

	30.9.2011	31.12.2010
Up to 1 year	389,006	392,531
From 1 year to 5 years	442,289	557,665
More than 5 years	566,600	515,750
	1,397,895	**1,465,946**
Non accrued finance lease income	(288,189)	(268,447)
Total	**1,109,706**	**1,197,499**

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

	30.9.2011	31.12.2010
Up to 1 year	347,848	353,345
From 1 year to 5 years	324,442	429,892
More than 5 years	437,416	414,262
Total	**1,109,706**	**1,197,499**

8. Investment securities

a. Available for sale

The available for sale portfolio amounts to € 3.1 billion as at 30.9.2011 compared to € 2.4 billion as at 31.12.2010. The aforementioned amounts include Greek Government securities that amount to € 2.2 billion as at 30.9.2011 (31.12.2010: € 1.4 billion) out of which € 2 billion (31.12.2010: € 872 million) relate to treasury bills.

The Group in the third quarter of 2011 has recognized an additional impairment loss amounting to € 14.4 million, for Greek Government bonds, due to the decrease in fair values. Thus, on 30.9.2011, the total impairment loss for Greek Government bonds recognized in the income statement, amounts to € 91.3 million (note 4). Additionally, during the nine month period of 2011, impairment loss for other securities was recognized amounting to € 43.7 million which is included in "gains less losses on financial transactions".

b. Held to maturity

The held to maturity portfolio amounts to € 4.7 billion as at 30.9.2011 compared to € 5.3 billion as at 31.12.2010. The aforementioned amounts include Greek Government securities that amount to € 3.9 billion as at 30.9.2011 (31.12.2010:

€ 4.1 billion) out of which € 0.9 billion relate to security that was transferred to the bank's ownership for the issuance of the preference shares in the name of the Greek State according to Law 3723/2008.

The Group, during the third quarter of 2011, reclassified Greek Government bonds from the "available for sale" to the "held to maturity" portfolio with a book value that amounted to € 561.5 million as at 30.6.2011 and recognized additional impairment amounting to € 72.4 million which was due to the further decrease in the fair value. During the nine month period of 2011 the impairment loss recognized for Greek Government bonds amounted to € 668.8 million (note 4) and for other securities to € 33.4 million which is included in "gains less losses on financial transactions".

Allowance for impairment losses

Balance 1.1.2010	**19,626**
Changes for the period 1.1 - 30.9.2010	
Change in the present value of the allowance account	516
Foreign exchange differences	660
Securities written-off during the period	(8,999)
Balance 30.9.2010	**11,803**
Changes for the period 1.10 - 31.12.2010	
Impairment losses for the period	21,854
Balance 31.12.2010	**33,657**
Changes for the period 1.1 - 30.9.2011	
Change in the present value of the allowance account	111
Impairment losses from Greek Government bonds	668,778
Impairment losses from other bond issuers	33,355
Securities written-off during the period	(47,957)
Recycling of reserve due to reclassification of securities from the available for sale portfolio to held to maturity	(8)
Reclassification of accumulated impairment from the available for sale portfolio to held to maturity	53,699
Balance 30.9.2011	**741,635**

9. Investment property

	Land – Buildings
Balance 1.1.2010	
Cost	79,570
Accumulated depreciation	(6,902)
1.1.2010 - 30.9.2010	
Net book value 1.1.2010	72,668
Foreign exchange differences	(132)
Depreciation charge for the period	(598)
Net book value 30.9.2010	**71,938**
Balance 30.9.2010	
Cost	79,416
Accumulated depreciation	(7,478)
1.10.2010 - 31.12.2010	
Net book value 1.10.2010	71,938
Foreign exchange differences	8
Depreciation charge for the period	(217)
Net book value 31.12.2010	**71,729**
Balance 31.12.2010	
Cost	79,426
Accumulated depreciation	(7,697)
1.1.2011 - 30.9.2011	
Net book value 1.1.2011	71,729
Additions	82
Reclassification to "Property, plant and equipment"	(6,334)
Foreign exchange differences	38
Depreciation charge for the period	(580)
Net book value 30.9.2011	**64,935**
Balance 30.9.2011	
Cost	71,925
Accumulated depreciation	(6,990)

10. Property, plant and equipment

	Lands and buildings	Leased equipment	Equipment	Total
Balance 1.1.2010				
Cost	1,404,715	12,191	471,015	1,887,921
Accumulated depreciation	(277,771)	(2,811)	(348,888)	(629,470)
1.1.2010 - 30.9.2010				
Net book value 1.1.2010	1,126,944	9,380	122,127	1,258,451
Foreign exchange differences	(4,605)	(59)	(615)	(5,279)
Additions	21,158	312	19,225	40,695
Disposals	(222)	(2,619)	(303)	(3,144)
Depreciation charge for the period	(22,074)	(1,331)	(23,969)	(47,374)
Net book value 30.9.2010	**1,121,201**	**5,683**	**116,465**	**1,243,349**
Balance 30.9.2010				
Cost	1,419,003	8,971	485,506	1,913,480
Accumulated depreciation	(297,802)	(3,288)	(369,041)	(670,131)
1.10.2010 - 31.12.2010				
Net book value 1.10.2010	1,121,201	5,683	116,465	1,243,349
Foreign exchange differences	651	39	205	895
Additions	9,099	55	7,727	16,881
Disposals /Impairments	(3,203)	(1,188)	(109)	(4,500)
Reclassifications	(18)	77	(59)	
Depreciation charge for the period	(7,434)	(220)	(8,313)	(15,967)
Net book value 31.12.2010	**1,120,296**	**4,446**	**115,916**	**1,240,658**
Balance 31.12.2010				
Cost	1,425,109	7,419	491,675	1,924,203
Accumulated depreciation	(304,813)	(2,973)	(375,759)	(683,545)
1.1.2011 - 30.9.2011				
Net book value 1.1.2011	1,120,296	4,446	115,916	1,240,658
Foreign exchange differences	756	(31)	(22)	703
Additions	11,849	207	11,816	23,872
Disposals /Impairments	(4,103)	(602)	(288)	(4,993)
Reclassifications	6,334	(122)	13,502	19,714
Write-offs	(1,408)		(41)	(1,449)
Depreciation charge for the period	(22,474)	(753)	(23,277)	(46,504)
Net book value 30.9.2011	**1,111,250**	**3,145**	**117,606**	**1,232,001**
Balance 30.9.2011				
Cost	1,435,363	6,281	509,552	1,951,196
Accumulated depreciation	(324,113)	(3,136)	(391,946)	(719,195)

11. Goodwill and other intangible assets

	Goodwill	Software	Other intangible	Total
Balance 1.1.2010				
Cost	48,811	260,424	51,718	360,953
Accumulated amortization		(165,810)	(17,034)	(182,844)
1.1.2010- 30.9.2010				
Net book value 1.1.2010	48,811	94,614	34,684	178,109
Foreign exchange differences	(4,430)	(369)	(175)	(4,974)
Additions		37,492	1,205	38,697
Disposals		(10)		(10)
Amortization		(16,922)	(4,037)	(20,959)
Net book value 30.9.2010	**44,381**	**114,805**	**31,677**	**190,863**
Balance 30.9.2010				
Cost	44,381	297,310	51,451	393,142
Accumulated amortization		(182,505)	(19,774)	(202,279)
1.10.2010- 31.12.2010				
Net book value 1.10.2010	44,381	114,805	31,677	190,863
Foreign exchange differences	450	(25)	(30)	395
Additions		10,404	(294)	10,110
Disposals		(6)		(6)
Amortization		(6,734)	(1,437)	(8,171)
Net book value 31.12.2010	**44,831**	**118,444**	**29,916**	**193,191**
Balance 31.12.2010				
Cost	44,831	307,642	51,252	403,725
Accumulated amortization		(189,198)	(21,336)	(210,534)
1.1.2011- 30.9.2011				
Net book vallue 1.1.2011	44,831	118,444	29,916	193,191
Foreign exchange differences	1,733	179	(180)	1,732
Additions		20,491	1,503	21,994
Disposals		(2)		(2)
Reclassifications to "Property, plant and equipment"		(13,464)	84	(13,380)
Amortization		(20,115)	(2,503)	(22,618)
Net book value 30.9.2011	**46,564**	**105,533**	**28,820**	**180,917**
Balance 30.9.2011				
Cost	46,564	314,272	53,438	414,274
Accumulated amortization		(208,739)	(24,618)	(233,357)

LIABILITIES

12. Due to banks

The liabilities to credit institutions amount to € 20.7 billion as at 30.9.2011 compared to € 16.5 billion as at 31.12.2010. The Central Banks' deposits amount to € 19.8 billion as at 30.9.2011 (31.12.2010: € 14.2 billion) and are included in the above amounts.

13. Debt securities in issue and other borrowed funds

Long-term

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

According to Law 3723/2008 for the enhancement of the Greek economy's liquidity program, the Bank proceeded with the issuance of senior debt securities guaranteed by the Greek State which are analysed as follows:

- On 15.2.2011 an amount of € 950 million with a three year duration and bearing an interest rate of three month Euribor plus a spread of 8.5%.
- On 3.6.2011 an amount of € 400 million with a three year duration and bearing an interest rate of three month Euribor plus a spread of 12%.

After these issuances, the outstanding balance of the above mentioned issues as at 30.9.2011 amounts to € 10.8 billion.

On 23.5.2011 the spread of all the existing issues guaranteed by the Greek State was amended to 12% effective from the immediately prior date from the beginning of the interest bearing period for every issue.

The above mentioned securities are not presented in the "Debt securities in issue and other borrowed funds", as they are held by the Bank.

ii. Covered bonds

According to the covered bond program, which provides for the direct issuance from the Bank up to the amount of € 8 billion, the Bank proceeded on 25.8.2011 with the issuance of an amount of € 250 million maturing on 23.1.2014, bearing an interest rate of three month Euribor plus a spread of 1.45%.

The total balance of covered bonds issued by the bank as at 30.9.2011 amounts to € 3.75 billion.

The covered bonds are not included in the "Debt securities in issue and other borrowed funds" as they are held by the Bank [1].

iii. Senior debt securities

Balance 31.12.2010	**3,959,162**
Changes for the period 1.1 - 30.9.2011	
New issues	667,293
(Purchases)/Sales by Group companies	(652,034)
Maturities/Redemptions	(1,243,253)
Fair value change due to hedging	75
Accrued interest	(42,630)
Foreign exchange differences	(816)
Balance 30.9.2011	**2,687,797**

The following securities are included in the amount of "new issues":

- nominal value of €5 million maturing on 11.3.2013, bearing a fixed three month interest rate of 4.25%.
- nominal value of USD 5 million maturing on 11.3.2013, bearing a fixed three month interest rate of 3%.
- nominal value of € 2 million maturing on 11.4.2018, bearing a fixed annual interest rate of 6%.
- nominal value of USD 5 million maturing on 14.4.2014, bearing a fixed three month interest rate of 3.5%.
- nominal value of € 5 million maturing on 14.4.2014, bearing a fixed three month interest rate of 4.5%

(1) *Financial disclosure regarding covered bond issues, as determined by the 2620/28.8.2009 directive of Bank of Greece, will be published at the Bank's website.*

- nominal value of € 100 million maturing on 20.6.2013, bearing a fixed annual interest rate of 5.5%.
- nominal value of € 100 million maturing on 20.6.2014, bearing a fixed annual interest rate of 6%.
- nominal value of € 5 million maturing on 21.6.2013, bearing a fixed three month interest rate of 4.5%.
- nominal value of USD 5 million maturing on 21.6.2013, bearing a fixed three month interest rate of 3%.
- nominal value of € 100 million maturing on 3.9.2013, bearing a floating interest rate of three month Euribor plus a spread of 2.75%.
- nominal value of € 350 million maturing on 9.12.2013, bearing a floating interest rate of three month Euribor plus a spread of 1.5%.
- nominal value of € 3 million maturing on 29.7.2020, bearing a fixed annual interest rate of 6%.

Additionally, the amount of maturities/redemptions includes maturities of issues amounting to € 1,084 million.

iv. Subordinated debt

Balance 31.12.2010	**840,805**
Changes for the period 1.1 – 30.9.2011	
(Purchases)/Sales by Group companies	(9,553)
Maturities/Redemptions	(262,375)
Fair value change due to hedging	(7,285)
Accrued interest	(2,349)
Foreign exchange differences	(13,612)
Balance 30.9.2011	**545,631**

- On 1.2.2011 an amount of € 25 million was cancelled from the issue maturing on 1.2.2017 and with a call option on 1.2.2012 that was held by the Group.
- On 1.2.2011 an amount of € 15 million was cancelled from the issue maturing on 8.3.2017 and with a call option on 8.3.2012 that was held by the Group.
- On 24.3.2011 the issue JPY 30 billion (equivalent in €262.4 million) maturing on 4.3.2035, was repaid.

Total of Debt securities in issue and other borrowed funds that are not owned by the Group	**3,233,428**

From the above debt securities amounting to € 3,233,428, an amount of € 995,555 (31.12.2010: € 1,238,779), held by Bank customers, has been reclassified to "Due to customers". Therefore the balance of "Debt securities in issue held by institutional investors and other borrowed funds" as at 30.9.2011, amounts to € 2,237,873 (31.12.2010: € 3,561,188).

In addition, bonds of € 4.5 billion from the securitization of consumer and corporate loans, credit cards and finance lease loans are not presented in "debt securities in issue and other borrowed funds", since these securities, issued by Group companies established for this purpose, are held by the Group.

14. Provisions

	30.9.2011	31.12.2010
Insurance provisions	78,251	67,446
Provisions to cover credit risk and other provisions	11,792	7,918
Restructuring program provisions	1,675	7,381
Total	**91,718**	**82,745**

a. Insurance provisions

	30.9.2011	31.12.2010
Non-life insurance		
Unearned premiums	5,412	5,743
Outstanding claim reserves	6,036	5,355
Total	**11,448**	**11,098**
Life insurance		
Mathematical reserves	39,312	28,979
Outstanding claim reserves	2,683	2,635
Total	**41,995**	**31,614**
Reserves for investments held on behalf and at risk of life insurance policy holders	**24,808**	**24,734**
Total	**78,251**	**67,446**

b. Provisions to cover credit risk and other provisions

Balance 1.1.2010	**9,748**
Changes for the period 1.1 - 30.9.2010	
Reversal of provisions to cover credit risk relating to off-balance sheet items (note 3)	(187)
Reversal of other provisions	(585)
Foreign exchange differences	(346)
Balance 30.9.2010	**8,630**
Changes for the period 1.10 - 31.12.2010	
Provisions to cover credit risk relating to off-balance sheet items	96
Reversal of other provisions	(842)
Foreign exchange differences	34
Balance 31.12.2010	**7,918**
Changes for the period 1.1 - 30.9.2011	
Provisions to cover credit risk relating to off-balance sheet items (note 3)	3,438
Other provisions	662
Provisions used during the period	(275)
Foreign exchange differences	49
Balance 30.9.2011	**11,792**

c. Restructuring program provisions

Balance 1.1.2010	
Changes for the period 1.1 - 31.12.2010	
Provisions for the restructuring program	7,381
Balance 31.12.2010	**7,381**
Changes for the period 1.1 - 30.9.2011	
Provisions used during the period	(5,706)
Balance 30.9.2011	**1,675**

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

EQUITY

15. Share capital and Retained Earnings

a) Share capital

The Second General Meeting of Shareholders held on 15.7.2011 decided the reduction of the Bank's paid-in ordinary share capital, through the reduction of the nominal value of the ordinary shares with voting rights and the creation of the equal (to the reduction) special reserve.

After the reduction, the Bank's share capital as at 30.9.2011 amounts to € 1,100,280,894.40 divided into 734,269,648 shares, of which 534,269,648 are ordinary, registered, with voting rights, non paper shares of nominal value € 0.30 each and 200,000,000 are preference, registered, non voting, paper and redeemable shares, of nominal value € 4.70 each.

The preference shares have been issued since 21.5.2009 according to Law 3723/2008 for the enhancement of Greek economy's liquidity program.

According to article 39 of Law 3844/3.5.2010, which amended Law 3723/9.12.2008, the return on preference shares has a step up feature of 2% annually, if after five years following the issuance, the preference shares have not been redeemed.

The Bank has recognized the preference shares as part of its equity and the related return for the period of 1.1 – 30.9.2011 amounts to € 56.2 million after income tax.

In addition, the Bank's General Meeting held on 15.7.2011 decided the following:

- The ability to raise funds by way of an increase of the share capital of the Bank, up to the amount of the currently issued and paid-in common share capital, on the date of approval by the General Meeting, through a payment in cash and the issuance of ordinary, registered, non paper shares with voting rights (note 22c).
- The ability to issue a bond, convertible in ordinary shares, with voting rights of an amount up to 10% of the currently paid-in share capital of the Bank, on the date of approval by the General Meeting, foregoing pre-emption rights of ordinary and preferred shareholders (note 22c).

b) Retained earnings

The Bank's Ordinary General Meeting of Shareholders held on 21.6.2011 decided the following:

- the payment to the Greek State of € 94 million regarding the accrued return on its preference shares of the year 2010, according to the Bank's Articles of Incorporation. Thus, the account "Retained Earnings" has decreased by the amount of € 75.2 million after income tax.
- not to distribute dividends to Bank's common shareholders for the year 2010 according to the provisions of article 19 of Law 3965/2011 and the decision 20708/B.1175/23.4.2009 of the Minister of Economy and Finance.

ADDITIONAL INFORMATION

16. Contingent liabilities and commitments

a) Legal issues

The Bank, in the ordinary course of business, is a defendant in claims from customers and other legal proceedings. No provision has been recorded because after consultation with the legal department, the ultimate disposition of these matters is not expected to have a material effect on the financial position or operations of the Bank.

There are no pending legal cases or issues in progress which may have a material impact on the financial statements or operations of the other companies of the Group. The Group recorded a provision amounting to €2.8 million for pending legal cases.

b) Tax issues

On March 2011, the Bank's tax audit for the years 2008 and 2009 was completed. The Bank's branches in Albania, London and Bulgaria have been audited by the tax authorities for the years up to and including 2009, 2008 and 2007 respectively.

The Group's subsidiaries have been audited by the tax authorities up to and including the year indicated in the table below:

Name	Year
Banks	
1. Alpha Bank London Ltd (voluntary settlement of tax obligation)	2009
2. Alpha Bank Cyprus Ltd	2007
3. Alpha Bank Romania S.A.	2006
4. Alpha Bank AD Skopje (the years 1998-2006 have not been audited by the tax authorities)	2009
5. Alpha Bank Srbija A.D.	2004
6. JSC Astra Bank (commencement of operation 2008)	*
Leasing companies	
1. Alpha Leasing A.E.	2007
2. Alpha Leasing Romania IFN S.A.	2007
3. ABC Factors A.E.	2008
4. Alpha Asset Finance C.I. Ltd (voluntary settlement of tax obligation)	2009
Investment Banking	
1. Alpha Finance A.E.P.E.Y.	2007
2. SSIF Alpha Finance Romania S.A. (tax audit is in progress for years 2003 - 2007)	2002
3. Alpha A.E. Ventures	***
4. Alpha A.E. Ventures Capital Management - AKES	***
Asset Management	
1. Alpha Asset Management A.E.D.A.K. (In March 2011 the audit of years 2004-2008 was completed)	2008
2. ABL Independent Financial Advisers Ltd (voluntary settlement of tax obligation)	2009
Insurance	
1. Alpha Insurance Agents A.E.	***
2. Alpha Insurance Ltd	2008
3. Alpha Insurance Brokers S.R.L.	2005
4. Alphalife A.A.E.Z.	***

* *These companies have not been audited by the tax authorities since the commencement of their operations*

*** *These companies have been audited by the tax authorities up to 2009 in accordance with Law 3888/2010 which relates to voluntary tax settlement for the unaudited tax years.*

Name	Year
Real Estate and Hotel	
1. Alpha Astika Akinita A.E.	2005
2. Ionian Hotel Enterprises A.E.	2005
3. Oceanos A.T.O.E.E.	***
4. Alpha Real Estate D.O.O. Beograd	2008
5. Alpha Astika Akinita D.O.O.E.L. Skopje	2007
6. Alpha Real Estate Bulgaria E.O.O.D.	2006
7. Chardash Trading E.O.O.D. (commencement of operation 2006)	*
8. Alpha Astika Akinita Romania S.R.L.	1998
Special purpose and holding entities	
1. Alpha Credit Group Plc (voluntary settlement of tax obligation)	2009
2. Alpha Group Jersey Ltd (voluntary settlement of tax obligation)	2009
3. Alpha Group Investments Ltd	2007
4. Ionian Holdings A.E.	***
5. Ionian Equity Participations Ltd (commencement of operation 2006)	*
6. ABL Holdings Jersey Ltd (voluntary settlement of tax obligation)	2009
7. Alpha Covered Bonds Plc (commencement of operation 2008)	*
8. Katanalotika Plc (commencement of operation 2008)	*
9. Epihiro Plc (commencement of operation 2009)	*
10. Irida Plc (commencement of operation 2009)	*
11. Pisti 2010 - 1 Plc (commencement of operation 2010)	*
12. AGI – BRE Participations 1 Ltd (commencement of operation 2010)	*
13. AGI – RRE Participations 1 Ltd (commencement of operation 2010)	*
14. AGI – RRE Participations 1 S.R.L. (commencement of operation 2010)	*
15. AGI – BRE Participations 1 E.O.O.D. (commencement of operation 2010)	*
16. Stockford Ltd (commencement of operation 2010)	*
Other companies	
1. Alpha Bank London Nominees Ltd	**
2. Alpha Trustees Ltd	2002
3. Flagbright Ltd	**
4. Kafe Alpha A.E.	***
5. Alpha Supporting Services A.E.	***
6. Real Car Rental A.E.	***

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

c) Operating leases

The Group's minimum future lease payments are:

	30.9.2011	31.12.2010
▪ Less than one year	47,836	49,663
▪ Between one and five years	154,334	166,628
▪ More than five years	186,548	235,527
Total	**388,718**	**451,818**

The minimum future lease revenues are:

	30.9.2011	31.12.2010
▪ Less than one year	4,646	4,764
▪ Between one and five years	9,052	12,423
▪ More than five years	2,695	5,112
Total	**16,393**	**22,299**

* *These companies have not been audited by the tax authorities since the commencement of their operations.*

** *These companies are not subject to tax audits.*

*** *These companies have been audited by the tax authorities up to 2009 in accordance with Law 3888/2010 which relates to declaration of taxable income for the unaudited tax years.*

d) Off balance sheet liabilities

The Group pursuant to its normal operations is binded by contractual commitments, that in the future may result in 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.

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 of the third party bind 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:

	30.9.2011	31.12.2010
Letters of credit	85,176	108,154
Letters of guarantee	4,885,900	5,032,985

Additionally, contingent liabilities for the Group arise from the 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 the case where counterparties fail to meet their contractual obligations as of 30.9.2011 amount to € 266 million (31.12.2010: € 594.8 million) and are included in the calculation of risk weighted assets.

e) Assets pledged

The assets pledged amounting to 29.9 billion as at 30.9.2011 include:

- Loans and advances to customers amounting to € 14.8 billion from which:
  - i. an amount of € 12.5 billion has been pledged as collateral to Central Banks for liquidity purposes.
  - ii. An amount of € 2.1 billion has been granted as collateral to the Greek State in order for the Bank to receive securities issued by the Greek State that amount to €1.6 billion in accordance with Law 3723/2008.
  - iii. An amount of € 0.2 billion has been granted to the Cyprus State from Alpha Bank Cyprus Ltd in order for the Bank to receive securities issued by the Cyprus State in accordance with Law118(I)/2009.
- Securities of the held for trading and investment portfolio as well as securities from Reverse Repos amounting to € 15.1 billion out of which:
  - i. An amount of € 3.7 billion relates to the issuance of covered bonds secured by mortgage loans of €4.7 billion.
  - ii. An amount of € 6.9 billion relates to Greek Government bonds and other bonds.
  - iv. An amount of € 4.5 billion relates to bonds issued as a result of the securitization of corporate and consumer loans, credit cards and finance leases.

Additionally the Group has pledged to Central Banks securities amounting to 10.8 billion, issued with Greek State's guarantee, according to Law 3723/2008. These securities are held by the Group.

The above securities are pledged as collateral to the European Central Bank for participation in main refinancing operations and to the Bank of Greece for the participation in the Intra-Europe clearing of payments system on an ongoing time (TARGET), to the Athens Derivative Exchange Clearing House, as well as to the European Investment Bank.

f) Other guarantees:

On 7.5.2008 the Bank completed a new Medium Term Notes Program amounting to USD 7.5 billion, according to Rule 144A of the American Law, which will be offered to institutional investors.

The issuer will be Alpha Group Jersey Ltd, a wholly owned subsidiary of the Bank. The Notes will be guaranteed by the Bank and will be traded in Luxembourg Stock Exchange. The program currently is inactive.

17. Group consolidated companies

The consolidated financial statements apart from the parent company ALPHA BANK include the following entities:

A. SUBSIDIARIES

Name	Country of Incorporation	Group's ownership interest % 30.9.2011	31.12.2010
Banks			
1. Alpha Bank London Ltd	United Kingdom	100,00	100,00
2. Alpha Bank Cyprus Ltd	Cyprus	100,00	100,00
3. Alpha Bank Romania S.A.	Romania	99,92	99,92
4. Alpha Bank AD Skopje	FYROM	100,00	100,00
5. Alpha Bank Jersey Ltd (21l)	Jersey		100,00
6. Alpha Bank Srbija A.D. (21k)	Serbia	100,00	100,00
7. JSC Astra Bank	Ukraine	100,00	100,00
Financing 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
4. Alpha Asset Finance C.I. Ltd	Jersey	100,00	100,00
Investment Banking			
1. Alpha Finance A.E.P.E.Y.	Greece	100,00	100,00
2. Alpha Finance US Corporation (21d)	U.S.A.		100,00
3. SSIF Alpha Finance Romania S.A.	Romania	100,00	100,00
4. Alpha A.E. Ventures	Greece	100,00	100,00
5. Alpha A.E. Ventures Capital Management - AKES	Greece	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 Ltd	Cyprus	100,00	100,00
3. Alpha Insurance Brokers S.R.L. (21i)	Romania	100,00	99,92
4. Alphalife A.A.E.Z.	Greece	100,00	100,00
Real estate and hotel			
1. Alpha Astika Akinita A.E.	Greece	92,17	91,46
2. Ionian Hotel Enterprises A.E.	Greece	97,21	97,10
3. Oceanos A.T.O.E.E.	Greece	100,00	100,00
4. Alpha Real Estate D.O.O. Beograd	Serbia	92,17	91,46
5. Alpha Astika Akinita D.O.O.E.L. Skopje	FYROM	92,17	91,46
6. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	92,17	91,46
7. Chardash Trading E.O.O.D. (21b)	Bulgaria	92,17	91,46
8. Alpha Astika Akinita Romania S.R.L.	Romania	92,17	91,46

Name	Country of Incorporation	Group's ownership interest % 30.9.2011	31.12.2010
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	Cyprus	100.00	100.00
4. Ionian Holdings A.E.	Greece	100.00	100.00
5. Messana Holdings S.A. (21e)	Luxemburg		100.00
6. Ionian Equity Participations Ltd	Cyprus	100.00	100.00
7. ABL Holdings Jersey Ltd	Jersey	100.00	100.00
8. Alpha Covered Bonds Plc (21n)	United Kingdom	100.00	100.00
9. AGI – BRE Participations 1 Ltd	Cyprus	100.00	100.00
10.AGI – RRE Participations 1 Ltd	Cyprus	100.00	100.00
11.AGI – RRE Participations 1 S.R.L.	Romania	100.00	100.00
12.AGI – BRE Participations 1 E.O.O.D.	Bulgaria	100.00	100.00
13.Stockford Ltd	Cyprus	100.00	100.00
14.Katanalotika Plc	United Kingdom		
15.Epihiro Plc	United Kingdom		
16.Irida Plc	United Kingdom		
17.Pisti 2010-1 Plc	United Kingdom		
Other companies			
1. Alpha Bank London Nominees Ltd	United Kingdom	100.00	100.00
2. Alpha Trustees Ltd	Cyprus	100.00	100.00
3. Flagbright Ltd	United Kingdom	100.00	100.00
4. Evremathea A.E. (21c)	Greece		100.00
5. Kafe Alpha A.E.	Greece	100.00	100.00
6. Alpha Supporting Services A.E.	Greece	100.00	100.00
7. Real Car Rental A.E.	Greece	100.00	100.00

B. JOINT VENTURES

1. Cardlink A.E.	Greece	50.00	50.00
2. APE Fixed Assets A.E. (21g)	Greece	60.10	60.10
3. APE Commercial Property A.E. (21h)	Greece	72.20	72.20
4. APE Investment Property A.E. (21f)	Greece	67.42	67.42
5. Alpha TANEO A.K.E.S.	Greece	51.00	51.00

C. ASSOCIATES

1. Evisak A.E.	Greece	27.00	27.00
2. AEDEP Thessalias and Stereas Ellados	Greece	50.00	50.00
3. A.L.C. Novelle Investments Ltd	Cyprus	33.33	33.33
4. EL.P.ET. Valkaniki A.E.	Greece	26.71	26.71
5. Kritis Gi - Tsatsakis A.V.E.E.	Greece	22.95	22.95
6. Biokid A.E.	Greece	29.75	27.22
7. Piraiki Zythopiia A.E.	Greece	27.01	
8. Dipirites Chandakos A.E.	Greece	22.55	

The subsidiaries are fully consolidated, joint ventures are consolidated under the proportionate method, while the associates are accounted under the equity method.

The consolidated financial statements do not include the company Commercial Bank of London Ltd which is a dormant company and the company Prismatech Hellas S.A, which has been fully impaired and is in the process of liquidation.

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

18. Operating segment

(Amounts in millions of Euro)

	1.1 - 30.9.2011						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other	Group
Net interest income	652.1	349.3	11.7	9.8	306.2	1.5	1,330.6
Net fee and commission income	84.3	61.2	22.9	1.1	47.4	(0.4)	216.5
Other income	5.0	5.0	2.8	122.2	27.8	20.5	183.3
Total income	**741.4**	**415.5**	**37.4**	**133.1**	**381.4**	**21.6**	**1,730.4**
Total expenses	**(414.4)**	**(101.1)**	**(23.9)**	**(21.0)**	**(228.7)**	**(42.8)**	**(831.9)**
Impairment losses	(340.4)	(295.5)			(191.5)	(760.1)	(1,587.5)
Profit/(losses) before income tax	**(13.4)**	**18.9**	**13.5**	**112.1**	**(38.8)**	**(781.3)**	**(689.0)**
Income tax							122.5
Profit/(losses) after income tax							**(566.5)**

The amount of € 760.1 million included in the operating segment as "Other" refers to impairment losses from Greek Government bonds (note 4).

(Amounts in millions of Euro)

	1.1 - 30.9.2010						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other	Group
Net interest income	635.5	319.0	10.1	81.3	325.5	1.1	1,372.5
Net fee and commission income	89.2	64.6	29.6	20.3	51.9	(0.3)	255.3
Other income	5.2	6.8	1.4	(13.4)	35.3	26.8	62.1
Total income	**729.9**	**390.4**	**41.1**	**88.2**	**412.7**	**27.6**	**1,689.9**
Total expenses	**(433.5)**	**(97.9)**	**(27.5)**	**(25.6)**	**(226.5)**	**(42.7)**	**(853.7)**
Impairment losses	(225.6)	(276.2)			(142.5)		(644.3)
Profit/(losses) before income tax	**70.8**	**16.3**	**13.6**	**62.6**	**43.7**	**(15.1)**	**191.9**
Income tax							(116.1)
Profit/(losses) after income tax							**75.8**

i. Retail Banking

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

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

ii. Corporate Banking

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

iii. Asset Management / Insurance

Consists of a wide range of asset management services through the Group's private banking units and Alpha Asset Management A.E.D.A.K. In addition, it includes commissions received from the sale of a wide range of insurance products to individuals and companies through either AXA insurance, which is the corporate successor of the subsidiary Alpha Insurance A.E. or the subsidiary Alphalife A.A.E.Z.

iv. Investment Banking / Treasury

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

vi. Other

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

19. Capital Adequacy

The Group's capital adequacy is monitored by the Bank of Greece, to which the Group reports on a quarterly basis.

The minimum capital adequacy ratios (Tier I and Capital Adequacy Ratio), which the Group must comply with, are set by Bank of Greece Governor's Acts.

From 1 January 2008 onwards, capital adequacy calculation is determined under the new regulatory framework (Basel II), which has been transposed into the Greek legislation by Law 3601/2007.

The capital adequacy ratio is determined by comparing the Group's regulatory own funds with the risks that the Group undertakes (risk weighted assets). Own funds include Tier I capital (share capital, reserves, non controlling interests), additional Tier I capital (hybrid securities) and Tier II capital (subordinated debt and fixed asset revaluation reserves).

The risk-weighted assets arise from the credit risk of the banking book, the market risk of the trading book and the operational risk.

The Group's policy is to maintain a robust capital base to sustain its development and retain the trust of depositors, shareholders, markets and business partners.

The ratios for Tier I capital and Capital Adequacy are much higher than the minimum levels set by the respective Bank of Greece Governor's Act and provide a solid base that will allow the Bank to support its business activities in the coming years.

In addition, the percentage of hybrid securities and subordinated debt is considerably lower than the regulatory limits, meaning that the Group can, if necessary, further utilise these forms of capital.

	30.9.2011 (estimation)	31.12.2010
Tier I ratio	11.1%	11.9%
Capital adequacy ratio (Tier I + Tier II)	**12.3%**	**13.6%**

20. 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 Group's committees.

a. The outstanding balances of the transactions with members of the Board of Directors, their close family members, the entities controlled by them as well as the related results of these transactions are as follows:

	30.9.2011	31.12.2010
Assets		
Loans and advances to customers	169,737	166,337
Liabilities		
Due to customers	87,733	98,973
Debt securities in issue	23,027	19,763
Total	**110,760**	**118,736**
Letters of guarantee	**7,464**	**4,806**

	From 1 January to	
	30.9.2011	**30.9.2010**
Income		
Interest and similar income	4,789	3,281
Other income	55	
Total	**4,844**	**3,281**
Expenses		
Interest expense and similar charges	3,668	2,203

The Group Companies' Board of Directors and Executive General Managers' fees, recorded in the income statement for the third quarter of 2011, amounted to €7,728 (30.9.2010: €8,120).

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

	30.9.2011	31.12.2010
Assets		
Loans and advances to customers	12	24
Liabilities		
Due to customers	436	431

	From 1 January to	
	30.9.2011	**30.9.2010**
Income		
Interest and similar income	1	1
Expenses		
Interest expense and similar charges	2	19
Other expenses	1,649	1,809
Total	**1,651**	**1,828**

c. The Supplementary Fund of former Alpha Credit Bank's employees holds bonds of the subsidiary Alpha Credit Group of €82.6 million, while its receivables from Alpha Bank amount to €31.1 million and its deposits with Alpha Bank to €3.6 million. Additionally it holds shares of €1 million.

The Bank has recognised in its income statement an amount of €1.2 million that relates to the accrued expense of the new group insurance plan in collaboration with AXA Insurance.

21. Corporate events

a. On 28.2.2011 the liquidation process of HSO Europe B.V. was completed.

b. On 14.3.2011 the Bank's subsidiary Alpha Astika Akinita A.E. participated in the share capital increase of its 100% owned subsidiary Chardash Trading E.O.O.D by €9.3 million.

c. On 4.5.2011 the liquidation process of Evremthea A.E. was completed.

d. On 13.5.2011 the liquidation process of Alpha Finance US Corporation was completed.

e. On 23.6.2011 the Bank purchased 200 shares of its subsidiary Alpha Finance A.E.P.E.Y., for the amount of €12 thousand, due to the liquidation of its 100% owned subsidiary Messana Holdings S.A., a process which was completed on 30.6.2011.

f. On 29.6.2011 the Bank participated proportionally in the share capital increase of the joint venture APE Investment Property A.E. by €6.7 million.

g. On 12.7.2011 the Bank participated proportionally in the share capital increase of its joint venture APE Fixed Assets AE by €27 million.

h. On 12.7.2011 the Bank participated proportionally in the share capital increase of its joint venture APE Commercial Property AE by €45,6 million.

i. On 22.8.2011, the subsidiary of the Bank, Alpha Bank Romania S.A., transferred all of its shares in its 100% owned subsidiary, Alpha Insurance Brokers Srl., to another subsidiary of the Bank, Alpha Leasing Romania IFN S.A., at a total cost of € 205 thousand.

j. On 29.8.2011 the Board of Directors of Alpha Bank and Eurobank EFG jointly announced that they have reached an agreement relating to the merger of the two credit institutions.

On 20.9.2011 the Board of Directors of Alpha Bank and Eurobank EFG approved a Draft Merger Agreement, which after being reviewed pursuant to article 16 par. 5 of Law 2515/1997 by audit firms, was published on 22.9.2011 in accordance with article 7b of Law 2190/1920. In accordance with the Draft Merger Agreement, the merger of the two credit institutions will be performed with the absorption of EUROBANK (absorbed entity) by ALPHA BANK (absorbing entity) based on the 31 December 2010 merger balance sheets.

The proposed share exchange ratio is 7 old ordinary shares of EUROBANK EFG with 5 new ordinary shares of ALPHA BANK with a new nominal value of € 1.50. A number of 393,691,734 new ordinary, registered, with voting rights, non paper shares of nominal value € 1.50 each will be issued to replace the ordinary shares held by the shareholders of the absorbed entity.

The Greek State, being a preference shareholder in both credit institutions, pursuant to article 1 of Law 3723/2008, will preserve the preference shares of nominal value € 4.70 issued by the absorbing entity and will exchange each preference share issued by the absorbed entity with a new preference share of nominal value € 2.75 issued by the absorbing entity.

Thus, the new share capital of the absorbing entity, after the capitalization of the amount included in "Share premium" for rounding the nominal value of ordinary shares, will amount to € 3,282,067,073 and will be divided into 1,473,461,382 shares, out of which:

a. 927,961,382 ordinary, registered, with voting rights, non paper shares of nominal value equal to € 1.50 each and
b. 545,500,000 preference, without voting rights, redeemable, paper shares, issued in accordance with Law 3723/2008, out of which:
   - 200,000,000 with nominal value € 4.70 each and
   - 345,500,000 of nominal value € 2.75 each.

In the new share capital of the absorbing entity, the holders of the old ordinary shares issued by the absorbing entity will participate at a rate of 57.57% of the new ordinary share capital, and the holders of the old shares issued by the absorbed entity will participate at a rate of 42.43% of the new ordinary share capital.

On 15.11.2011 the Second Repeat Extraordinary General Meeting of the Bank's shareholders approved the above (note 22c).

At the same date, the First Repeat Extraordinary General Meeting of the Shareholders of EFG Eurobank Ergasias A.E. has approved the merger of Eurobank with Alpha Bank A.E. with absorption of the former by Alpha Bank.

The merger will become legally effective with the registration of the approval decision of the Ministry of Development, Competitiveness and Shipping in the registry of societe anonymes. The date on which all the approvals which are required by law are received from the competent authorities is considered to be the acquisition date according to IFRS 3. On acquisition date Alpha Bank, being the acquirer, will apply acquisition accounting the effect of which will be depicted in the financial statements as at 31.12.2011.

k. On 31.8.2011, the Bank's 100% owned subsidiary, Alpha Bank Srbija A.D., proceeded with a share capital increase by € 20 million through the conversion of subordinated loans of equivalent amounts.

l. On 31.8.2011, the liquidation process of Alpha Bank Jersey Ltd was completed.

m. On 28.09.2011 the Bank's subsidiary Alpha Covered Bonds Plc, which is under liquidation process, returned the amount of € 16.3 thousand of its share capital.

22. Events after the balance sheet date

a. Under Article 53 of Law 4021/03.10.11 "Enhanced measures for the supervision and the rehabilitation of credit institutions, Setting of financial issues, Ratification of the Agreement - Framework of the European Financial Stability Facility and of its amendments and other provisions" an additional special tax was imposed on electrified structured surfaces. The exact determination of the amount will be made in the fourth quarter when it will be recognized in the profit or loss of the Group.

b. In the European Summit on 26 October 2011, a new framework for the enforcement of the Greek economy was agreed, which renegotiates the terms for the voluntary participation of the private sector in the restructuring of Greek public debt, and as a result, the program for the replacement of Greek Government bonds that had been formed based on the decisions of the European Summit on July 21, 2011, in which the Bank had declared its intention to participate, will not be implemented. The terms of the program are expected to be finalized by the end of 2011 so that the replacement of bonds will occur in 2012 (notes 1 and 4).

c. The second Repeat Extraordinary General Meeting of Shareholders of the Bank, held on November 15, 2011, decided the following:

- The approval of the Draft Agreement and the Bank's Act for the merger, through absorption, of EFG Eurobank Ergasias A.E. as well as the subsequent share capital increase (and the amendment of article 5 of the Articles of Incorporation) of the absorbing entity (note 21j).
- The definition of the new name and trade mark of the Bank which will be "ALPHA EUROBANK Société Anonyme" and "ALPHA EUROBANK" respectively.
- The simultaneous and in parallel:

- increase of the share capital of the Bank by the amount of Euro 4.50, by way of capitalization of an equal amount of the account "balance from above par share issuance" for the purposes of establishing an integer exchange ratio for the replacement of the old value shares, to new value common voting shares due to reverse slit (as described below),
- increase of the nominal value of the common voting shares issued by the Bank from the amount of Euro 1.50 to the amount of Euro 7.50 by a corresponding reduction of the number of the common voting shares to 185,592,277 due to reverse split, and
- reduction of the common share capital of the Bank by the amount of Euro 1,336,264,394.40, by the reduction of the nominal value of the common voting shares from Euro 7.50 to Euro 0.30, with the formation of a reserve of the same amount pursuant to article 4 par. 4a of Law 2190/1920.

- The suspension of the implementation of the decision taken by the Second Repeat General Meeting of Shareholders of the Bank, held on July 15, 2011, but not implemented to date, which is related to the share capital increase and the delay of its implementation at a future date after the merger.
- The amendment of the decision of the Second Repeat General Meeting of the Bank' Shareholders, on July 15, 2011, which is related to the terms of issuance of a bond, convertible in common shares with voting rights, by increasing the capital of the issued convertible bond up to the amount of 20% of the Bank's share capital which will arise after the completion of the merger and before its decrease in order to form a reserve (according to the above) under the provisions of article 4 paragraph 4a of Law 2190/1920.

Athens, November 28, 2011

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE CHIEF FINANCIAL OFFICER	THE ACCOUNTING MANAGER
YANNIS S. COSTOPOULOS **I.D. No. X 661480**	**DEMETRIOS P. MANTZOUNIS** **I.D. No. I 166670**	**VASILEIOS E. PSALTIS** **I.D. No. AI 666591**	**MARIANNA D. ANTONIOU** **I.D. No. X 694507**