ALPHA BANK

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30.9.2013

(In accordance with International Accounting Standard 34)

Athens,
28 November 2013

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

Interim Consolidated Financial Statements as at 30.9.2013
(In accordance with IAS 34)

Interim Consolidated Income Statement

(Thousand of Euro)

	Note	From 1 January to 30.9.2013	30.9.2012*	From 1 July to 30.9.2013	30.9.2012*
Interest and similar income		2,628,097	2,525,942	892,858	801,166
Interest expense and similar charges		(1,458,165)	(1,423,620)	(452,222)	(471,244)
Net interest income		1,169,932	1,102,322	440,636	329,922
Fee and commission income		311,355	234,169	110,284	81,280
Commission expense		(47,714)	(36,776)	(14,952)	(16,812)
Net fee and commission income		263,641	197,393	95,332	64,468
Dividend income		1,025	594	129	52
Gains less losses on financial transactions		254,921	(289,133)	5,212	(12,815)
Other income		55,470	44,594	14,321	20,283
		311,416	(243,945)	19,662	7,520
Total income		**1,744,989**	**1,055,770**	**555,630**	**401,910**
Staff costs		(519,521)	(369,104)	(175,899)	(117,498)
General administrative expenses		(392,759)	(326,574)	(133,546)	(111,781)
Depreciation and amortization	7, 8, 9	(68,149)	(65,878)	(22,919)	(22,180)
Other expenses		(3,583)	(4,440)	(4,322)	(1,027)
Total expenses		**(984,012)**	**(765,996)**	**(336,686)**	**(252,486)**
Impairment losses and provisions to cover credit risk	2	(1,474,062)	(1,169,099)	(490,003)	(449,267)
Negative goodwill from the acquisition of Emporiki Bank	21	2,630,787			
Share of profit/(loss) of associates and joint ventures		(11,626)	(7,071)	(1,029)	(1,941)
Profit/(loss) before income tax		**1,906,076**	**(886,396)**	**(272,088)**	**(301,784)**
Income tax	3	622,672	175,229	43,372	52,641
Profit/(loss) after income tax, from continuing operations		**2,528,748**	**(711,167)**	**(228,716)**	**(249,143)**
Profit /(loss) after income tax, from discontinued operations		(57,117)	2,621	(32,228)	903
Profit/(loss) after income tax		**2,471,631**	**(708,546)**	**(260,944)**	**(248,240)**
Profit/(loss) attributable to:					
Equity owners of the Bank					
- from continuing operations		2,528,649	(711,241)	(228,729)	(249,187)
- from discontinued operations		(57,117)	2,621	(32,228)	903
		2,471,532	**(708,620)**	**(260,957)**	**(248,284)**
Non-controlling interests					
- from continuing operations		99	74	13	44
Earnings/(losses) per share:					
Basic and diluted (€ per share)	4	0.48	(0.73)	(0.02)	(0.26)
Basic and diluted from continuing operations (€ per share)	4	0.49	(0.74)	(0.02)	(0.26)
Basic and diluted from discontinued operations (€ per share)	4	(0.011)	0.003	(0.003)	0.001

* *The figures of the Interim Consolidated Income Statement of the comparative period have been restated due to the retrospective application of new accounting policies and the presentation of JSC Astra Bank as a discontinued operation (notes 22 and 24).*

Interim Consolidated Balance Sheet

(Thousand of Euro)

	Note	30.9.2013	31.12.2012*
ASSETS			
Cash and balances with Central Banks		1,812,557	1,437,248
Due from banks		2,707,245	3,382,690
Securities held for trading		12,148	20,132
Derivative financial assets		781,247	736,693
Loans and advances to customers	5	52,596,192	40,578,845
Investment securities	6		
- Available for sale		4,590,785	6,037,298
- Held to maturity		1,400,999	1,535,572
- Loans and receivables		4,030,636	
Investments in associates and joint ventures		48,395	74,610
Investment property	7	574,304	493,498
Property, plant and equipment	8	1,157,805	987,385
Goodwill and other intangible assets	9	227,035	141,757
Deferred tax assets		2,058,240	1,806,151
Other assets		1,379,854	1,014,735
		73,377,442	58,246,614
Non-current assets held for sale		6,607	6,804
Total Assets		**73,384,049**	**58,253,418**
LIABILITIES			
Due to banks	10	19,840,214	25,215,163
Derivative financial liabilities		1,288,482	1,518,881
Due to customers (including debt securities in issue)		42,021,427	28,464,349
Debt securities in issue held by institutional investors and other borrowed funds	11	684,814	732,259
Amounts due for current income tax and other taxes		32,899	42,529
Deferred tax liabilities		34,149	412,020
Employee defined benefit obligations		100,005	52,182
Other liabilities		1,256,853	929,748
Provisions	12	267,393	138,787
Total Liabilities		**65,526,236**	**57,505,918**
EQUITY			
Equity attributable to equity owners of the Bank			
Share capital	13	4,216,872	1,100,281
Share premium		4,212,062	2,757,653
Reserves		565,163	268,315
Retained earnings	13	(1,195,500)	(3,538,207)
		7,798,597	**588,042**
Non-controlling interests		**23,816**	**11,904**
Hybrid securities	14	**35,400**	**147,554**
Total Equity		**7,857,813**	**747,500**
Total Liabilities and Equity		**73,384,049**	**58,253,418**

* *Certain figures of the Interim Consolidated Balance Sheet of the comparative period have been restated due to the retrospective application of new accounting policies (note 24).*

Interim Consolidated Statement of Comprehensive Income

(Thousand of Euro)

	Note	From 1 January to 30.9.2013	From 1 January to 30.9.2012*	From 1 July to 30.9.2013	From 1 July to 30.9.2012*
Profit / (loss), after income tax, recognized in the income statement		**2,471,631**	**(708,546)**	**(260,944)**	**(248,240)**
Other comprehensive income recognized directly in Equity:					
Amounts that may be reclassified in the Income Statement					
Change in available for sale securities' reserve		155,245	(108,095)	86,458	172,061
Change in cash flow hedge reserve		134,816	(123,342)	30,286	(10,069)
Exchange differences on translating and hedging the net investment in foreign operations		(3,342)	(24,474)	(117)	(1,698)
Change in the share of other comprehensive income of associates and joint ventures		225	500		
Income tax	3	(67,894)	47,478	(29,307)	(32,200)
Total amounts that may be reclassified in the Income Statement from continuing operations		**219,050**	**(207,933)**	**87,320**	**128,094**
Amounts that may be reclassified in the Income Statement from discontinued operations	22	47,037	(2,823)	32,865	(6,472)
		266,087	**(210,756)**	**120,185**	**121,622**
Amounts that will not be reclassified in the Income Statement after income tax from continuing operations					
Change in actuarial gains/(losses) of defined benefit obligations					
Impact due to the change in the income tax rate	3	1,882			
		1,882			
Total of other comprehensive income recognized directly in Equity, after income tax	3	**267,969**	**(210,756)**	**120,185**	**121,622**
Total comprehensive income for the period, after income tax		**2,739,600**	**(919,302)**	**(140,759)**	**(126,618)**
Total comprehensive income for the period attributable to:					
Equity owners of the Bank					
- from continuing operations		2,749,578	(919,471)	(141,406)	(121,229)
- from discontinued operations		(10,080)	(202)	637	(5,569)
		2,739,498	**(919,673)**	**(140,769)**	**(126,798)**
Non controlling interests					
- from continuing operations		102	371	10	180

* *Certain figures of the Interim Consolidated Statement of Comprehensive Income of the comparative period have been restated due to the retrospective application of new accounting policies and of the presentation of JSC Astra Bank as a discontinued operation (notes 22 and 24).*

Interim Consolidated Statements of Changes in Equity

(Thousand of Euro)

	Note	Share Capital	Share Premium	Reserves	Retained Earnings	Total	Non controlling interests	Hybrid securities	Total
Balance 1.1.2012		**1,100,281**	**2,757,653**	**218,893**	**(2,659,574)**	**1,417,253**	**11,700**	**537,295**	**1,966,248**
Impact from the retrospective implementation of new accounting policies after income tax					(31,363)	(31,363)			(31,363)
Restated balance 1.1.2012		**1,100,281**	**2,757,653**	**218,893**	**(2,690,937)**	**1,385,890**	**11,700**	**537,295**	**1,934,885**
Changes for the period 1.1 - 30.9.2012									
Loss for the period, after income tax					(708,620)	(708,620)	74		(708,546)
Other comprehensive income recognized directly in Equity, after income tax				(211,053)		(211,053)	297		(210,756)
Total comprehensive income for the period, after income tax				**(211,053)**	**(708,620)**	**(919,673)**	**371**		**(919,302)**
Purchases/Sales and change of ownership interests in subsidiaries					(9)	(9)	(277)		(286)
(Purchases)/Sales of hybrid securities, after income tax					232,342	232,342		(383,724)	(151,382)
Allocation to reserves				1,152	(1,152)	-			-
Other					(459)	(459)			(459)
Balance 30.9.2012		**1,100,281**	**2,757,653**	**8,992**	**(3,168,835)**	**698,091**	**11,794**	**153,571**	**863,456**
Changes for the period 1.10 - 31.12.2012									
Loss for the period, after income tax					(373,479)	(373,479)	340		(373,139)
Other comprehensive income recognized directly in Equity, after income tax				259,292	2,067	261,359	213		261,572
Total comprehensive income for the period, after income tax				**259,292**	**(371,412)**	**(112,120)**	**553**		**(111,567)**
Purchases/Sales and change of ownership interests in subsidiaries					24	24	(443)		(419)
(Purchases)/Sales of hybrid securities, after income tax					2,049	2,049		(6,017)	(3,968)
Allocation to reserves				31	(31)	-			-
Other					(2)	(2)			(2)
Balance 31.12.2012		**1,100,281**	**2,757,653**	**268,315**	**(3,538,207)**	**588,042**	**11,904**	**147,554**	**747,500**

(Thousand of Euro)

	Note	Share Capital	Share Premium	Reserves	Retained Earnings	Total	Non controlling interests	Hybrid securities	Total
Balance 1.1.2013		**1,100,281**	**2,757,653**	**268,315**	**(3,538,207)**	**588,042**	**11,904**	**147,554**	**747,500**
Changes for the period 1.1 - 30.9.2013									
Profit for the period, after income tax					2,471,532	2,471,532	99		2,471,631
Other comprehensive income recognized directly in equity, after income tax				266,084	1,882	267,966	3		267,969
Total comprehensive income for the period, after income tax				**266,084**	**2,473,414**	**2,739,498**	**102**		**2,739,600**
Share capital increase through issuance of common shares to Hellenic Financial Stability Fund	13	2,741,591	1,279,409			4,021,000			4,021,000
Share capital increase paid in cash	13	375,000	175,000			550,000			550,000
Share capital increase expenses, after income tax	13				(163,582)	(163,582)			(163,582)
Purchases/Sales and change of ownership interests in subsidiaries					(206)	(206)	11,810		11,604
(Purchases), (Redemptions)/ Sales of hybrid securities, after income tax					49,087	49,087		(112,154)	(63,067)
Allocation to reserves				30,764	(30,764)	-			-
Other					14,758	14,758			14,758
Balance 30.9.2013		**4,216,872**	**4,212,062**	**565,163**	**(1,195,500)**	**7,798,597**	**23,816**	**35,400**	**7,857,813**

Interim Consolidated Statement of Cash Flows

(Thousand of Euro)

	Note	From 1 January to 30.9.2013	30.9.2012*
Cash flows from operating activities			
Profit / (loss) before income tax		**1,906,076**	**(886,396)**
Adjustments for gain/(losses) before income tax for:			
Depreciation of fixed assets	7, 8	51,842	45,309
Amortization of intangible assets	9	16,307	20,569
Impairment losses from loans, provisions and staff leaving indemnity		1,523,936	1,187,649
(Gains)/losses from investing activities		(35,693)	288,286
(Gains)/losses from financing activities		(148,900)	108,829
Share of (profit)/loss of associates and joint ventures		11,626	7,071
Negative goodwill from the acquisition of Emporiki Bank	21	(2,630,787)	
Other adjustments			18,776
		694,407	**790,093**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks		642,930	534,946
Securities held for trading and derivative financial assets		168,643	(124,842)
Loans and advances to customers		1,507,901	1,459,849
Other assets		(7,548)	(20,433)
Net increase /(decrease) in liabilities relating to continuing operating activities:			
Due to banks		(7,086,045)	3,606,767
Derivative financial liabilities		(259,785)	(158,625)
Due to customers		71,379	(4,175,505)
Other liabilities		(30,964)	(105,139)
Net cash flows from continuing operating activities before taxes		**(4,299,082)**	**1,807,111**
Income taxes and other taxes paid		(31,180)	(38,624)
Net cash flows from continuing operating activities		**(4,330,262)**	**1,768,487**
Net cash flows from discontinued operating activities		**(2,479)**	**3,290**
Cash flows from continuing investing activities			
Investments in subsidiaries and associates		(267)	(353)
Acquisition of Emporiki Bank		645,215	
Amounts received from disposal of subsidiary		81,385	
Dividends received		1,025	593
Acquisition of fixed and intangible assets	7, 8 ,9	(91,637)	(39,884)
Disposals of fixed and intangible assets		7,542	18,206
Net (increase)/decrease in investment securities		2,192,066	(998,894)
Net cash flows from continuing investing activities		**2,835,329**	**(1,020,332)**
Net cash flows from discontinued investing activities		**(415)**	**(8,450)**
Cash flows from continuing financing activities			
Dividends paid		(1,196)	(2,397)
(Repayment)/receipts of debt securities		99,111	(371,640)
(Purchases)/sales of hybrid securities		(43,849)	(156,796)
Increase of share capital		550,000	
Expenses related to share capital increase		(68,054)	
Net cash flows from continuing financing activities		**536,012**	**(530,833)**
Net cash flows from discontinued financing activities			
Effect of exchange rate fluctuations on cash and cash equivalents		(3,977)	(161)
Net increase/(decrease) in cash flows – continuing activities		**(962,898)**	**217,161**
Net increase/(decrease) in cash flows – discontinued activities		**(2,894)**	**(5,160)**
Cash and cash equivalents at the beginning of the period		**2,110,093**	**1,206,072**
Cash and cash equivalents at the end of the period		**1,144,301**	**1,418,073**

* *Certain figures of the Interim Consolidated Statement of Cash Flows of the comparative period have been restated due to the retrospective application of new accounting policies and of the presentation of JSC Astra Bank as a discontinued operation.*

The attached notes (pages 9 - 56) 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 activities.

The parent company of the Group is Alpha Bank A.E. which operates under the brand name of Alpha Bank A.E.. The Bank's registered office is 40 Stadiou Street, Athens and is listed as a societé anonyme with registration number 6066/06/B/86/05 and in the General Commercial Register with registration number 223701000. 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 22.6.2010 expires in 2014.

The Board of Directors as at September 30, 2013, consists of:

CHAIRMAN (Executive Member)

Yannis S. Costopoulos

VICE CHAIRMAN (Non Executive Independent Member)

Minas G. Tanes ***

EXECUTIVE MEMBERS

MANAGING DIRECTOR

Demetrios P. Mantzounis (CEO)

EXECUTIVE DIRECTORS AND GENERAL MANAGERS

Spyros N. Filaretos (COO) ***

Artemis Ch. Theodoridis

George K. Aronis

NON-EXECUTIVE MEMBERS

Paul G. Karakostas *

Ioanna E. Papadopoulou **

NON-EXECUTIVE INDEPENDENT MEMBERS

George E. Agouridis */**

Paul A. Apostolidis

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

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

Nikolaos G. Koutsos */**/***

SECRETARY

Hector P. Verykios

The Ordinary General Meeting of Shareholders, held on 29.6.2013, has appointed as auditors of the interim and annual financial statements for 2013 the following:

Principal Auditors: Marios T. Kyriacou
Harry G. Sirounis

Substitute Auditors: Michael A. Kokkinos
John A. Achilas

from KPMG Certified Auditors A.E.

The Bank's shares are listed in the Athens Stock Exchange since 1925 and are constantly ranked among the companies with the higher market capitalization. Additionally, the Bank's share is included in a series of international indices, such as MSCI Emerging Markets Index, and FTSE Med 100.

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 a result of the Bank's share capital increase which took place in May 2013, according to the recapitalization framework for the Greek banks, the share capital of the Bank amounted to 10,922,906,012 ordinary, registered shares of nominal value of € 0.30 each and 200,000,000 preference shares of nominal value € 4.70 each. 1,784,269,648 ordinary shares of the Bank are traded in the Athens Exchange while the Hellenic Financial Stability Fund ("HFSF") possesses the remaining 9,138,636,364 ordinary, registered, voting, paperless shares or percentage equal to 83.66% on the total of ordinary shares issued by the Bank. The exercise of the voting rights for the shares of HFSF is subject to restrictions according to the article 7a of Law 3864/2010.

In addition, on the Athens Exchange there are 1,233,503,482 warrants that are traded each one incorporating the right of its holder to purchase 7,408683070 new shares owned by the HFSF.

During the nine month period of 2013 the average daily volume per session was € 5,048,731.

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 interim financial statements have been approved by the Board of Directors on November 28, 2013.

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* *Member of the Audit Committee*

** *Member of the Remuneration Committee*

*** *Member of the Risk Management Committee*

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

The Group has prepared the condensed interim financial statements as at 30.9.2013 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 convertible bond issued by the Bank which is included in "Debt securities in issue held by institutional investors and other borrowed funds".

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

The accounting policies 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 31.12.2012, after taking into account the re-estimation of the useful life of property, plant and equipment, investment property and software of the Bank which, although it did not alter the range of the useful life of each class of the Group's assets, took place during this reporting period and affected the consolidated figures arising from the Bank. The useful life of the main of the above assets was determined as follows:

- Offices: 35 years
- Branches: 30 years
- Houses-storages: 40 years
- Equipment and vehicles: 5 to 15 years
- Software: 15 years

The impact from the above re-estimation is disclosed at notes 7, 8 and 9.

In addition, the accounting policies applied by the Group took into account the following new standards, amendments of standards and Interpretation 20 which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2013:

- **Amendment of International Accounting Standard 1** «Presentation of Items of Other Comprehensive Income» (Regulation 475/5.6.2012)

  The adoption of the above amendment by the Group had no financial impact; however it resulted in modifications in the presentation of the Statement of Comprehensive Income. In particular, the Statement of Comprehensive Income was amended so that items of other comprehensive income that may be reclassified subsequently to profit or loss are presented separately from those in which subsequent reclassification is not allowed. Income tax is also presented separately for each of the above groups.

- **Amendment of International Accounting Standard 19** «Employee Benefits» (Regulation 475/5.6.2012)

  The main impact from the adoption of the above amendment is the abolition of the option to defer actuarial gains and losses (corridor approach). Actuarial gains and losses shall be recognized in other comprehensive income and they are not reclassified in profit or loss in a subsequent period. In addition, according to the revised standard, interest on the net defined benefit liability (asset), which is recognised in profit or loss, shall be determined by multiplying the net defined benefit liability (asset) by the discount rate used to discount post-employment benefit obligation, as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset). The difference between the total return on plan assets and its part that has been included in the interest on the net defined benefit liability (asset) is recognised in other comprehensive income and it is not reclassified in profit or loss in a subsequent period. The application of the revised IAS 19 is retrospective and the impact from its adoption is presented in note 24.

- **International Financial Reporting Standard 13** «Fair Value Measurement» (Regulation 1255/11.12.2012)

  On 12.5.2011, the International Accounting Standards Board issued IFRS 13 which:

  i. Defines fair value
  ii. Sets out a single framework for measuring fair value and
  iii. Specifies disclosures about fair value measurements.

  The adoption of the above standard had as a result additional disclosures which are presented in note 25.

Standards relating to investment in subsidiaries, associates and joint ventures:

- **International Financial Reporting Standard 10** «Consolidated Financial Statements» (Regulation 1254/11.12.2012)
- **International Financial Reporting Standard 11** «Joint Arrangements» (Regulation 1254/11.12.2012)
- **International Financial Reporting Standard 12** «Disclosure of Interests in Other Entities» (Regulation 1254/11.12.2012)

- **Amendment of International Financial Reporting Standard 10** «Consolidated Financial Statements», of **International Financial Reporting Standard 11** «Joint Arrangements» and of **International Financial Reporting Standard 12** «Disclosure of Interests in Other Entities»: Transition Guidance (Regulation 313/4.4.2013)
- **Amendment of International Accounting Standard 27** «Separate Financial Statements» (Regulation 1254/11.12.2012)
- **Amendment of International Accounting Standard 28** «Investments in Associates and Joint Ventures» (Regulation 1254/11.12.2012)

  IFRS 10 prescribes the accounting principles for the preparation of consolidated financial statements and establishes a new definition of control of other entities. IFRS 11 prescribes the accounting for interests in joint arrangements, i.e. in cases that decisions about the activities of the arrangement require the unanimous consent of parties sharing control. IFRS 12 describes the disclosures required for interests in subsidiaries, associates, joint arrangements and non consolidated structured entities in the consolidated financial statements of the investor. The issuance of the above standards caused the amendment of IAS 27, which now only applies to separate financial statements, and of IAS 28 that now includes joint ventures, since they are now mandatorily accounted for under the equity method.

  Due to the adoption of the above standards and amendments, joint ventures are accounted under the equity method instead of the proportionate consolidation method. The application of the above amendment is retrospective and its impact is presented in note 24.

  It is noted that according to the Regulation 1254/11.12.2012, which adopted the above new standards and amendments, their effective date is, by the latest, the annual period beginning on or after 1.1.2014. The Group, however, decided to adopt them on 1.1.2013, consistently with the effective date defined by the International Accounting Standards Board.

Standards the adoption of which had no impact on the financial statements of the Group:

- **Amendment of International Financial Reporting Standard 1** «Government loans» (Regulation 183/4.3.2013)
- **Amendment of International Financial Reporting Standard 7** «Disclosures – Offsetting Financial Assets and Financial Liabilities» (Regulation 1256/13.12.2012)
- **Improvements to International Accounting Standards** (Regulation 301/27.3.2013)
- **Interpretation 20** «Stripping costs in the production phase of a surface mine» (Regulation 1255/11.12.2012)

The adoption by the European Union, by 31.12.2013, 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 1.1.2013, may affect retrospectively the periods presented in these interim financial statements.

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

- Income Tax

  The Group recognizes the amounts of current and deferred income tax based on estimates concerning the amount of taxable profits, based on which the amounts of tax expected to be paid or recovered in the current and future periods are determined. Estimates are affected by factors such as the practical implementation of the relevant legislation, the expectations regarding the existence of future taxable profit etc. Future tax audits, changes in tax legislation and the amount of taxable profit actually realised, may result in tax payments other than those recognized in the financial statements of the Group.

- 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.

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.

Going concern principle

After the completion of the Bank's share capital increase, amounting to €4.571 billion, in accordance with Law 3864/2010, the Group's capital needs, as determined by the Bank of Greece, were fully covered and therefore, no uncertainty exists considering the application of the going concern principle, based on which the interim financial statements of 30.9.2013 were prepared.

The main estimates made by the Group that materially affected the preparation of the interim financial statements of 30.9.2013, the confirmation of which is subject to the development of factors uncertain at the time of preparation of the financial statements, relate to the following issues:

1.2.1 Estimations of the Group's exposure to the Hellenic Republic

Regarding the uncertainties about the estimations for the recoverability of the Group's total exposure to the Hellenic Republic, there have been no significant changes compared to those disclosed in notes 1.2.2 and 1.30.2 of the interim financial statements of 31.3.2013 and of the annual financial statements of 31.12.2012, respectively.

1.2.2 Recoverability of deferred tax assets

The Group on 30.9.2013, as on 31.12.2012, estimates that the deferred tax assets that it has recognized are recoverable since there have been no significant changes within the first nine month period of 2013 regarding their nature or their amount, other than the adjustment of balances due to the increase of the income tax rate for legal entities in Greece from 20% to 26%. However, this change does not affect the assessment of recoverability. The information used by the Group's management to assess the recoverability of deferred tax assets and the related uncertainties are presented in detail in note 1.30.3 of the annual financial statements of 31.12.2012.

Concerning the deferred tax assets and liabilities relating to Emporiki Bank's assets and liabilities, it is noted that the Group is in progress of determining their tax base and as a result the relative impact on deferred tax has not been finalized.

The Group will reconsider the recognition of deferred tax assets and liabilities concerning Emporiki Bank as well as the recoverability of the deferred tax assets already recognised, according to the estimation for the existence of future taxable profits, based on the updated Bank's restructuring plan that will be prepared and submitted to DGCom by the end of the year.

INCOME STATEMENT

2. Impairment losses and provisions to cover credit risk

	From 1 January to		From 1 July to	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Impairment losses on loans and advances to customers (note 5)	1,473,691	1,165,705	484,580	452,605
Provisions to cover credit risk relating to off balance sheet items (note 12)	18,680	11,125	17,764	(425)
Recoveries	(18,309)	(7,731)	(12,341)	(2,913)
Total	**1,474,062**	**1,169,099**	**490,003**	**449,267**

3. Income tax

According to article 14 of Law 3943/2011 "Combating tax evasion, staffing the tax auditing department and other provisions under the responsibility of the Ministry of Finance" a 20% tax rate is effective for legal entities for periods commencing from 1.1.2011 onwards. When profits are distributed, a withholding tax of 25% is imposed.

In accordance with article 9 of Law 4110/23.1.2013 "Income tax regulations, regulations on issues under the responsibility of the Ministry of Finance and other provisions", the tax rate for legal entities was increased from 20% to 26% for profits arising from 1.1.2013 and onwards. In addition, if disribution of profits is approved from 1.1.2014 and onwards, the withholding tax rate is reduced to 10%.

In accordance with article 48 of Law 4172/23.7.2013 "Income tax, emergency implementation measures of Law 4046/2012, Law 4093/2012 and Law 4127/2013 and other provisions", dividends paid either by local or foreign companies of the same Group, are relieved both from income tax and withholding tax provided that the parent company's participation in the share capital of the subsidiary is 10% or higher, is retained for at least 2 years and the legal entity distributing the dividend is not based in a non-cooperating country. The above are applicable from 1.1.2014.

According to article 49 of the same Law, the amounts of interest (interest income less interest expense) are not recognized for tax deduction from the gross revenues, in case they exceed 25% of taxable earnings before interest, tax, depreciation and amortization. The above is effective from 1.1.2014 and does not apply for firms that are not part of the Group and their net interest income does not exceed € 1 million annualy. It is mentioned that the non deductible interest expenses are transferred to be deducted through the next five years. The above are not applicable for credit institutions.

In accordance with article 72 of the same Law, the non-distributed or capitalized reserves of the legal entities as these were presented on the last balance sheet issued before 1.1.2014, and deriving from non-taxable profits as defined by Law 2238/1994, in case of distribution or capitalization until 31.12.2013, are subject to taxation at a rate of 15% which exhausts the tax liability of the entity and its shareholders. From 1.1.2014 onwards, the above mentioned reserves are compulsory offset at the end of each tax year against losses incurred by any cause in the last 5 years until they are exhausted. But, in case of distribution or capitalization they are subject to taxation on a self assessment base at a rate of 19%. Since 1.1.2015, the non taxable reserves cannot be established.

For the Bank's subsidiaries and branches operating in other countries, the applicable nominal tax rates for accounting periods 2012 and 2013 are as follows:

Cyprus	12.5[1] (from 1.1.2013)
Bulgaria	10
Serbia	15[2] (from 1.1.2013)
Romania	16
FYROM	10[3]
Albania	10
Ukraine	19[4] (from 1.1.2013)
Jersey	10
United Kingdom	23[5] (from 1.4.2013)

(1) *For the year 2012 the tax rate was 10%.*
(2) *For the year 2012 the tax rate was 10%.*
(3) *From 1.1.2009 non distributable profits are not subject to tax. When distributed they are taxed at the rate applicable on the date of distribution.*
(4) *For the year 2012 the tax rate was 21%.*
(5) *For the year 2012 up to 31.3.2013 the tax rate was 24%.*

According to Law 84/29.4.2011 an additional tax was imposed for credit institutions operating in Cyprus, which is calculated at a rate of 0.095% on their total deposits payable in four installments. After the amendment of Law 4402/2013 the tax rate reached 0.0375%.

In accordance with article 82 paragraph 5 of Law 2238/94, for fiscal year 2011 and thereafter, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (AE), are obliged to issue an Annual Tax Certificate on the implementation of tax provisions on tax issues. The above mentioned tax certificate is submitted to the entity under audit within 10 days from the submission of the corporate income tax return, as well as, to the Ministry of Finance, electronically, no later than ten days following the date of the approval of the financial statements from the General Assembly of the Shareholders.

Especially for the fiscal year 2012 according to Ministry Decision POL. 1187/26.7.2013 the deadline for submiting the tax certification is extended until 30.9.2013. This extention is applicable for legal entities whose financial year ended at 31.12.2012.

After eighteen months from the issuance of a tax unqualified certificate and on the precondition that no tax offences have been identified by the Ministry of Finance audits, the tax audit of the year is considered finalized.

For the fiscal year 2012 the Bank and its domestic subsidiaries have obtained the relevant tax certificate without any qualifications on the tax issues audited.

The income tax in the income statement from continuing operations is analyzed on the table below while the income tax from discontinued operations is analyzed in note 22.

	From 1 January to		From 1 July to	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Current	12,879	12,200	6,509	602
Additional taxes from audits	535		(4)	
Deferred	(636,086)	(187,429)	(49,877)	(53,243)
Total	**(622,672)**	**(175,229)**	**(43,372)**	**(52,641)**

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

	From 1 January to		From 1 July to	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Debit difference of Law 4046/2012	(225,337)	(608,587)		8,383
Revaluation/ impairment of assets	(816)		367	
Depreciation and write-offs of fixed assets	4,882	1,828	(2,078)	(81)
Valuation/ impairment of loans	(466,610)	157,728	(88,297)	(58,394)
Suspension of interest accruals	183,080	78,885	31,564	33,989
Employee defined benefit obligations	(13,798)	(1,503)	(194)	(481)
Valuation of derivatives	(11,884)	3,970		(378)
Effective interest rate	(8,211)	(424)	(8,304)	(4,359)
Valuation of liabilities to credit institutionsand other borrowed funds due to fair value hedge	1,700	(3,797)		(84)
Valuation/ impairment of bonds and other securities	(20,072)	255,860	(16,128)	(2,431)
Valuation/ impairment of investments	(3,297)		14,212	
Tax losses carried forward	(95,822)	(86,084)	19,308	(31,627)
Other temporary differences	20,099	14,695	(327)	2,220
Total	**(636,086)**	**(187,429)**	**(49,877)**	**(53,243)**

The above amounts include the effect from the change in the income tax rate from 20% to 26%.

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

	From 1 January to			
	30.9.2013		30.9.2012	
	%		%	
Profit/(loss) before income tax		**1,906,076**		**(886,396)**
Income tax (nominal tax rate)	25.95	494,574	20.49	(181,528)
Increase/(decrease) due to:				
Additional tax on income from land and buildings	0.02	180	(0.01)	113
Non taxable income	(0.07)	(1,355)	1.45	(12,613)
Non deductible expenses	0.64	12,202	(1.23)	10,701
Effect of changes in tax rates used for deferred tax	(21.78)	(415,145)		
Negative goodwill from the acquisition of Emporiki Bank not subject to tax	(35.89)	(684,005)		
Other temporary differences	(1.53)	(29,123)	(0.93)	8,098
Income tax (effective tax rate)	**(32.66)**	**(622,672)**	**19.77**	**(175,229)**

	From 1 July to			
	30.9.2013		30.9.2012	
	%		%	
Profit/(loss) before income tax		**(272,088)**		**(301,784)**
Income tax (nominal tax rate)	29.42	(80,047)	19.29	(58,225)
Increase/(decrease) due to:				
Additional tax on income from land and buildings	(0.05)	169	(0.01)	40
Non taxable income	(2.78)	7,576	0.52	(1,578)
Non deductible expenses	(2.35)	6,381	(1.91)	5,761
Effect of changes of tax rates used for deferred tax	(0.20)	555		
Other temporary differences	(8.08)	21,994	(0.46)	1,361
Income tax (effective tax rate)	**15.96**	**(43,372)**	**17.43**	**(52,641)**

The tax rate of 25.95% for the nine month period of 2013 and 20.49% for the nine month period of 2012, is the weighted average nominal tax rate based on the nominal income tax rate and the profit before tax of each of the Group's subsidiaries.

Income tax of the comprehensive income recognized directly in Equity

	From 1 January to					
	30.9.2013			30.9.2012		
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
Amounts that may be reclassified in the Income Statement						
Change in available for sale securities' reserve	155,245	(38,287)	116,958	(108,095)	23,210	(84,885)
Change in cash flow hedge reserve	134,816	(35,051)	99,765	(123,342)	24,668	(98,674)
Exchange differences on translating and hedging the net investment in foreign operations	(3,342)	531	(2,811)	(24,474)	(400)	(24,874)
Tax rate adjustments (Law 4110/2013)		4,913	4,913			-
Change in the share of other comprehensive income of associates and joint ventures	225		225	500		500
Total amounts that may be reclassified in the Income Statement from continuing operations	**286,944**	**(67,894)**	**219,050**	**(255,411)**	**47,478**	**(207,933)**
Amounts that may be reclassified in the Income Statement from discontinued operations	47,346	(309)	47,037	(3,270)	447	(2,823)
	334,290	**(68,203)**	**266,087**	**(258,681)**	**47,925**	**(210,756)**
Amounts that will not be reclassified in the Income Statement						
Change in actuarial gains/(losses) of defined benefit obligations						
Impact due to the change of the income tax rate		1,882	1,882			
Total	**334,290**	**(66,321)**	**267,969**	**(258,681)**	**47,925**	**(210,756)**

	From 1 July to					
	30.9.2013			30.9.2012		
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
Amounts that may be reclassified in the Income Statement						
Change in available for sale securities' reserve	86,458	(21,902)	64,556	172,061	(33,341)	138,720
Change in cash flow hedge reserve	30,286	(7,874)	22,412	(10,069)	2,013	(8,056)
Exchange differences on translating and hedging the net investment in foreign operations	(117)	469	352	(1,698)	(872)	(2,570)
Total amounts that may be reclassified in the Income Statement from continuing operations	**116,627**	**(29,307)**	**87,320**	**160,294**	**(32,200)**	**128,094**
Amounts that may be reclassified in the Income Statement from discontinued operations	44,392	(11,527)	32,865	(6,787)	315	(6,472)
Total	**161,019**	**(40,834)**	**120,185**	**153,507**	**(31,885)**	**121,622**

For the nine month period 2013, "Retained Earnings" includes a deferred tax amounting to € 19,155, arising from purchases/sales of hybrid securities. The respective amount for the nine month period of 2012 was € 4,351 and related to deferred tax asset.

Also in the nine month period 2013, "Retained Earnings" includes a deferred tax amounting to € 57,475, arising from the share capital issue costs which were recorded on the same account and relate to the share capital increase which was completed during the reporting period.

4. 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 holders of the Bank, with the weighted average number of ordinary shares outstanding, after deducting the weighted average number of treasury shares held by the Group companies, during the period.

For the calculation of basic earnings/(losses) per share, profit or loss for the period is adjusted with the deduction of the after-tax amount of the dividends of those preference shares that have been classified as equity. The after-tax amount of preference dividends that is deducted is:

i. The after-tax amount of any preference dividends on non-cumulative preference shares declared in respect of the period and
ii. The after-tax amount of the preference dividends for cumulative preference shares required for the period, whether or not the dividends have been declared.

The Bank has issued non-cumulative preference shares, according to Law 3723/2008.

b. Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding 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 and the convertible bond loan with Credit Agricole S.A., basic and dilutive earnings/(losses) per share should not differ.

	From 1 January to		From 1 July to	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Profit/(loss) attributable to equity owners of the Bank	2,471,532	(708,620)	(260,957)	(248,284)
Weighted average number of outstanding ordinary shares	5,196,573,367	965,652,432	10,922,906,012	965,652,432
Basic and diluted earnings/(losses) per share (in €)	0.48	(0.73)	(0.02)	(0.26)

	From 1 January to		From 1 July to	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Profit/(loss) from continuing operations attributable to the ordinary equity owners of the Bank	2,528,649	(711,241)	(228,729)	(249,187)
Weighted average number of outstanding ordinary shares	5,196,573,367	965,652,432	10,922,906,012	965,652,432
Basic and diluted earnings/(losses) from continuing operations per share (in €)	0.49	(0.74)	(0.02)	(0.26)

	From 1 January to		From 1 July to	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Profit/(loss) from discontinued operations attributable to the ordinary equity owners of the Bank	(57,117)	2,621	(32,228)	903
Weighted average number of outstanding ordinary shares	5,196,573,367	965,652,432	10,922,906,012	965,652,432
Basic and diluted earnings/(losses) from discontinued operations per share (in €)	(0.011)	0.003	(0.003)	0.001

The weighted average number of outstanding ordinary shares for the comparative periods has been adjusted with the factor 1.8074 in order to illustrate the impact from the share capital increase in exercise price lower than the theoretical price.

The Ordinary General Meeting of Shareholders held on 29.6.2013, decided not to attribute to the Greek State the respective return on its preference shares, issued by the Bank and owned by the Greek State, as defined according to article 1 paragraph 3 of Law 3723/2008.

The restatements of 30.9.2012 referred to note 24 concerning the retrospective application of amendments on accounting standards, did not have a significant effect on basic and diluted profit/(loss) per share (in €).

ASSETS

5. Loans and advances to customers

	30.9.2013	31.12.2012
Individuals:		
Mortgages		
- Non-Securitized	19,913,589	13,997,727
- Securitized	105,134	
Consumer:		
- Non-Securitized	4,263,163	3,404,639
- Securitized	1,144,277	1,056,336
Credit cards:		
- Non-Securitized	610,422	366,004
- Securitized	471,448	545,204
Other	62,892	60,315
Total	**26,570,925**	**19,430,225**
Companies:		
Corporate loans:		
- Non-securitized	29,498,309	22,836,423
- Securitized	1,217,875	1,355,796
Finance leases (Leasing)		
- Non-securitized	352,153	388,322
- Securitized	418,964	434,833
Factoring	472,913	447,972
Total	**31,960,214**	**25,463,346**
Receivables from insurance and re-insurance activities	11,752	12,657
Other receivables	286,889	278,837
	58,829,780	**45,185,065**
Less: Allowance for impairment losses [1]	(6,233,588)	(4,606,220)
Total	**52,596,192**	**40,578,845**

The Bank and Alpha Leasing A.E. have proceeded in securitizing consumer, corporate loans, mortgage loans, credit cards and finance leases through special purpose entities controlled by them.

The amount of € 105,134 refers to securitized mortgage loans of Emporiki Bank.

Based on the contractual terms and structure of the above transactions (e.g. allowance of guarantees or/and credit enhancement or due to the Bank owing the bonds issued by the special purpose entities), the Bank and Alpha Leasing A.E. have retained in all cases the risks and rewards deriving from the securitized portfolios.

The Bank has proceeded with the direct issuance of covered bonds, secured by mortgage loans. As of 30.9.2013, the balance of the covered bonds amounts to € 3.7 billion and the value of mortgage loans provided as coverage for the above mentioned bonds amounted to € 4.3 billion.

Loans and advances to customers includes loans obtained from the acquisition of Emporiki Group. The book value of these loans on acquisition date amounted to € 14.9 billion and has been recognized in loans and advances to customers before impairment (note 21).

[1] *In addition to the allowance for impairment losses and advances to customers, a provision of €68,817 out of which €37,422 is related to Emporiki Bank (31.12.2012: €12,723) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to €6,302,405 (31.12.2012: €4,618,943).*

Allowance for impairment losses

Balance 1.1.2012	**4,871,662**
Changes for the period 1.1. - 30.9.2012	
Impairment losses for the period from continuing operations (note 2)	1,165,705
Impairment losses for the period from discontinued operations (note 22)	1,328
Change in present value of the allowance account	174,623
Foreign exchange differences	(3,936)
Loans written-off during the period	(2,131,392)
Balance 30.9.2012	**4,077,990**
Changes for the period 1.10. - 31.12.2012	
Impairment losses for the period from continuing operations	500,573
Impairment losses for the period from discontinued operations	423
Change in present value of the allowance account	73,223
Foreign exchange differences	(2,624)
Loans written-off during the period	(43,365)
Balance 31.12.2012	**4,606,220**
Changes for the period 1.1. - 30.9.2013	
Impairment losses for the period from continuing operations (note 2)	1,473,691
Impairment losses for the period from discontinued operations	863
Change in present value of the allowance account	272,765
Foreign exchange differences	(7,934)
Loans written-off during the period	(103,747)
Accumulated provisions of disposed subsidiary	(8,270)
Balance 30.9.2013	**6,233,588**

Finance lease receivables, analyzed by duration, are as follows:

	30.9.2013	31.12.2012
Up to 1 year	382,964	386,966
From 1 year to 5 years	157,976	247,710
Over 5 years	383,635	356,412
	924,575	**991,088**
Non accrued finance lease income	(153,458)	(167,933)
Total	**771,117**	**823,155**

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

	30.9.2013	31.12.2012
Up to 1 year	359,006	361,190
From 1 year to 5 years	90,101	162,401
Over 5 years	322,010	299,564
Total	**771,117**	**823,155**

6. Investment securities

a. Available for sale

The available for sale portfolio amounts to € 4.6 billion as at 30.9.2013 (31.12.2012: € 6 billion). This amount includes securities issued by the Greek State that amount to € 3.1 billion as at 30.9.2013 (31.12.2012: € 3.6 billion) out of which € 2.2 billion (31.12.2012: € 3 billion) relate to treasury bills.

The Group during the nine month period of 2013 has recognized impairment losses for other bonds amounting to € 34.4 million, and for shares and mutual funds amounting to € 1 million which are included in "Gain less losses on financial transactions".

b. Held to maturity

The held to maturity portfolio amounts to € 1.4 billion as at 30.9.2013 (31.12.2012: € 1.5 billion). This amount includes Greek Government bonds of € 0.9 billion as at 30.9.2013 (31.12.2012: € 0.9 billion), which represent the shares transferred to the Bank for the issuance of the preference shares on behalf of the Greek State according to Law 3723/2008.

c. Loans and receivables

The amount of € 4 billion of the loan portfolio relates to bonds issued by the European Financial Stability Facility (E.F.S.F) and received by the Bank in the context of its share capital increase which was completed on 6.6.2013.

d. Exposure to the peripheral eurozone countries debt

The book value of Cypriot Republic senior bonds as at 30.9.2013 amounts to € 18.8 million whereas the book value of bonds and treasury bills as at 31.12.2012 amounted to € 26.4 million and € 20 million respectively.

The Group holds a bond of Cyprus Popular Bank (senior term) for which an impairment loss of € 34.4 million was recorded, according to the available information regarding its recoverable amount. The book value after impairment equals to € 1.6 million.

Moreover, the Group holds 42,274 trading portfolio shares of the Bank of Cyprus with a book value of € 8.8 thousand.

The Bank's subsidiary Alpha Bank Cyprus Ltd, with a net asset value of € 454 million as at 30.9.2013, after the independent diagnostic audit which was performed in 2012 by PIMCO Europe Limited as part of evaluating the country's banking system, increased its share capital on 31.10.2013 as referred to note 26b.

The Bank's subsidiary Emporiki Bank Cyprus Ltd., with a net asset value of € 42 million as at 30.9.2013, was not included in the Cypriot banks that participated in the above mentioned independent diagnostic audit since it had proceeded with a share capital increase during 2012.

As at 30.9.2013 the Group had no exposure to bonds issued by Spain, Portugal, Ireland and Italy.

7. Investment property

	Land and Buildings
Balance 1.1.2012	
Cost	46,998
Accumulated depreciation	(6,679)
1.1.2012 - 30.9.2012	
Net book value 1.1.2012	40,319
Additions	1,048
Additions from companies consolidated for first time in 2012	227,733
Disposals	(4,741)
Reclassification from "Assets held for sale"	10,841
Foreign exchange differences	(73)
Depreciation charge for the period from continuing operations	(1,791)
Net book value 30.9.2012	**273,336**
Balance 30.9.2012	
Cost	281,717
Accumulated depreciation	(8,381)
1.10.2012 - 31.12.2012	
Net book value 1.10.2012	273,336
Additions	1,178
Additions from companies consolidated for first time in 2012	85,067
Disposals	2,668
Reclassification from "Assets held for sale"	131,303
Reclassification from "Propety, plant and equipment"	7,109
Impairments	(2,187)
Foreign exchange differences	7
Depreciation charge for the period from continuing operations	(4,983)
Net book value 31.12.2012	**493,498**
Balance 31.12.2012	
Cost	508,065
Accumulated depreciation	(14,567)
1.1.2013 - 30.9.2013	
Net book value 1.1.2013	493,498
Additions	33,268
Additions from companies consolidated for first time in 2013	62,334
Foreign exchange differences	(74)
Reclassification to "Propety, plant and equipment"	(2,161)
Disposals	(4,460)
Depreciation charge for the period from continuing operations	(8,101)
Net book value 30.9.2013	**574,304**
Balance 30.9.2013	
Cost	595,419
Accumulated depreciation	(21,115)

The depreciation for the nine month period of 2013 has been affected from the reassessment on the assets' useful life on 30.6.2013 that had resulted in a reduction of the depreciation charge for the first semester of 2013 by € 13 thousand.

The impairment loss amounting to € 2.2 million for 2012 relates to the estimated restoration costs for damages caused by a fire that occurred in two preservable buildings of the Bank during the riots that took place on 12.2.2012.

8. Property, plant and equipment

	Land and buildings	Leased equipment	Equipment	Total
Balance 1.1.2012				
Cost	1,279,503	5,722	492,942	1,778,167
Accumulated depreciation	(323,710)	(3,228)	(398,314)	(725,252)
1.1.2012 - 30.9.2012				
Net book value 1.1.2012	955,793	2,494	94,628	1,052,915
Foreign exchange differences	(5,487)	134	(1,489)	(6,842)
Additions	12,702	213	8,928	21,843
Disposals/ Write-offs	(11,723)	(764)	(648)	(13,135)
Reclassifications		204	(204)	
Impairment charge for the period	(1,115)			(1,115)
Depreciation charge for the period from discontinued operations	(315)		(533)	(848)
Depreciation charge for the period from continuing operations	(20,089)	(742)	(22,687)	(43,518)
Net book value 30.9.2012	**929,766**	**1,539**	**77,995**	**1,009,300**
Balance 30.9.2012				
Cost	1,269,752	4,111	492,093	1,765,956
Accumulated depreciation	(339,986)	(2,572)	(414,098)	(756,656)
1.10.2012 - 31.12.2012				
Net book value 1.10.2012	929,766	1,539	77,995	1,009,300
Foreign exchange differences	1,314	(205)	1,448	2,557
Additions	1,743	(213)	6,319	7,849
Disposals/ Write-offs	(3,807)	76	(1,380)	(5,111)
Reclassifications to "Investment property"	(7,109)	5	(5)	(7,109)
Reclassifications from "Other assets"	1,475			1,475
Impairment charge for the period	(5,757)			(5,757)
Depreciation charge for the period from discontinued operations	(112)		(160)	(272)
Depreciation charge for the period from continuing operations	(6,769)	101	(8,879)	(15,547)
Net book value 31.12.2012	**910,744**	**1,303**	**75,338**	**987,385**
Balance 31.12.2012				
Cost	1,254,156	3,747	497,024	1,754,927
Accumulated depreciation	(343,412)	(2,444)	(421,686)	(767,542)
1.1.2013 - 30.9.2013				
Net book value 1.1.2013	910,744	1,303	75,338	987,385
Foreign exchange differences	(900)	(5)	(351)	(1,256)
Additions	7,996	1,040	13,754	22,790
Additions from companies consolidated for first time in 2013	167,190		43,187	210,377
Disposal of subsidiary	(4,674)		(1,105)	(5,779)
Disposals/write-offs	(12,896)	(68)	(537)	(13,501)
Reclassifications	17,427		(17,427)	
Reclassifications from "Investment property"	2,161			2,161
Depreciation charge for the period from discontinued operations	(217)		(414)	(631)
Depreciation charge for the period from continuing operations	(17,301)	(394)	(26,046)	(43,741)
Net book value 30.9.2013	**1,069,530**	**1,876**	**86,399**	**1,157,805**
Balance 30.9.2013				
Cost	1,433,692	4,481	516,263	1,954,436
Accumulated depreciation	(364,162)	(2,605)	(429,864)	(796,631)

Caption "Additions from companies consolidated for first time in 2013" mainly includes the fair value of the tangible assets of Emporiki Bank Group on the acquisition date, as presented in note 21.

The depreciation for the nine month period of 2013 has been affected from the reassessment on the assets' useful life on 30.6.2013 that had resulted in a reduction of the depreciation charge for the first semester of 2013 by €4.8 million.

The impairment loss of €6.9 million for 2012 relates to the estimated restoration costs for damages caused by a fire that occurred in two preservable buildings of the Bank during the riots that took place on 12.2.2012. The majority of losses is covered by insurance compensation.

9. Goodwill and other intangible assets

	Goodwill	Software	Other	Total
Balance 1.1.2012				
Cost	45,084	318,110	52,371	415,565
Accumulated amortization		(210,320)	(24,779)	(235,099)
1.1.2012 - 30.9.2012				
Net book value 1.1.2012	45,084	107,790	27,592	180,466
Additions		16,927	66	16,993
Foreign exchange differences	(3,913)	(299)	(274)	(4,486)
Reclassifications		(1,306)	1,306	
Amortization charge for the period from discontinued operations		(70)	(2)	(72)
Amortization charge for the period from continuing operations		(18,524)	(2,045)	(20,569)
Net book value 30.9.2012	**41,171**	**104,519**	**26,643**	**172,333**
Balance 30.9.2012				
Cost	41,171	332,898	52,231	426,300
Accumulated amortization		(228,379)	(25,588)	(253,967)
1.10.2012 - 31.12.2012				
Net book value 1.10.2012	41,171	104,519	26,643	172,333
Additions		16,594	238	16,832
Impairments	(40,520)			(40,520)
Disposals		(384)		(384)
Reclassifications		(1,712)	1,712	
Foreign exchange differences	485	(14)	276	747
Amortization charge for the period from discontinued operations		(23)	(1)	(24)
Amortization charge for the period from continuing operations		(6,538)	(689)	(7,227)
Net book value 31.12.2012	**1,136**	**112,442**	**28,179**	**141,757**
Balance 31.12.2012				
Cost	1,136	347,342	54,596	403,074
Accumulated amortization		(234,900)	(26,417)	(261,317)
1.1.2013 - 30.9.2013				
Net book value 1.1.2013	1,136	112,442	28,179	141,757
Additions		35,206	373	35,579
Additions from companies consolidated for first time in 2013		24,008	46,101	70,109
Disposals		(2,727)		(2,727)
Disposal of subsidiary	(1,136)	(80)	(20)	(1,236)
Reclassifications		(190)	190	
Foreign exchange differences		(77)	2	(75)
Amortization charge for the period from discontinued operations		(63)	(2)	(65)
Amortization charge for the period from continuing operations		(12,448)	(3,859)	(16,307)
Net book value 30.9.2013		**156,071**	**70,964**	**227,035**
Balance 30.9.2013				
Cost		407,594	101,503	509,097
Accumulated amortization		(251,523)	(30,539)	(282,062)

Caption "Additions from companies consolidated for first time in 2013" mainly includes the fair value of the intangible assets of Emporiki Bank Group on the acquisition date as presented in note 21.

In particular, an amount equal to €46.1 million relates to the recognition of an intangible asset regarding the newly acquired core customer deposit base of Emporiki Bank with an estimated useful life of 6 years.

The depreciation for the nine month period of 2013 has been affected from the reassessment on the intangible assets' useful life on 30.6.2013 that had resulted in a reduction of the depreciation charge for the first semester of 2013 by €8.2 million.

LIABILITIES

10. Due to banks

	30.9.2013	31.12.2012
Deposits:		
- Current accounts	32,299	49,032
- Term deposits		
Central Banks	17,517,005	23,822,285
Other credit institutions	1,030,904	866,977
Sale of repurchase agreements (Repos)	788,709	
Borrowing funds	471,297	476,869
Total	**19,840,214**	**25,215,163**

11. Debt securities in issue and other borrowed funds

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

In the context of the programme for the enhancement of the Greek economy's liquidity, according to Law 3723/2008, the Bank proceeded in issuing the following senior debt securities:

- Nominal value of € 2.6 billion, issued on 20.5.2013, maturing on 20.5.2014 with a floating interest rate of twelve month Euribor plus a spread of 12%.
- Nominal value of € 2.3 billion, issued on 19.6.2013, maturing on 19.6.2014 with a floating interest rate of three month Euribor plus a spread of 12%.

The total balance of senior debt securities guaranteed by the Greek State as at 30.9.2013 amounts to € 9.8 billion.

Those securities are not disclosed in "Debt securities in issue and other borrowed funds", as they are held by the Group.

ii. Covered bonds [1]

Covered bonds issued by the Bank as at 30.9.2013 amounts to € 3.7 billion.

Covered bonds are not included in caption "Debt securities in issue and other borrowed funds" as the corresponding securities are held by the Bank.

iii. Short term securities

Balance 1.1.2013	
Changes for the period 1.1 - 30.9.2013	
New issues	43,556
Maturities/ Redemptions	(21,573)
Accrued interest	321
Foreign exchange differences	(1,227)
Balance 30.9.2013	**21,077**

The amount of "new issues" includes the following issues:

- nominal value of USD 28.3 million maturing on 7.6.2013
- nominal value of USD 28.8 million maturing on 10.12.2013

[1] Financial disclosures regarding covered bond issues, as determined by the 2620/28.08.09 directive of Bank of Greece are published at the Bank's website.

iv. Senior debt securities

Balance 1.1.2013	**927,935**
Changes for the period 1.1 - 30.9.2013	
New issues	13,750
Acquisition of Emporiki Bank 1.2.2013	395,135
(Repurchases)/sales	38,520
Maturities/repayments	(583,719)
Fair value change	2,022
Accrued interest	(35,807)
Foreign exchange differences	(74)
Balance 30.9.2013	**757,762**

The amount of new issues concerns the issue of nominal value € 13.8 million, maturing on 17.5.2018 with a fixed interest rate of 2%.

v. Securitization of mortgage loans

Balance 1.1.2013	
Changes for the period 1.1 - 30.9.2013	
Acquisition of Emporiki Bank 1.2.2013	51,363
(Repurchases)/sales	(397)
Maturities/repayments	(28,167)
Fair value change	12,542
Accrued interest	(931)
Balance 30.9.2013	**34,410**

The Group, along with the acquisition of Emporiki Bank, has also assured a liability towards the special purpose entity, Lithos Mortgage Financing PLC (securitization of mortgage loans). The respective liability amounts to € 34.4 million after offsetting bonds of nominal value € 14.1 million held by the Bank. Additional liabilities arising from the securitisation of consumer loans, corporate loans and credit cards are not disclosed in "Debt securities in issue and other borrowed funds" since these securities of nominal value € 4.2 billion have been issued by special purpose entities and held by the Group.

vi. Subordinated debt

Balance 1.1.2013	**244,530**
Changes for the period 1.1 - 30.9.2013	
(Repurchases)/sales	(2,241)
Maturities/repayments	(78,443)
Accrued interest	895
Balance 30.9.2013	**164,741**

On 19.4.2013 Alpha Bank announced to the holders of subordinated debt securities a tender offer for buying back in cash the existing subordinated debt securities (Upper Tier II Securities and Lower Tier II Securities) at a price of 55% of their nominal value.

The participation in the above offer was 47%.

The gain from the buy back of subordinated securities of € 25.8 million after tax was recorded in the Income Statement of the period.

vii. Convertible bond loan

Balance 1.1.2013	
Changes for the period 1.1 - 30.9.2013	
New issues	30,000
Balance 30.9.2013	**30,000**

In accordance with the agreement with Credit Agricole for the acquisition of Emporiki Bank, the Bank issued on 1.2.2013 a convertible bond amounting to € 150 million, with a nominal value of € 100 thousand per bond.

The above mentioned security is interest free and can be converted in common shares, after the exercise of the owner's relevant right, if on the fourth anniversary following its issuance the following conditions are met:

- The number of the Group's branches in Greece has decreased by at least 20% compared to its issuance date on 1.2.2013.
- The Group's Core Tier I capital ratio while accounting for the capitalisation amount from the Hellenic Financial Stability Fund, is not less than the minimum Core Tier I capital ratio effective on the date the security is converted into common shares.

The number of shares can be calculated by dividing the nominal value with the higher of a) the price with which the HFSF will participate in the Bank's share capital increase in the context of its recapitalization and b) the weighted with the volume of transactions average closing prices of the Bank's common shares for a period of three months preceding the conversion date.

In the case of credit default of the issuer the bonds are repaid immediately for one euro per bond.

This security has been classified in liabilities since the number of ordinary shares that the bond will be converted into is variable, as depending on the share's price.

At initial recognition the security was measured (Level 2) at fair value and the difference in valuation from the initial recognition and the nominal value, was included in gains less losses on financial transactions of the nine month period of 2013. The fair value estimation was mainly based on the valuation of securities with similar characteristics, such as the Bank's subordinated debt, taking into account the zero coupon as well as the possibilities of the repayment conditions to be fulfilled.

Total debt securities in issue and other borrowed funds on 30.9.2013	**1,007,990**

Of the above debt securities in issue amounting to € 1,007,990 an amount of € 323,176 (31.12.2012: € 440,206) 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 30.9.2013, amounts to € 684,814 (31.12.2012: € 732,259).

12. Provisions

	30.9.2013	31.12.2012
Insurance provisions	125,986	99,956
Provisions to cover credit risk and other provisions	141,008	38,354
Restructuring program provisions	399	477
Total	**267,393**	**138,787**

a. Insurance provisions

	30.9.2013	31.12.2012
Non-life insurance		
Unearned premiums	5,574	5,761
Outstanding claim reserves	8,346	7,789
Total	**13,920**	**13,550**
Life insurance		
Mathematical reserves	86,150	62,605
Outstanding claim reserves	5,022	3,104
Total	**91,172**	**65,709**
Reserves for investments held on behalf and at risk of life insurance policy holders	**20,894**	**20,697**
Total	**125,986**	**99,956**

b. Provisions to cover credit risk and other provisions

Balance 1.1.2012	**16,587**
Changes for the period 1.1. - 30.9.2012	
Provisions to cover credit risk relating to off-balance sheet items (note 2)	11,125
Provisions used to cover credit risk relating to off-balance sheet items	(788)
Other provisions	473
Other provisions used during the period	(1,490)
Foreign exchange differences	(131)
Balance 30.9.2012	**25,776**
Changes for the period 1.10. - 31.12.2012	
Provisions to cover credit risk relating to off-balance sheet items	399
Provisions used to cover credit risk relating to off-balance sheet items	(17)
Other provisions	13,814
Other provisions from companies consolidated for the first time	108
Other provisions used during the period	(1,636)
Foreign exchange differences	(90)
Balance 31.12.2012	**38,354**
Changes for the period 1.1. - 30.9.2013	
Accumulated provisions for disposed subsidiary	(158)
Provisions to cover credit risk relating to off-balance sheet items (note 2)	18,680
Other provisions	(1,162)
Reversal	(339)
Provisions to cover credit risk relating to off-balance sheet items and other provisions from companies consolidated for the first time	235,577
Reclassification to "Other assets"	(134,921)
Reclassification to "Loans and advance to customers"	(8,989)
Other provisions used during the period	(6,342)
Foreign exchange differences	308
Balance 30.9.2013	**141,008**

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

The reclassification of other provisions in other Balance Sheet captions is due to the fact that these provisions do not concern contingent liabilities of the Bank but impairment losses.

On 30.9.2013 the balance of provisions to cover credit risk relating to off-balance sheet items amounts to €68.8 million and other provisions to €72.6 million out of which €32.3 million concerns legal cases.

c. Restructuring program provisions

Balance 31.12.2011	**1,371**
Provisions used during the period	(883)
Balance 30.9.2012	**488**
Provisions used during the period	(11)
Balance 31.12.2012	**477**
Provisions used during the period	(78)
Balance 30.9.2013	**399**

EQUITY

13. Share capital, Share premium and Retained earnings

a. Share capital

On 6.6.2013 the share capital increase was completed, according to the decisions of the second Extraordinary General Meeting of 16.4.2013, pursuant to Law 3864/2010. From this capital increase a total amount of € 4,571,000,000.16 was raised and the share capital increased by a total amount of € 3,116,590,909.20, out of which an amount of € 375,000,000.00 was paid in cash and an amount of € 2,741,590,909.20 through contribution of securities by the Hellenic Financial Stability Fund issued by the European Financial Stability Facility. 10,388,636,364 new, ordinary, registered with voting rights shares were issued with a nominal value and offer price of € 0.30 και € 0.44, respectively.

Thus, on 30.9.2013 the Bank's share capital amounts to € 4,216,871,803.60, divided to 11,122,906,012 shares, out of which:

a) 1,784,269,648 ordinary, registered, voting, non-paper shares of nominal value of € 0.30 each,

b) 9,138,636,364 ordinary, registered, voting, pursuant to restrictions of the article 7a of Law 3864/2010, non paper shares owned by the Hellenic Financial Stability Fund of nominal value of € 0.30 each and

c) 200,000,000 preference, registered, non voting, in physical form and redeemable shares of nominal value of € 4.70.

The preference shares were issued in the context of Law 3723/2008 "Program for the enhancement of liquidity of the Greek Economy" since 21.5.2009. These shares are of no maturity and are subject to partial or full redemption by the Bank after the approval of the Bank of Greece and with an annual fixed non cumulative return of 10%, on the condition that there are profits to be distributed as specified in article 44a of Codified Law 2190/1920 and their distribution has been approved by the Bank's General Meeting of Ordinary Shareholders. Based on the above terms, the preference shares have been recognized in equity.

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.

Based on the above mentioned terms of the preference share and in accordance with a legal opinion obtained by the Bank in relation to the implications of the amendment of Law 4093/2012, which is mentioned in detail in note 33 of the annual consolidated financial statements of 31.12.2012, the above mentioned shares satisfy the criteria for their classification in the equity of the Bank.

b. Share premium

At 30.9.2013 after the share capital increase and the issuance of 10,388,636,364 new shares with a nominal amount of € 0.30 and an offer price of € 0.44, the total difference of € 1,454,409 between the nominal value and the shares' offer price was credited in the caption "Share Premium".

c. Retained earnings

a. Since the Bank recorded losses for the year 2012 and, therefore, article 44a of Codified Law 2190/1920 applies, the Ordinary General Meeting of Shareholders on 29.6.2013 decided:

- the non payment to the Greek State of the respective return for the year 2012 on its preference shares under article 1 paragraph 3 of Law 3723/2008 and
- the non-distribution of dividends to ordinary shareholders of the Bank for the year 2012.

b. The caption "Retained Earnings" as of 30.9.2013 includes expenses concerning the share capital increase, which are referred to note 13a, amounting to € 163,582 net of tax.

14. Hybrid securities

	30.9.2013	31.12.2012
Hybrid securities		
Perpetual with 1st call option on 5.12.2012 and per quarter	7,795	98,728
Perpetual with 1st call option on 18.2.2015 and per year	35,400	59,619
Total	**43,195**	**158,347**
Securities held by Group companies	(7,795)	(10,793)
Total	**35,400**	**147,554**

On 19.4.2013 the Bank announced a tender offer of buying back through a cash payment to the holders of Tier I Securities of the Group's subsidiary Alpha Group Jersey, at a purchase price of 35% of their notional value.

The acceptance of the tender offer achieved 70% and the programme was successfully completed. The result of buying back the hybrid securities of an amount equal to € 50 million after tax was recorded directly in equity and increased the Group's Core Tier I. Considering that for the securities with interest step up clause, the offer acceptance was over 90%, the Bank announced on 20.6.2013 the obligatory buy back at the same cost, exercising the Jersey's Law. The settlement of the obligatory buy back was completed on 21.10.2013.

During 2012 no dividends were distributed to the hybrid security holders due to the non existence of distributable funds for the Bank up to the end of 2011. Since the condition of insufficient distributable funds was applicable in 2012, it was announced on 18.1.2013 the non payment of interest on 18.2.2013 of the annual dividend on the CMS hybrid title (ISIN: DE000A0DX3M2) without interest step up clause. For the same reason, it was also announced the non-distribution of the quarterly dividends for 2013, regarding the innovative hybrid title with interest step up clause (ISIN: XS0159153823).

ADDITIONAL INFORMATION

15. Contingent liabilities and commitments

a) Legal issues

The Group, in the ordinary course of business, is a defendant in claims from customers and other legal proceedings. According to the estimations of the legal department, the ultimate settlement of these matters is not expected to have a material effect on the financial position or operations of the Group. The Group on 30.9.2013 has recorded a provision for pending legal cases amounting to € 32.3 million which is included in the caption "Provisions" in Balance Sheet.

b) Tax issues

Alpha Bank has been audited by the tax authorities for the years up to and including 2009, while it has obtained a tax certificate without any qualification for 2011 and 2012. The Bank's branches in London and Bulgaria have been audited by the tax authorities for the years 2008 and 2007 respectively.

Former Emporiki Bank has been audited by the tax authorities for the years up to and including 2008, while it has obtained a tax certificate without any qualification for 2011 and 2012. Emporiki Bank's Cyprus branch has not been audited by the tax authorities since the commencement of its operations the year 2011.

Additional taxes and penalties may be imposed for the unaudited years due to the fact that some expenses may not be recognized as deductible by the tax authorities.

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

Name	Year
Banks	
1. Alpha Bank London Ltd (voluntary settlement of tax obligation)	2010
2. Alpha Bank Cyprus Ltd (tax audit is in progress for years from 2008 – 2011)	2007
3. Emporiki Bank Cyprus Ltd (tax audit is in progress for years from 2003 – 2011)	2002
4. Alpha Bank Romania S.A.	2006
5. Alpha Bank AD Skopje (the years 1998 – 2006 have not been audited by the tax authorities)	2009
6. Alpha Bank Srbija A.D.	2004
7. Alpha Bank Albania SH.A. (tax audit is in progress for years from 2010 – 2011)	2009
Leasing companies	
1. Alpha Leasing A.E. **	2007
2. Alpha Leasing Romania IFN S.A.	2007
3. ABC Factors A.E. **	2008
Investment Banking	
1. Alpha Finance A.E.P.E.Y. **/***	2009
2. SSIF Alpha Finance Romania S.A. (tax audit is in progress for years from 2003 – 2007)	2002
3. Alpha A.E. Investment Holdings **/***	2009
4. Alpha A.E. Ventures Capital Management - AKES **/***	2009
5. Emporiki Ventures Capital Developed Markets Ltd	2008
6. Emporiki Ventures Capital Emerging Markets Ltd	2008
7. Emporiki Management A.E. ***	2009
Asset Management	
1. Alpha Asset Management A.E.D.A.K. **/***	2009
2. ABL Independent Financial Advisers Ltd (voluntary settlement of tax obligation)	2010
Insurance	
1. Alpha Insurance Agents A.E. **/***	2009
2. Alpha Insurance Ltd	2010
3. Alpha Insurance Brokers S.R.L.	2005
4. Alphalife A.A.E.Z. **/***	2009

* *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 and 2012 without any qualification (note 3).*

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

Name	Year
Real Estate and Hotel	
1. Alpha Astika Akinita A.E.**	2009
2. Ioniki Hotel Enterprises A.E. **	2010
3. Oceanos A.T.O.E.E. **/***	2009
4. Emporiki Development and Real Estate Management A.E. (tax audit is in progress for years from 2005 -2008)	2004
5. Alpha Real Estate D.O.O. Beograd	2008
6. Alpha Astika Akinita D.O.O.E.L. Skopje	2007
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 Astika Akinita Romania S.R.L.	1998
10. Alpha Investment Property Chalandriou A.E. (commencement of operation 2012)	*
11. Alpha Investment Property Attikis A.E. (commencement of operation 2012)	*
12. Alpha Investment Property Attikis II A.E. (commencement of operation 2012)	*
13. Alpha Investment Property Amaroussion I A.E. (commencement of operation 2012)	*
14. Alpha Investment Property Amaroussion II A.E. (commencement of operation 2012)	*
15. Alpha Investment Property Elaiona A.E. (commencement of operation 2012)	*
16. AGI – RRE Participations 1 S.R.L. (commencement of operation 2010)	*
17. AGI – BRE Participations 1 E.O.O.D. (commencement of operation 2010)	2011
18. Stockfort Ltd (commencement of operation 2010)	*
19. Romfelt Real Estate SA (commencement of operation 1991)	*
20. AGI – RRE Zeus S.R.L. (commencement of operation 2012)	*
21. AGI – RRE Athena S.R.L. (commencement of operation 2012)	*
22. AGI – RRE Poseidon S.R.L. (commencement of operation 2012)	*
23. AGI – RRE Hera S.R.L. (commencement of operation 2012)	*
24. AGI - BRE Participations 2 E.O.O.D. (commencement of operation 2012)	*
25. AGI – BRE Participations 2BG E.O.O.D. (commencement of operation 2012)	*
26. AGI – BRE Participations 3 E.O.O.D. (commencement of operation 2012)	*
27. AGI – BRE Participations 4 E.O.O.D. (commencement of operation 2012)	*
28. APE Fixed Assets A.E.**/***	2009
Special purpose and holding entities	
1. Alpha Credit Group Plc (voluntary settlement of tax obligation)	2010
2. Alpha Group Jersey Ltd (voluntary settlement of tax obligation)	2010
3. Alpha Group Investments Ltd (commencement of operation 2007)	*
4. Ionian Holdings A.E. **/***	2009
5. Ionian Equity Participations Ltd (commencement of operation 2006)	*
6. Emporiki Group Finance Plc	2011
7. AGI – BRE Participations 1 Ltd (commencement of operation 2010)	*
8. AGI – RRE Participations 1 Ltd (commencement of operation 2010)	*
9. Alpha Group Ltd (commencement of operation 2012)	*
10. Katanalotika Plc (voluntary settlement of tax obligation)	2010
11. Epihiro Plc (voluntary settlement of tax obligation)	2010
12. Irida Plc (voluntary settlement of tax obligation)	2010
13. Pisti 2010 - 1 Plc (voluntary settlement of tax obligation)	2010
14. Lithos Plc	2011
15. AGI – RRE Athena Ltd (commencement of operation 2012)	*
16. AGI - RRE Poseidon Ltd (commencement of operation 2012)	*
17. AGI - RRE Hera Ltd (commencement of operation 2012)	*
18. Umera Ltd (commencement of operation 2012)	*
19. AGI – BRE Participations 2 Ltd (commencement of operation 2012)	*
20. AGI – BRE Participations 3 Ltd (commencement of operation 2012)	*
21. AGI – BRE Participations 4 Ltd (commencement of operation 2010)	*
22. AGI – RRE Apollo Ltd (commencement of operation 2012)	*
23. AGI – RRE Ares Ltd (commencement of operation 2012)	*
24. AGI – RRE Venus Ltd (commencement of operation 2013)	*
25. AGI – RRE Artemis Ltd (commencement of operation 2013)	*
26. AGI – BRE Participations 5 Ltd (commencement of operation 2013)	*

* *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 and 2012 without any qualification (note 3).*

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

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

Name	Year
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. **/***	2009
6. Real Car Rental A.E. **/***	2009
7. Zerelda Ltd (commencement of operation 2012)	*
8. Evisak A.E. **/***	2009

c) Operating leases

The group's minimum future lease payments are:

	30.9.2013	31.12.2012
- less than one year	53,637	41,922
- between one and five years	154,280	117,183
- over five years	240,616	147,478
Total	**448,533**	**306,583**

The minimum future lease revenues are:

	30.9.2013	31.12.2012
- less than one year	10,310	8,470
- between one and five years	29,405	24,112
- over five years	17,714	20,960
Total	**57,429**	**53,542**

d) Off balance sheet liabilities

The Group pursuant to its normal operations, is binded 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 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:

	30.9.2013	31.12.2012
Letters of credit	43,949	30,060
Letters of guarantee	5,589,318	3,847,822

* *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 and 2012 without any qualification (note 3).*

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

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

In addition, 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.

Committed limits that can not be recalled in case where counterparties fail to meet their contractual obligations as at 30.9.2013 amounts to € 422.3 million (31.12.2012: € 238.5 million) and are included in the calculation of risk weighted assets.

e) Assets pledged

Assets pledged, amounting to € 20 billion as at 30.9.2013 include:

- Deposits pledged amounting to € 0.2 billion concerning guarantees granted and provided for on behalf of the Greek State.
- Deposits amounted to € 0.04 billion pledged to Central Banks for liquidity purposes.
- Loans and advances to customers amounting to € 1.8 billion out of which:
  i. an amount of € 1.2 billion has been pledged as collateral to Central Banks for liquidity purposes.
  ii. an amount of € 0.6 billion has been granted as collateral to the Greek State in order for the Bank to receive securities issued by the Greek State amounting to € 0.5 billion in accordance with Law 3723/2008.
- Loans and advances to Group's subsidiaries and joint ventures amounting to € 1.7 billion covered by equity securities issued by them
- Securities held for trading and investment securities portfolio amounting to € 15.5 billion out of which:
  i. an amount of € 3.7 billion relates to the issuance of covered bonds secured by mortgage loans of € 4.2 billion
  ii. an amount of € 4.4 billion relates to Greek State bonds and other bonds
  iii. an amount of € 4.2 billion relates to bonds issued as a result of the securitization of corporate, consumer loans, credit cards of the Bank and finance lease receivables of the Group.
  iv. an amount of € 3.2 billion relates to securities issued by the European Financial Stability Facility (EFSF), out of the total amount of € 4 billion, that the bank received by the HFSF in the context of it's participation to the Bank's share capital increase that was completed on 6.6.2013.

These securities, and an additional amount of € 9.8 billion that relate to securities issued with the guarantee of the Greek State in accordance with Law 3723/2008 and are held by the Bank, are pledged as collateral to Central Banks for participation in main refinancing operations, to the Bank of Greece for participation in the TARGET (Intra-Europe clearing of payments system on ongoing time), to the Athens Derivatives Exchange Clearing House, as well as to the European Investment Bank.

- Securities issued by the European Financial Stability Facility (EFSF) of a value of € 0.8 billion out of a total amount of € 4 billion that the Bank received by HFSF in the context of its participation to the share capital increase that was completed on 6.6.2013 have been granted as collateral in the context of sale and repurchase agreements (Repos).

f) Other commitments

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 is currently inactive.

16. 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 % 30.9.2013	31.12.2012
Financial institutions			
1. Alpha Bank London Ltd	United Kingdom	100.00	100.00
2. Alpha Bank Cyprus Ltd	Cyprus	100.00	100.00
3. Emporiki Bank Cyprus Ltd	Cyprus	99.27	
4. Alpha Bank Romania S.A.	Romania	99.92	99.92
5. Alpha Bank AD Skopje	FYROM	100.00	100.00
6. Alpha Bank Srbija A.D.	Serbia	100.00	100.00
7. JSC Astra Bank (22), (23j), (23n)	Ukraine		100.00
8. 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
4. Alpha Asset Finance C.I. Ltd (23h)	Jersey		100.00
Investment Banking			
1. Alpha Finance A.E.P.E.Y.	Greece	100.00	100.00
2. SSIF Alpha Finance Romania S.A.	Romania	100.00	100.00
3. Alpha A.E. Investment Holdings	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	
6. Emporiki Ventures Capital Emerging Markets Ltd	Cyprus	100.00	
7. Emporiki Management A.E.	Greece	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.	Romania	100.00	100.00
4. Alphalife A.A.E.Z.	Greece	100.00	100.00

Name	Country of incorporation	Group's ownership interest %	
		30.9.2013	31.12.2012
Real estate and hotel			
1. Alpha Astika Akinita A.E.	Greece	93.04	92.75
2. Ionian Hotel Enterprises A.E.	Greece	97.27	97.27
3. Oceanos A.T.O.E.E. (23a)	Greece	100.00	100.00
4. Emporiki Development and Real Estate Management A.E.	Greece	100.00	
5. Alpha Real Estate D.O.O. Beograd	Serbia	93.04	92.75
6. Alpha Astika Akinita D.O.O.E.L. Skopje	FYROM	93.04	92.75
7. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	93.04	92.75
8. Chardash Trading E.O.O.D.	Bulgaria	93.04	92.75
9. Alpha Astika Akinita Romania S.R.L.	Romania	93.04	92.75
10. Alpha Investment Property Chalandriou A.E. (23m)	Greece	100.00	100.00
11. Alpha Investment Property Attikis A.E.	Greece	100.00	100.00
12. Alpha Investment Property Attikis II A.E. (23l)	Greece	100.00	100.00
13. Alpha Investment Property Amarousion I A.E. (23m)	Greece	100.00	100.00
14. Alpha Investment Property Amarousion II A.E. (23m)	Greece	100.00	100.00
15. Alpha Investment Property Elaiona A.E.	Greece	100.00	100.00
16. AGI-RRE Participations 1 S.R.L.	Romania	100.00	100.00
17. AGI-BRE Participations 1 E.O.O.D.	Bulgaria	100.00	100.00
18. Stockfort Ltd	Cyprus	100.00	100.00
19. Romfelt Real Estate S.A.	Romania	95.89	95.89
20. AGI-RRE Zeus S.R.L.	Romania	100.00	100.00
21. AGI – RRE Athena S.R.L.	Romania	100.00	100.00
22. AGI – RRE Poseidon S.R.L.	Romania	100.00	100.00
23. AGI – RRE Hera S.R.L.	Romania	100.00	100.00
24. AGI-BRE Participations 2 E.O.O.D.	Bulgaria	100.00	100.00
25. AGI-BRE Participations 2BG E.O.O.D.	Bulgaria	100.00	100.00
26. AGI-BRE Participations 3 E.O.O.D.	Bulgaria	100.00	100.00
27. AGI-BRE Participations 4 E.O.O.D.	Bulgaria	100.00	100.00
28. APE Fixed Assets A.E. (23f)	Greece	72.20	
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. Ionian Equity Participations Ltd (23d)	Cyprus	100.00	100.00
6. Emporiki Group Finance Plc	United Kingdom	100.00	
7. ABL Holdings Jersey Ltd (23h), (23k)	Jersey		100.00
8. AGI – BRE Participations 1 Ltd	Cyprus	100.00	100.00
9. AGI – RRE Participations 1 Ltd	Cyprus	100.00	100.00
10. Alpha Group Ltd	Cyprus	100.00	100.00
11. Katanalotika Plc	United Kingdom		
12. Epihiro Plc	United Kingdom		
13. Irida Plc	United Kingdom		
14. Pisti 2010-1 Plc	United Kingdom		
15. Lithos Plc	United Kingdom		
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.AGI-RRE Apollo Ltd	Cyprus	100.00	100.00
24.AGI-RRE Ares Ltd	Cyprus	100.00	100.00
25.AGI-RRE Venus Ltd (23b)	Cyprus	100.00	
26.AGI-RRE Artemis Ltd (23b)	Cyprus	100.00	
27.AGI-BRE Participations 5 Ltd (23b)	Cyprus	100.00	

Name	Country of incorporation	Group's ownership interest % 30.9.2013	Group's ownership interest % 31.12.2012
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. Kafe Alpha A.E.	Greece	100.00	100.00
5. Alpha Supporting Services A.E.	Greece	100.00	100.00
6. Real Car Rental A.E. (23e)	Greece	100.00	100.00
7. Zerelda Ltd	Cyprus	100.00	100.00
8. Evisak A.E.	Greece	85.71	

b. Joint Ventures

1. Cardlink A.E.	Greece	50.00	50.00
2. APE Fixed Assets A.E.	Greece		60.10
3. APE Commercial Property A.E.	Greece	72.20	72.20
4. APE Investment Property A.E. (23i)	Greece	72.80	67.42
5. Alpha TANEO A.K.E.S.	Greece	51.00	51.00

c. Associates

1. Evisak A.E.	Greece		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. Rosequeens Properties Ltd.	Cyprus	33.33	33.33
5. Bank Information Systems A.E.	Greece	23.77	
6. Propindex A.E.D.A.	Greece	35.55	

The subsidiaries are fully consolidated, while joint ventures and associates are accounted under the equity method, in accordance with IAS 28 "Investments in associates and joint ventures" and IFRS 11 "Joint Arrangements".

Due to the acquisition of Emporiki Bank, APE Fixed Assets A.E. is now a subsidiary of the Group and is fully consolidated, while APE Investment Property A.E. still remains a joint venture of the consolidated entity and is accounted for under the equity method with an increased percentage (72.80% instead of 67.42%).

Moreover Evisak A.E., a former associate is now a subsidiary of the combined entity.

Consolidated Financial Statements do not include the Commercial Bank of London Ltd which is a dormant company and 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 subsidiaries through the use of derivatives in their functional currency.

17. Operating segment

(Amounts in millions of Euro)

	1.1 - 30.9.2013						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South Eastern Europe	Other	Group
Net interest income	543.3	504.6	7.6	(137.4)	253.0	(1.2)	1,169.9
Net fee and commission income	108.4	101.4	19.1	1.2	33.1	0.4	263.6
Other income	3.8	11.6	1.4	121.2	23.6	138.2	299.8
Total income	**655.5**	**617.6**	**28.1**	**(15.0)**	**309.7**	**137.4**	**1,733.3**
Total expenses	**(562.6)**	**(121.5)**	**(19.1)**	**(21.4)**	**(205.9)**	**(53.5)**	**(984.0)**
Impairment losses	(711.7)	(555.8)			(206.6)		(1,474.1)
Negative goodwill from the acquisition of Emporiki Bank						2,630.8	2,630.8
Profit/(loss) before income tax	**(618.8)**	**(59.7)**	**9.0**	**(36.4)**	**(102.8)**	**2,714.7**	**1,906.0**
Income tax							662.7
Profit/(loss) after income tax from continuing operations							**2,528.7**
Profit/(loss) from discontinued operations (note 22)					(57.1)		(57.1)
Assets 30.9.2013	27,911	16,137	577	15,163	10,591	3,005	73,384
Liabilities 30.9.2013	33,542	3,014	1,946	21,192	5,478	354	65,526

The individual operating segments include the results of the Group of Emporiki Bank A.E. since the acquisition date 1.2.2013.

In addition, the increase presented in assets and liabilities of 30.9.2013 compared to the respective period of 31.12.2012 is due to the acquisition of the Group of Emporiki Bank A.E.

It is noted that in total expenses are included expenses relating to the merger of Emporiki Bank amounting to € 17 million. In addition in the context of the operating integration the Group made capital expenditure of € 10.5 million.

(Amounts in millions of Euro)

	1.1 - 30.9.2012						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South Eastern Europe	Other	Group
Net interest income	637.3	399.9	9.0	(215.1)	270.0	1.2	1,102.3
Net fee and commission income	78.1	67.8	16.3	0.2	35.2	(0.2)	197.4
Other income	9.2	8.4	5.6	53.7	28.1	(356.0)	(251.0)
Total income	**724.6**	**476.1**	**30.9**	**(161.2)**	**333.3**	**(355.0)**	**1,048.7**
Total expenses	**(395.2)**	**(95.0)**	**(20.1)**	**(15.8)**	**(204.4)**	**(35.5)**	**(766.0)**
Impairment losses	(523.0)	(427.2)			(218.9)		(1,169.1)
Profit/(loss) before income tax	**(193.6)**	**(46.1)**	**10.8**	**(177.0)**	**(90.0)**	**(390.5)**	**(886.4)**
Income tax							175.2
Profit/(loss) after income tax from continuing operations							**(711.2)**
Profit/(loss) from discontinued operations (note 22)					2.6		2.6
Assets 31.12.2012	18,565	13,218	677	12,988	10,351	2,454	58,253
Liabilities 31.12.2012	20,616	1,858	1,681	26,623	5,706	1,022	57,506

Certain figures of the comparative period have been restated due to the retrospective application of new accounting policies (note 24).

i. Retail

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 branches' 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, corporations with international activities, corporations managed by the Corporate Banking Division 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 throurgh 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 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 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 Bank's branches and the Group's subsidiaries 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.

18. The Bank's recapitalization framework

On 6.6.2013 the Bank completed the share capital increase process, in accordance with the decisions of the Second Iterative Extraordinary General Meeting of Shareholders of 16.4.2013 and the Board of Directors of 30.4.2013, in the context of Law 3864/2010, of €4.571 billion, covering the Group's capital needs as determined by the Bank of Greece. The share capital increase by preemption rights issue of €457.1 million was fully covered by existing shareholders as well as a private placement for an additional €92.9 million which was covered by selected institutional and other individual investors. According to the Capital Strengthening Plan, the remaining amount of €4.021 billion was covered by the HFSF through a direct subscription (''offer to HFSF'') by contributing bonds issued by the European Financial Stability Facility which were valued in accordance with article 9 of Codified Law 2190/1920. Therefore, the requirement of the law regarding private sector participation exceeding 10% of the total recapitalization of €4.571 billion was met.

The issue price for all new ordinary shares issued was determined at €0.44 per share. For each new share obtained by private sector investors, they also obtained a separately traded warrant which permits holders to purchase approximately 7.41 shares obtained by the HFSF, every six months, over the next 4.5 years at the issue price increased by an annual margin.

After the completion of the recapitalization, the Coordination Framework between HFSF and the Bank was signed, which determines the relations between the parties and other issues, related to the corporate governance of the Bank and the preparation of the Restructuring Plan.

19. Capital adequacy

The policy of the Group is to maintain a strong capital base to ensure investors, creditors and market confidence and to sustain future development of the business.

Share capital increases are performed through Shareholders' General Meeting or Board of Directors' decisions in accordance with articles of incorporation or relevant laws.

The Group is allowed to purchase treasury shares based on the terms and conditions of law.

The Group's capital adequacy is supervised by the Bank of Greece, to which reports are submitted on a quarterly basis. The minimum requirements regarding Tier I ratio and the capital adequacy ratio of the Group are determined by the Bank of Greece Governor's Acts.

The calculation of capital adequacy from January 1, 2008 is determined under the new regulatory framework (Basel II), which has been incorporated into Greek legislation by Law 3601/2007. The new regulatory framework significantly amends the measurement of credit risk and introduces capital requirements for operational risk. There are no significant changes in the measurement of market risk. Specifically, credit risk of the investment portfolio and operational risk are measured based on the Standardized Approach.

The capital adequacy ratio compares the Group's regulatory capital with the risks that it undertakes (risk weighted assets).

Regulatory capital includes Tier I capital (share capital, reserves, non-controlling interests), additional Tier I capital (hybrid securities) and Tier II capital (subordinated debt, real estate properties revaluation reserves). Risk-weighted assets include the credit risk of the investment portfolio, the market risk of the trading book and the operational risk.

Alpha Bank participated in the efforts to ensure the long term sustainability of Greek Government debt through the Greek Bond exchange program (PSI). After the completion of the PSI, whose final impact was accounted for in net present value terms, the Bank of Greece (BoG) assessed the Greek banks' capital needs, the results of which were issued in December 2012 on the "Report for the Recapitalization and Restructuring of the Greek Banking Sector".

The Group continues its efforts to improve its capital adequacy ratios through deleveraging its balance sheet, which led to a decrease of its risk weighted assets. Additionally, the approval of the tender offer on April 19, 2013 for supervisory purposes that constitute part of capital improved Core Tier I Capital by € 103 million before tax.

Moreover, the Bank has successfully completed its share capital increase of €4.571 billion, in the context of Law 3864/2010, thus covering the Group's capital needs as they had been determined by the Bank of Greece.

	30.9.2013 (estimate)	31.12.2012*
Common Equity (1)	13.1%	
Core Tier I (2)	13.5%	8.2%
Capital adequacy ratio (Tier I + Tier II)	**13.9%**	**9.1%**

*Includes capital injection by HFSF €2.9 billion

(1) *According to Cabinet Act 13/28.3.2013 of the Bank of Greece.*

(2) *For 31.12.2012 the calculation is made according to the methodology of European Banking Authority (EBA Methodological Note 8.12.2011) while for 31.3.2013 according to Cabinet Act 13/28.3.2013 of the Bank of Greece.*

As of 31.3.2013, apart from the 8% capital adequacy ratio limit, additional new limits of 9% and 6% for Core Tier I in accordance with Cabinet Act 13/28.3.2013 of the Executive Committee of the Bank of Greece were implemented. These limits should be satisfied both on a stand alone and consolidated basis.

The Basel Committee on December 16, 2010 published its final recommendations for the new capital adequacy framework–Basel III. The relevant European legislation, known also as CRD IV, was approved by the European Parliament on April 26, 2013 and is expected to be applied from January 1st, 2014. Alpha Bank is in a favourable position in order to comply with the above mentioned directive due to the minimum amounts of non-controlling interests, goodwill and intangible assets included in its capital base. Furthermore, the fact that the Bank has not undertaken substantial risk arising from insurance related activities while at the same time the use of the standardized approach rather than the internal rating method for the calculation of capital requirements, discharge Alpha Bank from any potential capital burdens due to the upcoming implementation of Basel III.

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 arm's length and are approved by the Group's committees.

a. The outstanding balances of the Group's transactions with key management personnel which consist of members of the Board of Directors and the Bank's Executive Committee, their close family members and the entities controlled by them, as well as, the results related to those transactions are as follows:

	30.9.2013	31.12.2012
Assets		
Loans and advances to customers	79,132	73,249
Liabilities		
Due to customers	73,590	76,377
Debt securities in issue	1,638	4,630
Employee defined benefit obligations	542	
Total	**75,770**	**81,007**
Letters of guarantee and approved limits	**6,258**	**5,640**

	From 1 January to	
	30.9.2013	30.9.2012
Income		
Interest and similar income	1,018	1,428
Fee and commission income	24	24
Total	**1,042**	**1,452**
Expenses		
Interest expense and similar charges	2,318	2,911
Fees paid to key management and close family members	2,664	2,472
Other expenses	4	11
Total	**4,986**	**5,394**

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

	30.9.2013	31.12.2012
Assets		
Loans and advances to customers	149,065	147,154
Other assets	763	69
Total	**149,828**	**147,223**
Liabilities		
Due to customers	7,020	18,989

	From 1 January to	
	30.9.2013	30.9.2012
Income		
Interest and similar income	3,860	3,556
Fee and commission income	10	1
Other income	619	612
Total	**4,489**	**4,169**
Expenses		
Interest expense and similar charges	253	404
General administrative expenses	3,666	4,341
Other expenses	1,307	1,123
Total	**5,226**	**5,868**

c. The Supplementary Fund of former Alpha Credit Bank's employees holds bonds of the Bank's subsidiary Alpha Credit Group Plc amounting to € 83,311, while its receivables from Alpha Bank amount to € 10,161 and its deposits with Alpha Bank to € 363. It also holds Alpha Bank's shares of € 1,791.

d. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on the Bank. In particular, due to its participation in the recent share capital increase according to Law 3864/2010, HFSF acquired representation in the Board of Directors and other significant Committees of the Bank. Therefore, according to IAS 24, HFSF and its related entities are considered related parties for the Group.

The outstanding balances and the results related to these transactions are analyzed as follows:

	30.9.2013
Assets	
Due from banks	196,418
Investment securities	153,356
Total	**349,774**

	30.9.2013
Liabilities	
Due to banks	1,059

	From 1 January to 30.9.2013
Income	
Interest and similar income	7,851
Gains less losses on financial transactions	401
Total	**8,252**

	From 1 January to 30.9.2013
Expenses	
Interest expense and similar charges	7
Commission expense	12,667
Other expenses	1
Total	**12,675**

In addition, an amount of € 153 million that the Bank paid to HFSF in accordance with Law 4093/2013 has been recognized directly in equity as share capital increase expense.

21. The acquisition of Emporiki Bank

On 1.2.2013 the transfer of the total share capital of Emporiki Bank S.A. to Alpha Bank by Credit Agricole S.A. was completed, based on the relevant agreement signed on 16.10.2012 and after receiving the necessary regulatory approvals. As of this date, the Bank controls Emporiki Bank S.A.

Emporiki Bank was established in 1886 and operates mainly in Greece, offering a wide range of banking products to individuals, SMEs and large companies. It is noted that the SMEs and large companies sector accounts for 60% of its business volumes. Emporiki Bank has a network of 320 branches and over 4,000 employees.

The benefits arising from the acquisition of Emporiki Bank are significant and focus mainly on:

- the creation of one of the largest financial groups in Greece,
- the enhancement of the capital base due to the recapitalization of Emporiki Bank by Credit Agricole before the transaction was settled,
- the acquisition of a loan portfolio with high coverage by provisions for impairment,
- the existence of significant synergies relating to operating cost, funding costs and revenue that are expected to be fully realizable within three years from the completion of the merger.

In the context of the agreement of 16.10.2012, on 1.2.2013 Credit Agricole S.A. completed the recapitalization of Emporiki Bank proceeding with a share capital increase of € 585 million, whereas the price it received for the sale amounted to 1 euro.

In addition, on the same date, it subscribed for a nominal value of €150 million convertible bond issued by the Bank and redeemable in Alpha Bank ordinary shares. This bond that is classified in the same ranking with the common shareholders of the Bank is interest free and can be converted in common shares, after the exercise of the owner's relevant right, after four years following the issuance and when specific conditions are met. This security which is included in "Debt securities in issue held by institutional investors and other borrowed funds" was recognized at its fair value on initial recognition, while the difference between the fair value and nominal value amounting to € 120 million has been classified in "Gains less losses from financial transactions".

Moreover, in the context of the agreement on 16.10.2012 the Group entered into transactions with Credit Agricole S.A. that occurred between the date of the agreement for the acquisition of Emporiki and the date when the acquisition was completed. These transactions have not been accounted for as part of the acquisition but as transactions between the Emporiki Group and Credit Agricole S.A. by affecting the profit and loss and consequently the equity of the acquired company, or as transactions between Alpha Bank Group and Credit Agricole S.A. which respectively affected the Bank's profit and loss. The transactions mainly related to the substitution of Credit Agricole by the Bank in derivative contracts as well as compensations received for the following:

- an amount of € 2.6 million for capital concentration tax that resulted from the share capital increase of Emporiki by Credit Agricole S.A.,
- an amount of € 2.2 million for the early redemption of hybrid securities and subordinated debt issued by the subsidiaries of Emporiki in Albania, Bulgaria and Romania,
- an amount of € 7.3 million for undertaking the financing of Emporiki Cyprus from Emporiki Bank and
- an amount of € 10.7 million for the loss from the sale of the subsidiaries in Albania, Bulgaria and Romania to Credit Agricole S.A.

The above amounts net of relevant expenses were recognized in the current period's income statement.

The fair value measurement of financial assets, liabilities and contingent liabilities of Emporiki Group is in progress.

The adjustments arising, are recognized retrospectively as if the accounting recognition of the merger was completed on the acquisition date.

The table below presents the provisional fair values of Emporiki Group's net assets as at the acquisition date, according to the valuation until the date of publication of financial statements as at 30.9.2013.

(Thousand of Euro)

	Fair value (provisional values)
Net assets	
Assets	
Cash and balances with Central Banks	645,215
Due from banks	1,299,886
Securities held for trading	193
Derivative financial assets	205,214
Loans and advances to customers	14,977,975
Investment securities	
- Available for sale	394,709
- Held to maturity	
Investments in associates	936
Property, plant and equipment	202,901
Goodwill and other intangible assets	70,108
Deferred tax assets	646
Other assets	675,638
Total assets	**18,473,421**
Liabilities	
Due to banks	1,711,097
Derivative financial liabilities	166,280
Due to customers (including debt securities in issue)	13,007,768
Debt securities in issue held by institutional investors and other borrowed funds	446,498
Liabilities for current income tax and other taxes	8,138
Deferred tax liabilities	240
Employee defined benefit obligations	45,794
Other liabilities and provisions	455,269
Total liabilities	**15,841,084**
Net Assets	**2,632,337**
Consideration	
Non-controlling interests	1,550
Negative goodwill	**2,630,787**

The negative goodwill of € 2,630,787 differs from the respective amount which was recognized in the consolidated financial statements of 31.3.2013 because of the adjustments in the valuation of Emporiki Group's net assets, according to the aforementioned retrospective adjustment of the accounting presentation of the merger. The table below presents the adjustments on the provisional figures reported on 31.3.2013 financial statements for Emporiki Group.

(Thousand of Euro)

Negative goodwill on financial statements as at 31.3.2013	**2,632,255**
Recognition of new assets and liabilities:	
Recognition of core deposits intangible asset	46,100
Recognition of liability for operating leasing	(25,168)
Adjustment of provisional fair value:	
Loans and advances to customers	14,189
Property, plant and equipment	(15,119)
Other assets	11,441
Debt securities in issue held by institutional investors and other borrowed funds	(27,343)
Due to customers	(10,709)
Other liabilities and provisions	5,141
Negative goodwill on financial statements as at 30.9.2013	**2,630,787**

Additionally, as at 30.9.2013, an amount of € 124 million has been reclassified from "Investment property" to "Other assets".

The negative goodwill of € 2,630,787 was recognized in a separate line in the Consolidated Income Statement and represents the aforementioned significant benefits arising from its transaction in combination with the very low price paid. This amount is not subject to income tax for the consolidated financial statements and was not subject to any taxation during the legal merger of Alpha Bank and Emporiki Bank.

The non-controlling interests of Emporiki Bank Group were valued at their proportional participation at recognized net assets of the respective companies.

The table below depicts the total income, expenses and the profits before and after tax of the Emporiki Group arising after the acquisition date and until 30.6.2013 that were included in the Consolidated Income Statement as well as the respective amounts that would have resulted for the Group if the acquisition had occured on 1.1.2013. On 28.6.2013, according to law, the procedure of the merger of Emporiki Bank was completed, according to the Summary of Merger Agreement on 21.3.2013. Due to the finalizing of legal merger, the separate presentation of Emporiki Group results after 30.6.2013 is not feasible:

	Results of Emporiki Group	Consolidated results with acquisition date 1.1.2013
	From 1.2 to 30.6.2013	From 1.1 to 30.9.2013
Total income	193,881	4,378,667
Total expenses	(164,960)	(2,531,187)
Profit before income tax	**28,921**	**1,847,480**
Profit after income tax	**28,726**	**2,529,045**

22. Discontinued operations

On 18.7.2013, the Bank signed a contract to sell the total number of shares in its subsidiary JSC Astra Bank to the Ukrainian group Delta Bank for an amount of €82 million. The transaction was completed on 19.9.2013.

Ukraine represented a separate geographical area of operations that is part of the Group's South-Eastern Europe sector for reporting purposes per operational segment. Since the Group's investment in JSC Astra Bank has been classified as held for sale and it is the sole company through which the Group operates in Ukraine, as held for sale, operations related to JSC Astra Bank are classified as "discontinued operations".

The results and cash flows arising from JSC Astra Bank are presented as "amounts from discontinued operations", in the Income Statement, Statement of Comprehensive Income and Statement of Cash Flows, with the respective restatement of the comparative periods 1.1.2012 to 30.9.2012 and 1.7.2012 to 30.9.2012. In the following table, the amounts presented in the Income Statement including the result from the sale and the Statement of Comprehensive Income are analyzed.

(Thousand of Euro)

	From 1 January to		From 1 July to	
	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Interest and similar income	16,020	18,222	3,973	6,519
Interest expense and similar charges	(5,432)	(4,409)	(1,348)	(1,613)
Net interest income	10,588	13,813	2,625	4,906
Fee and commission income	865	1,228	232	465
Commission expense	(144)	(217)	(48)	(74)
Net fee and commission income	721	1,011	184	391
Dividend income				
Gains less losses on financial transactions	122	345	80	136
Other income	27	171	15	68
	149	516	95	204
Total income	**11,458**	**15,340**	**2,904**	**5,501**
Staff costs	(4,867)	(5,138)	(1,151)	(1,686)
General administrative expenses	(3,833)	(4,340)	(901)	(1,588)
Depreciation and amortization expenses	(696)	(920)	(145)	(315)
Other expenses		(205)		
Total expenses	**(9,396)**	**(10,603)**	**(2,197)**	**(3,589)**
Impairment losses and provisions to cover the credit risk	(819)	(1,328)	(262)	(751)
Profit/(loss) before income tax	**1,243**	**3,409**	**445**	**1,161**
Income tax	(137)	(788)		(258)
Profit/(loss) after income tax	**1,106**	**2,621**	**445**	**903**
Sale result after income tax	(58,223)		(32,673)	
Profit/(loss) from discontinued operations after income tax	**(57,117)**	**2,621**	**(32,228)**	**903**
Other comprehensive income recognized directly in Equity:				
Amounts that may be reclassified in the Income Statement				
Available for sale portfolio reserve	3,094	(2,129)	91	(1,498)
Exchange differences on translating and hedging the net investment in foreign operations	44,252	(1,141)	44,301	(5,289)
Income tax	(309)	447	(11,527)	315
Amounts that may be reclassified in the Income Statement from discontinued operations	**47,037**	**(2,823)**	**32,865**	**(6,472)**

23. Corporate events

a. On 15.1.2013 the Bank participated in the share capital increase of its subsidiary, Oceanos A.T.O.E.E., by contributing € 1 million.

b. On 21.1.2013, the Bank's subsidiary, Alpha Group Investments Ltd, acquired the total number of shares of Samorelia Ltd., Anfhisia Ltd., Marantelo Ltd. established in Cyprus, at a cost of € 5.4 thousand, which were then renamed to AGI-RRE Venus Ltd., AGI-RRE Artemis Ltd. and AGI-BRE Participations 5 Ltd. respectively.

c. On 1.2.2013 the acquisition of the total number of Emporiki Bank's shares was completed.

d. On 29.3.2013 the Bank participated in the share capital increase of its subsidiary, Ionian Equity Participations Ltd, by contributing € 6.9 million.

e. On 15.5.2013 the Bank's subsidiary Real Car Rental A.E. completed a share capital increase of € 680 thousand.

f. On 13.6.2013 the Bank participated in the share capital increase of its subsidiary, A.P.E. Fixed Assets A.E., by contributing € 0.2 million.

g. On 28.6.2013 the process of the merger of the Bank with and by absorption of Emporiki Bank A.E. was completed, according to the law.

h. On 1.7.2013 the Bank's subsidiary ABL Holdings Jersey Ltd. disposed the total number of shares of Alpha Asset Finance C.I. Limited.

i. On 2.7.2013 the Bank participated proportionally in the share capital increase of the joint venture APE Investment Property A.E. by € 10.9 million.

j. On 18.7.2013 the Bank signed a contract to sell the total number of shares of its subsidiary JSC Astra Bank to the Ukrainian Group Delta Bank for € 82 million.

k. On 29.7.2013 the liquidation of Bank's subsidiary ABL Holdings Jersey Ltd. was completed.

l. On 29.7.2013 the Bank's subsidiary AEP Attikis II completed a share capital increase of € 5.2 million.

m. On 1.8.2013 the Bank's subsidiaries AEP Amarousion I, AEP Amarousion II and AEP Chalandriou completed a share capital increase of € 4.5 million, € 1.9 million and € 2.6 million respectively.

n. On 19.9.2013 the sale of the total number of shares of the Bank's subsidiary JSC Astra Bank was completed.

24. Restatement of financial statements

a. In accordance with IFRS 11 and the amendment of IAS 28, joint ventures are now mandatorily accounted for under the equity method. As a result of the retrospective application of the above mentioned amendment from 1.1.2012, certain amounts in the financial statements that relate to the comparative period have been restated so that the Group's participation percentage in the joint ventures will not be recorded through the proportional consolidation method in the respective financial statement captions. In the balance sheet, the participation in the joint venture is accounted for under the equity method and included in "Investments in associates and joint ventures" while in the income statement and the statement of comprehensive income the proportion of profit/(loss) from joint ventures is presented cumulatively in a separate line along with the proportion of profit/(loss) from associates.

The main impact from the amendment of IAS 19 is the removal of the option to defer actuarial gains and losses. Actuarial gains and losses are recognized directly in equity and are not reclassified in profit or loss. The retrospective adoption of the amendment resulted in the recognition of actuarial losses, which were not recorded as of 31.12.2011 and in retained earnings of 1.1.2012. Moreover, losses of 2012 were reduced due to the non recognition of the portion of the actuarial losses and the change in the method for interest cost calculation. Specifically, interest cost is determined by applying the rate used to discount post-employment benefit obligation, on the net defined benefit liability (asset).

b. In addition, basic and diluted earnings/(losses) per share have been adjusted in order to illustrate the impact from the share capital increase in price lower than the theoretical price (note 4).

The restated consolidated income statement and statement of comprehensive income for the period up to 30.6.2012 and the restated consolidated balance sheet as at 31.12.2012 after the amendment in the accounting for joint ventures, the application of the amended IAS 19, the recognition of JSC Astra Bank as a discontinued operation, as well as the adjustment of basic and diluted earnings/(losses) per share, are depicted below.

Consolidated Income Statement

(Thousand of Euro)

	From 1 January to 30.9.2012					
	Published Amounts	Restatements due to change of accounting policy of valuation of joint ventures	Restatements due to IAS 19	Restated	Discontinued operations	Continuing operations
Interest and similar income	2,541,781	2,383		2,544,164	18,222	2,525,942
Interest expense and similar charges	(1,428,968)	939		(1,428,029)	(4,409)	(1,423,620)
Net interest income	1,112,813	3,322		1,116,135	13,813	1,102,322
Fee and commission income	235,110	287		235,397	1,228	234,169
Commission expense	(36,993)			(36,993)	(217)	(36,776)
Net fee and commission income	198,117	287		198,404	1,011	197,393
Dividend income	594			594		594
Gains less losses on financial transactions	(288,788)			(288,788)	345	(289,133)
Other income	49,179	(4,414)		44,765	171	44,594
	(239,015)	(4,414)		(243,429)	516	(243,945)
Total income	**1,071,915**	**(805)**		**1,071,110**	**15,340**	**1,055,770**
Staff costs	(379,723)	1,552	3,929	(374,242)	(5,138)	(369,104)
General administrative expenses	(332,338)	1,424		(330,914)	(4,340)	(326,574)
Depreciation and amortization expenses	(69,034)	2,236		(66,798)	(920)	(65,878)
Other expenses	(4,645)			(4,645)	(205)	(4,440)
Total expenses	**(785,740)**	**5,212**	**3,929**	**(776,599)**	**(10,603)**	**(765,996)**
Impairment losses and provisions to cover credit risk	(1,170,427)			(1,170,427)	(1,328)	(1,169,099)
Share of profit/(loss) of associates and joint ventures	(2,387)	(4,684)		(7,071)		(7,071)
Profit/(loss) before income tax	**(886,639)**	**(277)**	**3,929**	**(882,987)**	**3,409**	**(886,396)**
Income tax	174,948	277	(784)	174,441	(788)	175,229
Profit/(loss) after income tax	**(711,691)**		**3,145**	**(708,546)**	**2,621**	**(711,167)**
Profit/(loss) attributable to:						
Equity owners of the Bank	**(711,765)**		**3,145**	**(708,620)**	**2,621**	**(711,241)**
Non controlling interests	74			74		74
Earnings/(losses) per share:						
Basic and diluted (€ per share)	(1.33)			(0.73)	0.003	(0.74)

(Thousand of Euro)

	From 1 July to 30.9.2012					
	Published Amounts	Restatements due to change of accounting policy of valuation of joint ventures	Restatements due to IAS 19	Restated	Discontinued operations	Continuing operations
Interest and similar income	806,883	802		807,685	6,519	801,166
Interest expense and similar charges	(473,183)	326		(472,857)	(1,613)	(471,244)
Net interest income	333,700	1,128		334,828	4,906	329,922
Fee and commission income	81,650	95		81,745	465	81,280
Commission expense	(16,886)			(16,886)	(74)	(16,812)
Net fee and commission income	64,764	95		64,859	391	64,468
Dividend income	52			52		52
Gains less losses on financial transactions	(12,679)			(12,679)	136	(12,815)
Other income	22,286	(1,935)		20,351	68	20,283
	9,659	(1,935)		7,724	204	7,520
Total income	**408,123**	**(712)**		**407,411**	**5,501**	**401,910**
Staff costs	(121,011)	518	1,309	(119,184)	(1,686)	(117,498)
General administrative expenses	(113,909)	540		(113,369)	(1,588)	(111,781)
Depreciation and amortization expenses	(23,279)	784		(22,495)	(315)	(22,180)
Other expenses	(1,027)			(1,027)		(1,027)
Total expenses	**(259,226)**	**1,842**	**1,309**	**(256,075)**	**(3,589)**	**(252,486)**
Impairment losses and provisions to cover credit risk	(450,018)			(450,018)	(751)	(449,267)
Share of profit /(loss) of associates and joint ventures	(712)	(1,229)		(1,941)		(1,941)
Profit/(loss) before income tax	**(301,833)**	**(99)**	**1,309**	**(300,623)**	**1,161**	**(301,784)**
Income tax	52,544	99	(260)	52,383	(258)	52,641
Profit/(loss) after income tax	**(249,289)**	-	**1,049**	**(248,240)**	**903**	**(249,143)**
Profit/(loss) attributable to:						
Equity owners of the Bank	**(249,333)**		**1,049**	**(248,284)**	**903**	**(249,187)**
Non controlling interests	44			44		44
Earnings/(losses) per share:						
Basic and diluted (€ per share)	(0.47)			(0.26)	0.001	(0.26)

Consolidated Balance Sheet

(Thousand of Euro)

	31.12.2012			
	Published Amounts	Restatements due to change of accounting policy of valuation of joint ventures	Restatements due to IAS 19	Restated
Assets				
Cash and balances with Central Banks	1,437,260	(12)		1,437,248
Due from banks	3,382,784	(94)		3,382,690
Securities held for trading	20,132			20,132
Derivative financial assets	736,693			736,693
Loans and advances to customers	40,495,343	83,502		40,578,845
Investment securities				
- Available for sale	6,038,676	(1,378)		6,037,298
- Held to maturity	1,535,572			1,535,572
Investments in associates and joint ventures	39,405	35,205		74,610
Investment property	517,776	(24,278)		493,498
Property, plant and equipment	1,155,190	(167,805)		987,385
Goodwill and other intangible assets	142,617	(860)		141,757
Deferred tax assets	1,799,893	(19)	6,277	1,806,151
Other assets	1,049,180	(2,808)	(31,637)	1,014,735
	58,350,521	(78,547)	(25,360)	58,246,614
Non-current assets held for sale	6,804			6,804
Total Assets	**58,357,325**	**(78,547)**	**(25,360)**	**58,253,418**
Liabilities				
Due to banks	25,217,125	(1,962)		25,215,163
Derivative financial liabilities	1,518,881			1,518,881
Due to customers (including debt securities in issue)	28,451,478	12,871		28,464,349
Debt securities in issue held by institutional investors and other borrowed funds	778,909	(46,650)		732,259
Liabilities for current income tax and other taxes	42,617	(88)		42,529
Deferred tax liabilities	413,504	(1,484)		412,020
Employee defined benefit obligations	52,525	(94)	(249)	52,182
Other liabitlities	970,888	(41,140)		929,748
Provisions	138,787			138,787
Total Liabilities	**57,584,714**	**(78,547)**	**(249)**	**57,505,918**
Equity				
Equity attributable to equity owners of the Bank				
Share capital	1,100,281			1,100,281
Share premium	2,757,653			2,757,653
Reserves	268,315			268,315
Retained earnings	(3,513,096)		(25,111)	(3,538,207)
	613,153		**(25,111)**	**588,042**
Non-contolling interests	**11,904**			**11,904**
Hybrid securities	**147,554**			**147,554**
Total Equity	**772,611**		**(25,111)**	**747,500**
Total Liabilities and Equity	**58,357,325**	**(78,547)**	**(25,360)**	**58,253,418**

Consolidated Statement of Comprehensive Income

(Thousand of Euro)

	From 1 January to 30.9.2012				
	Published Amounts	Restatements due to IAS 19	Restated	Discontinued operations	Continuing operations
Profit/(loss), after income tax, recognized in the income statement	**(711,691)**	**3,145**	**(708,546)**	**2,621**	**(711,167)**
Other comprehensive income recognized directly in Equity:					
Amounts that may be reclassified in the income statement					
Change in available for sale securities' reserve	(110,224)		(110,224)	(2,129)	(108,095)
Change in cash flow hedge reserve	(123,342)		(123,342)		(123,342)
Exchange differences on translating and hedging the net investment in foreign operations	(25,615)		(25,615)	(1,141)	(24,474)
Change in the share of other comprehensive income of associates and joint ventures	500		500		500
Income tax	47,925		47,925	447	47,478
Amounts that may be reclassified in the income statement	(210,756)		(210,756)	(2,823)	(207,933)
Total of other comprehensive income recognized directly in Equity, after income tax	**(210,756)**		**(210,756)**	**(2,823)**	**(207,933)**
Total comprehensive income for the period, after income tax	**(922,447)**	**3,145**	**(919,302)**	**(202)**	**(919,100)**
Total comprehensive income for the period attributable to:					
Equity owners of the Bank	**(922,818)**	**3,145**	**(919,673)**	**(202)**	**(919,471)**
Non-controlling interests	371		371		371

(Thousand of Euro)

	From 1 July to 30.9.2012				
	Published Amounts	Restatements due to IAS 19	Restated	Discontinued operations	Continuing operations
Profit/(loss), after income tax, recognized in the income statement	**(249,289)**	**1,049**	**(248,240)**	**903**	**(249,143)**
Other comprehensive income recognized directly in Equity:					
Amounts that may be reclassified in the income statement					
Change in available for sale securities' reserve	170,563		170,563	(1,498)	172,061
Change in cash flow hedge reserve	(10,069)		(10,069)		(10,069)
Exchange differences on translating and hedging the net investment in foreign operations	(6,987)		(6,987)	(5,289)	(1,698)
Change in the share of other comprehensive income of associates and joint ventures					
Income tax	(31,885)		(31,885)	315	(32,200)
Amounts that may be reclassified in the income statement	121,622		121,622	(6,472)	128,094
Total of other comprehensive income recognized directly in Equity, after income tax	**121,622**		**121,622**	**(6,472)**	**128,094**
Total comprehensive income for the period, after income tax	**(127,667)**	**1,049**	**(126,618)**	**(5,569)**	**(121,049)**
Total comprehensive income for the period attributable to:					
Equity owners of the Bank	**(127,847)**	**1,049**	**(126,798)**	**(5,569)**	**(121,229)**
Non-controlling interests	180		180		180

25. Disclosures relevant to the fair value of financial instruments

The following table presents the carrying amounts and fair values of financial assets and liabilities which are carried at amortized cost and not at fair value.

The fair value of loans relates to the assessment of market risks which is estimated based on the interbank market yield curves by maintaining the same credit spread of loans for the respective credit risk. The fair value of deposits is estimated based on the interbank market yield curves deducted from customers' spread depending on the type of the deposit.

Both future cash flows from loans and deposits are discounted based on their duration and the respective interest rates.

The fair value of held to maturity securities and of debt securities in issue is calculated based on market prices, as long as the market is active. In all other cases as well as in loan portfolio, the discounted cash flows method is used when all significant variables are based on observable market data.

	30.9.2013	
	Carrying amount	Fair value
Assets		
Loans and advances to customers	52,596,192	52,499,183
Investment securities		
- Held to maturity [(1)]	1,400,999	1,187,881
- Loans and receivables	4,030,636	4,048,387
Liabilities		
Due to customers	42,021,427	42,037,305
Debt securities in issue	684,814	588,170

The fair value of other financial assets and liabilities valued at amortized cost does not differ substantially from their carrying amounts.

Hierarchy of financial instruments measured at fair value

The financial instruments which are measured at fair value are classified to the following three levels based on the significance of the inputs used in making the fair value measurements as follows:

- Level 1 inputs: Quoted market price (unadjusted) in an active market, for relevant assets and liabilities
- Level 2 inputs: Directly or indirectly observable inputs
- Level 3 inputs: Prices arising from non observable data used to valuation techniques

In case that during the initial recognition of financial instruments the fair value differs from the transaction price, the difference is recognized directly to profit and loss when the financial instrument is measured based on level 1 and 2 inputs. In case the financial instrument is measured based on level 3 inputs, the difference from the initial recognition is not recorded directly to profit and loss, but may be recognized subsequently in the profit and loss under the condition that the measurement of financial instrument is based on observable prices and taking into account nature and time elements.

The inputs which do not satisfy the criteria of classification to the Level 1, but are observable, either directly or indirectly are classified to Level 2. These inputs are the following:

- Quoted market prices in active market for similar assets or liabilities.
- Other observable data for assets or liabilities which are measured, as for example:
  - Interest rates and yield curves
  - Observable variability
  - Credit spreads

The basic methods which are used for the fair value measurement in Level 2 are reference to the current fair value of another instrument that is substantially the same, discounting method and option pricing models.

Non observable prices are classified as Level 3. Non observable prices which are used for the estimation of fair value include correlations, long term variabilities, expected cash flows, discounted interest rates, credit spreads and other parameters that relate to specific transactions and are defined by the Group. The basic methods used for the measurement

(1) On 30.9.2013 investment securities portfolio includes an amount of €895.3 million (31.12.2012: €892 million) which relates to the security transferred to the Bank's ownership for the issuance of preference shares of the Greek State in the context of Law 3723/2008, which has been valued, based on HDAT prices.

of fair value for Level 3 is the discounted cash flow, multiples and the valuation models for options.

More specifically, the following should be noted:

- The fair value of non listed shares as well as shares not negotiated in an active market is defined based on the provisions of the Group which relate to the future profitability of the issuer after 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 discounted interest rate. Given that the above parameters are mainly non observable, the valuation of these shares is classified into Level 3.
- Level 3 also includes debt securities for which the market is considered inactive due to the lack of liquidity, i.e. in case where the issuer is under liquidation. In these cases the expected cash flows from the debt securities are calculated by the Group based on their expected recoverability.
- Finally, Level 3 includes derivatives whose expected cash flows are calculated by the Group since their value depends on more than one underlying variables whose correlation is to be defined.
- There is no transfer between levels 1 and 2 during the period.

The Group on each balance sheet date evaluates the possible alternatives for the calculation of non observable prices, assesses their impact in the calculation of fair value and finally selects those non observable prices that are consistent with the current market prices, as well as the methods implemented for the calculation of fair value.

The table below analyses financial instruments measured at fair value on each reporting date based on the quality of the inputs used in making the fair value measurements:

	30.9.2013				
	Derivative financial assets	Securities held for trading	Available for sale securities	Derivative financial liabilities	Convertible bond
Level 1	22,801	12,148	4,111,229	887	
Level 2	755,177		422,500	1,282,997	30,000
Level 3	3,269		57,056	4,598	
Total	**781,247**	**12,148**	**4,590,785**	**1,288,482**	**30,000**

The convertible bond loan (note 11) is included in debt securities in issue held by institutional investors and other borrowed funds.

Financial assets and liabilities measured at fair value in Level 3

A reconciliation for financial instruments measured at fair value in Level 3 is as follows:

	30.9.2013		
	Assets		Liabilities
	Available for sale securities	Derivative Financial Assets	Derivative Financial Liabilities
Opening balance 1.1.2013	**49,273**	**1,482**	**3,623**
Total gain or loss recognized in the income statement	(11,186)	(401)	(1,168)
Total gain or loss recognized directly in equity	1,935		
Purchases/ Issues	5,854		
Sales/ Repayments/ Settlements	(943)	(237)	(282)
Transfers to level 3 from level 1	2		
Transfers to level 3 from level 2	13,670	2,425	2,425
Transfers from level 3 to level 1	(1,549)		
Balance 30.9.2013	**57,506**	**3,269**	**4,598**
Gains and losses included in the interim income statement and relate to financial instruments included in the interim consolidated balance sheet of 30.9.2013	(11,186)	(401)	(1,168)

The transfer in of available for sale securities to level 3 relates to the bond issued by the Cyprus Popular Bank (note 6).

26. Events after the balance sheet date

a. On 8.10.2013 the Bank's subsidiary Alpha Group Investment Ltd acquired the total number of shares of Comuba Ltd., Pakarta Ltd., Lafagior Ltd., all registered in Cyprus, for the amount of € 5.4 thousand, which were then renamed to AGI – Cypre Arsinoe Ltd, AGI – RRE Cleopatra Ltd and AGI – RRE Hermes Ltd respectively.

b. On 31.10.2013 the Bank's subsidiary Alpha Bank Cyprus Ltd. completed a share capital increase of € 129 million by issuing common shares amounting to € 65 million and convertible securities amounting to € 64 million. The share capital increase was fully subscribed by the Bank.

Athens, November 28, 2013

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER	THE GENERAL MANAGER AND CHIEF FINANCIAL OFFICER	THE ACCOUNTING AND TAX 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**