ALPHA BANK

INTERIM FINANCIAL STATEMENTS AS AT 31.3.2014

(In accordance with International Accounting Standard 34)

Athens,
May 29, 2014

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

Interim Financial Statements of the Bank as at 31.3.2014
(In accordance with IAS 34)

Interim Income Statement

(Amounts in thousand of Euro)

	Note	From 1 January to 31.3.2014	31.3.2013
Interest and similar income		712,607	599,492
Interest expense and similar charges		(336,303)	(388,184)
Net interest income		376,304	211,308
Fee and commission income		86,192	59,226
Commission expense		(6,068)	(12,899)
Net fee and commission income		80,124	46,327
Dividend income		8	8
Gains less losses on financial transactions		62,995	130,300
Other income		4,242	2,094
		67,245	132,402
Total income		**523,673**	**390,037**
Staff costs		(133,886)	(85,816)
General administrative expenses		(116,188)	(83,733)
Depreciation and amortization	7, 8, 9	(15,302)	(15,605)
Other expenses		(1,895)	(42)
Total expenses		**(267,271)**	**(185,196)**
Impairment losses and provisions to cover credit risk	2	(307,384)	(434,046)
Profit/(Loss) before income tax		**(50,982)**	**(229,205)**
Income tax	3	13,172	472,765
Profit/(loss), after income tax		**(37,810)**	**243,560**
Earnings/(losses) per share:			
Basic and diluted (€ per share)	4	(0.003)	0.252

Interim Balance Sheet

(Amounts in thousand of Euro)

	Note	31.3.2014	31.12.2013
ASSETS			
Cash and balances with Central Banks		1,012,154	1,006,294
Due from banks		4,883,427	5,036,860
Securities held for trading	6	10,950	7,001
Derivative financial assets		803,975	807,911
Loans and advances to customers	5	43,399,816	44,236,465
Investment securities			
- Available for sale	6	4,632,328	4,449,576
- Held to maturity	6	1,028,901	1,017,694
- Loans and receivables	6	4,315,398	4,308,556
Investments in subsidiaries, associates and joint ventures	20	2,073,586	2,070,735
Investment property	7	28,116	28,205
Property, plant and equipment	8	748,089	754,299
Goodwill and other intangible assets	9	195,478	196,067
Deferred tax assets		2,725,751	2,740,649
Other assets		1,441,490	1,442,735
Total Assets		**67,299,459**	**68,103,047**
LIABILITIES			
Due to banks	10	18,184,758	19,355,329
Derivative financial liabilities		1,426,772	1,374,261
Due to customers		36,838,051	37,504,689
Debt securities in issue and other borrowed funds	11	1,199,038	1,295,445
Amounts due for current income tax and other taxes		27,264	32,781
Defined benefit obligations employee		76,054	74,574
Other liabilities		909,128	1,059,717
Provisions	12	249,006	258,945
Total Liabilities		**58,910,071**	**60,955,741**
EQUITY			
Share capital	13	4,770,718	4,216,872
Share premium	13	4,858,216	4,212,062
Reserves		602,528	517,559
Retained earnings	13	(1,842,074)	(1,799,187)
Total Equity		**8,389,388**	**7,147,306**
Total Liabilities and Equity		**67,299,459**	**68,103,047**

The attached notes (pages 9 - 37) form an integral part of these interim financial statements

Interim Statement of Comprehensive Income

(Amounts in thousand of Euro)

		From 1 January to	
	Note	31.3.2014	31.3.2013
Profit/(Loss), after income tax, recognized in the income statement		**(37,810)**	**243,560**
Other comprehensive income recognized directly in equity:	3		
Amounts that may be reclassified to the income statement			
Change in available for sale securities' reserve		170,841	(22,251)
Change in cash flow hedge reserve		(56,018)	31,598
Income tax		(29,854)	12,847
		84,969	**22,194**
Amount that will not be reclassified to the income statement			
Income tax			1,901
		-	**1,901**
Total other comprehensive income recognized directly in equity, after income tax	3	**84,969**	**24,095**
Total comprehensive income for the period, after income tax		**47,159**	**267,655**

Interim Statement of Changes in Equity

(Amounts in thousand of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 1.1.2013		**1,100,281**	**2,757,653**	**213,097**	**(4,501,397)**	**(430,366)**
Changes for the period 1.1 - 31.3.2013						
Profit for the period, after income tax					243,560	243,560
Other comprehensive income recognized directly in equity, after income tax	3			22,194	1,901	24,095
Total comprehensive income for the period, after income tax		-	-	**22,194**	**245,461**	**267,655**
Balance 31.3.2013		**1,100,281**	**2,757,653**	**235,291**	**(4,255,936)**	**(162,711)**
Changes for the period 1.4 - 31.12.2013						
Profit for the period, after income tax					2,613,461	2,613,461
Other comprehensive income recognized directly in equity, after income tax				282,268	(7,466)	274,802
Share capital increase through issuance of ordinary shares to Hellenic Financial Stability Fund		2,741,591	1,279,409			4,021,000
Share capital increase paid in cash		375,000	175,000			550,000
Share capital increase expenses, after income tax					(163,828)	(163,828)
Other					14,582	14,582
Balance 31.12.2013		**4,216,872**	**4,212,062**	**517,559**	**(1,799,187)**	**7,147,306**

(Amounts in thousand of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 1.1.2014		**4,216,872**	**4,212,062**	**517,559**	**(1,799,187)**	**7,147,306**
Changes for the period 1.1 - 31.3.2014						
Loss for the period, after income tax					(37,810)	(37,810)
Other comprehensive income recognized directly in equity, after income tax	3			84,969		84,969
Total comprehensive income for the period, after income tax		-	-	**84,969**	**(37,810)**	**47,159**
Share capital increase	13a 13b	553,846	646,154			1,200,000
Share capital increase expenses, after income tax	13c				(5,077)	(5,077)
Balance 31.3.2014		**4,770,718**	**4,858,216**	**602,528**	**(1,842,074)**	**8,389,388**

Interim Statement of Cash Flows

(Amounts in thousand of Euro)

	Note	From 1 January to 31.3.2014	31.3.2013
Cash flows from operating activities			
Profit/(Loss) before income tax		(50,982)	(229,205)
Adjustments for gains/(losses) before income tax for:			
Depreciation/impairment of fixed assets	7, 8	9,002	9,515
Amortization of intangible assets	9	6,300	6,090
Impairment losses from loans and provisions and staff leaving indemnity		313,406	435,981
Fair value adjustment recognized in the income statement		4,902	
(Gains)/losses from investing activities		(49,102)	13,321
(Gains)/ losses from financing activities		28,529	(90,114)
		262,055	**145,588**
Net (increase)/decrease in assets relating to operating activities:			
Due from banks		185,698	85,420
Securities held for trading and derivative financial assets		(13)	21,429
Loans and advances to customers		510,976	75,222
Other assets		(14,869)	(10,159)
Net increase/(decrease) in liabilities relating to operating activities:			
Due to banks		(1,170,571)	(3,161,229)
Derivative financial liabilities		(3,507)	(130,615)
Due to customers		(763,007)	435,031
Other liabilities		(159,474)	(119,837)
Net cash flows from operating activities before taxes		**(1,152,712)**	**(2,659,150)**
Income taxes and other taxes paid		(8,449)	(2,554)
Net cash flows from operating activities		**(1,161,161)**	**(2,661,704)**
Cash flows from investing activities			
Investments in subsidiaries, associates and joint ventures		(102)	(895)
Dividends received		8	8
Acquisition of fixed and intangible assets		(10,472)	(18,411)
Disposals of fixed and intangible assets		2,145	396
Net (increase)/decrease in investment securities		20,537	1,757,331
Net cash flows from investing activities		**12,116**	**1,738,429**
Cash flows from financing activities			
Share capital increase		1,200,000	
Share capital increase expenses		(6,859)	
Dividends paid to ordinary shareholders		(604)	(1,196)
Proceeds from the issuance of debt securities in issue and other borrowed funds			150,000
Repayments of debt securities in issue and other borrowed funds		(5,573)	(7,455)
Net cash flows from financing activities		**1,186,964**	**141,349**
Effect of exchange rate fluctuations on cash and cash equivalents		205	212
Net increase/(decrease) in cash and cash equivalents		**38,124**	**(781,714)**
Cash and cash equivalents at the beginning of the period		**748,999**	**2,013,148**
Cash and cash equivalents at the end of the period		**787,123**	**1,231,434**

The attached notes (pages 9 - 37) form an integral part of these interim financial statements

Notes to the Interim Financial Statements

GENERAL INFORMATION

At present, the Bank operates under the brand name of Alpha Bank A.E. and with the sign of ALPHA BANK. The Bank's registered office is 40 Stadiou Street, Athens and it is listed as a societe anonyme with registration number 6066/06/B/86/05 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, lasts until the date of the Ordinary General Meeting of Shareholders of the Bank of the year 2014.

The Board of Directors as at March 31, 2014, consists of:

CHAIRMAN (Executive Member)

Yannis S. Costopoulos

VICE CHAIRMAN (Non Executive Independent Member)

Minas G. Tanes ***

EXECUTIVE MEMBERS

MANAGING DIRECTOR

Demetrios P. Mantzounis

EXECUTIVE DIRECTORS AND GENERAL MANAGERS

Spyros N. Filaretos (COO) ***
Artemis Ch. Theodoridis
George 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 **

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

Sarantis – Evangelos G. Lolos

* *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 3864/2010)

Panagiota S. Iplixian */**/*** (she replaced Mr Nikolaos G. Koutsos on 30.1.2014)

SECRETARY

Georgios P. Triantafyllidis

The Bank's Board of Directors will suggest in the Ordinary general Meeting of the Shareholders, as auditors of semi-annual and annual financial statements for fiscal year 2014, the company 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, FTSE All World 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 with cancellation of pre-emption rights which took place in March 2014, the share capital of the Bank amounted to 12,769,059,858 ordinary, registered shares of nominal value of €0.30 each and 200,000,000 preference shares of nominal value €4.70 each. On April 17, 2014, Alpha Bank, fully redeemed from the Hellenic Republic the total amount of preference shares of €940 million, issued to the latter by the Bank.

3,843,792,077 ordinary shares of the Bank are traded in the Athens Exchange while the Hellenic Financial Stability Fund ("HFSF") possesses the remaining 8,925,267,781 ordinary, registered, voting, non-paper shares or percentage equal to 69.90% 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 1,204,702,851 warrants that are traded each one incorporating the right of its holder to purchase 7,408683070 new shares owned by the HFSF.

During the first quarter of 2014, the average daily volume per session for shares was €9,898,361 and for warrants €5,298,434.

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

- Moody's: Caa1
- Fitch Ratings: B-
- Standard & Poor's: CCC+ (from 14.5.2014)

The financial statements have been approved by the Board of Directors on May 29, 2014.

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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 Bank has prepared the condensed interim financial statements as at 31.3.2014 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 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 Bank in preparing the condensed interim financial statements are consistent with those stated in the published financial statements for the year ended on 31.12.2013, after taking into account the following amendments to standards which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2014:

- **Amendment to International Financial Reporting Standard 10** "Consolidated Financial Statements", to **International Financial Reporting Standard 12** "Disclosure of Interests in Other Entities" and to **International Accounting Standard 27** "Separate Financial Statements": Investment Entities (Regulation 1174/20.11.2013)
- **Amendment to International Accounting Standard 32** "Offsetting Financial Assets and Financial Liabilities" (Regulation 1256/13.12.2012)
- **Amendment to International Accounting Standard 36** "Recoverable amount disclosures for non-financial assets" (Regulation 1374/19.12.2013)
- **Amendment to International Accounting Standard 39** "Novation of derivatives and continuation of hedge accounting" (Regulation 1375/19.12.2013)

The adoption of the above amendments by the Bank had no impact on its financial statements.

The adoption by the European Union, by 31.12.2014, 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 1.1.2014, may affect retrospectively the periods presented in these interim financial statements.

1.2 Estimates, decision making criteria and significant sources of uncertainty

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

Fair value of assets and liabilities

For assets and liabilities traded in active markets, the determination of their fair value is based on quoted, market prices. In all other cases the determination of fair value is based on valuation techniques that use observable market data to the greatest extent possible. In cases where there are non observable market data, the fair value is determined using data that are based on internal estimates and assumptions e.g. determination of expected cash flows, discount rates, prepayment probabilities or potential counterparty default.

Impairment losses of financial assets

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

Impairment losses of non – financial assets

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

Income tax

The Bank recognizes 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 realized, may result in tax payments other than those recognized in the financial statements of the Bank.

Employee defined benefit obligations

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

Provisions and contingent liabilities

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

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

1.2.1 Going concern principle

Following the successful completion of the share capital increase of the Bank, amounting to € 1.2 billion, which, as mentioned in detail in note 17, aimed, inter alia, at covering the capital needs of the Group, as these were determined in March 2014 by the Bank of Greece under a diagnostic study for the capital needs of the banks, there are no uncertainties regarding the application of the going concern principle, based on which the financial statements as at 31.3.2014 were prepared.

1.2.2 Estimation of the Bank's exposure to the Hellenic Republic

Regarding the uncertainties about the estimations for the recoverability of the Bank's total exposure to the Hellenic Republic, there have been no significant changes compared to those disclosed in note 1.29.2 of the annual financial statements as at 31.12.2013.

In addition, it is noted that, on 21.5.2014, the Greek Government Bond, of a nominal value of € 0.9 billion, which is related to the issuance of the preference shares of the Greek State according to Law 3723/2008, was repaid.

1.2.3 Recoverability of deferred tax assets

The Bank recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized. The main categories of deferred tax assets as well as the methodology applied for the estimation of their recoverability, which is based on the revised restructuring plan that is going to be submitted to the DGCom, are described in detail in note 1.29.3 of the annual financial statements as at 31.12.2013.

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

INCOME STATEMENT

2. Impairment losses and provisions to cover credit risk

	From 1 January to	
	31.3.2014	31.3.2013
Impairment losses on loans and advances to customers (note 5)	309,846	434,957
Recoveries	(2,462)	(911)
Total	**307,384**	**434,046**

3. Income tax

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 valid from 1.1.2014.

In accordance with article 72 of the same law, the non-distributed or capitalized tax free reserves of the legal entities as recorded 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 can not be established.

In accordance with article 82 paragraph 5 of Law 2238/94, for fiscal year 2011 and thereafter, auditors and audit firms conducting statutory audits to 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 Meeting of the Shareholders.

After eighteen months from the issuance of an unmodified tax certificate without any qualifications and on the precondition that no tax offences have been found from Ministry of Finance specific audits, the tax audit of the year is considered complete.

For the fiscal year 2013 the tax audit for domestic entities is in progress and no material findings are expected.

Income tax expense is analyzed as follows:

	From 1 January to	
	31.3.2014	31.3.2013
Deferred tax	(13,172)	(472,765)
Total	**(13,172)**	**(472,765)**

Under the control of the recoverability of deferred tax assets and in order the estimates for the recoverability of temporary differences arising from loans' impairment to be limited to period for which the estimates can be considered reliable, the Bank did not recognize deferred tax assets amounting to €422 million for temporary differences arising from the impairment/valuation of loans derived from the acquisition of Emporiki Bank.

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

	From 1 January to	
	31.3.2014	31.3.2013
Debit difference of Law 4046/2012	9,986	(234,434)
Revaluation/impairment of assets		(816)
Depreciation and write-offs of fixed assets	2,526	1,307
Valuation/impairment of loans and other temporary differences	(5,302)	(104,945)
Employee defined benefit obligations	22,473	(13,187)
Valuation of derivatives	11,757	(14,773)
Effective interest rate	(112)	832
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(1,668)	1,433
Valuation of investments in subsidiaries due to hedging	220	(736)
Tax losses carried forward	(61,530)	(102,780)
Valuation/impairment of bonds and other securities	8,478	(4,666)
Total	**(13,172)**	**(472,765)**

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

	From 1 January to			
	31.3.2014		31.3.2013	
	%		%	
Profit/(loss) before income tax		**(50,982)**		**(229,205)**
Income tax (nominal tax rate)	26	(13,255)	26	(59,594)
Increase/(decrease) due to:				
Non taxable income	0.19	(95)	0.06	(137)
Non deductible expenses	(13.15)	6,705	(1.45)	3,329
Effect of changes of tax rates used for deferred tax			179.37	(411,118)
Other tax differences	12.80	(6,527)	2.29	(5,245)
Income tax (effective tax rate)	**25.84**	**(13,172)**	**206.27**	**(472,765)**

Income tax of other comprehensive income recognized directly in equity

	From 1 January to					
	31.3.2014			31.3.2013		
	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	170,841	(44,419)	126,422	(22,251)	5,832	(16,419)
Change in cash flow hedge reserve	(56,018)	14,565	(41,453)	31,598	(8,215)	23,383
Tax rate adjustments (Law 4110/2013)					15,230	15,230
Amounts that will not be reclassified in the Income Statement						
Tax rate adjustments (Law 4110/2013)					1,901	1,901
Total	**114,823**	**(29,854)**	**84,969**	**9,347**	**14,748**	**24,095**

The first quarter of 2014, "Retained Earnings" includes a deferred tax asset amounting of €1,782, arising from the share capital increase issue expenses which were recorded in 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 shareholders of the Bank, with the weighted average number of ordinary shares outstanding, after deducting the weighted average number of treasury shares held by the Bank during the period.

For the calculation of basic earnings/(losses) per share, profit or loss for the period is adjusted by deducting of the after-tax amount of dividends for preference shares that have been classified of 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 preference dividends for cumulative preference shares required for the period, irrespective of whether dividends have been declared or not.

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 Bank 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 diluted earnings/(losses) per share should not differ.

	From 1 January to	
	31.3.2014	31.3.2013
Profit/(loss) attributable to the ordinary equity owners of the Bank	(37,810)	243,560
Weighted average number of outstanding ordinary shares	11,004,957,294	965,652,432
Basic and diluted earnings/(loss) per share (in €)	(0.003)	0.252

The weighted average number of common shares, on 31.3.2014, is calculated based on the days during which the ordinary shares are in issue compared to the total number of days of the reporting period, taking into account the new total number of common shares resulting from the share capital increase of Bank on 28.3.2014 (note 13).

The weighted average number of outstanding ordinary shares of the comparative period has been adjusted using a factor of 1.8074 in order to reflect the impact to the above ratio from the share capital increase which was completed on 6.6.2013 at an exercise price that was lower compared to the implied price.

ASSETS

5. Loans and advances to customers

	31.3.2014	31.12.2013
Individuals:		
Mortgages		
- Non-Securitized	16,958,313	16,680,013
- Securitized	-	99,096
Consumer:		
- Non-Securitized	3,128,272	3,147,784
- Securitized	1,333,812	1,319,169
Credit cards:		
- Non-Securitized	474,025	464,973
- Securitized	458,057	471,800
Other	7,035	13,765
Total	**22,359,514**	**22,196,600**
Companies:		
Corporate loans		
- Non-Securitized	25,416,765	25,705,409
- Securitized	1,397,608	1,480,643
Other receivables	193,339	413,204
	49,367,226	**49,795,856**
Less:		
Allowance for impairments losses [1]	(5,967,410)	(5,559,391)
Total	**43,399,816**	**44,236,465**

The Bank has proceeded in securitizing consumer, corporate, mortgage loans and credit cards through special purpose entities controlled by the Bank.

The amount of €99,096 as at 31.12.2013, concerns securitized mortgage loans of Emporiki Bank. The transaction was recalled on 24.2.2014 after the exercise of the respective option of the 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 owning the bonds issued by the special purpose entities), the Bank has retained in all cases the risks and rewards deriving from the securitized loans.

The Bank has proceeded with the direct issuance of covered bonds, secured by mortgage loans. As at 31.3.2014, 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 amounts to €4.3 billion.

(1) In addition to the allowance for impairment losses, a provision of € 193,343 (31.12.2013: € 193,343) has been recorded to cover credit risk relating to off balance sheet items. The total provision recorded to cover credit risk amounts to € 6,160,753 (31.12.2013: €5,752,734).

Allowance for impairment losses

Balance 1.1.2013	**3,607,221**
Changes for the period 1.1 - 31.3.2013	
Impairment losses for the period (note 2)	434,957
Change in present value of the allowance account	70,827
Foreign exchange differences	(158)
Loans written-off during the period	(14,154)
Balance 31.3.2013	**4,098,693**
Changes for the period 1.4 - 31.12.2013	
Impairment losses for the period	1,053,719
Change in present value of the allowance account	264,194
Foreign exchange differences	2,250
Credit risk adjustments	174,416
Loans written-off during the period	(33,881)
Balance 31.12.2013	**5,559,391**
Changes for the period 1.1-31.3.2014	
Impairment losses for the period (note 2)	309,846
Change in present value of the allowance account	106,692
Foreign exchange differences	262
Loans written-off during the period	(8,781)
Balance 31.3.2014	**5,967,410**

6. Investment and held for trading securities

i. Held for trading securities

Securities held for trading amounts to € 11 million on 31.3.2014 (31.12.2013: € 7 million) out of which Greek Government Bonds amounts to € 7.7 million (31.12.2013: € 6.5 million).

ii. Investment securities

a. Available for sale

The available for sale portfolio amounts to € 4.6 billion as at 31.3.2014 (31.12.2013: € 4.4 billion). This amount includes securities issued from the Greek State that amounts to € 3.5 billion as at 31.3.2014 (31.12.2013: € 3.3 billion) out of which € 2.5 billion (31.12.2013: € 2.5 billion) relate to treasury bills.

b. Held to maturity

The held to maturity portfolio amounts to € 1 billion as at 31.3.2014 (31.12.2013: € 1 billion). This amount includes Greek Government bonds of € 0.9 billion as at 31.3.2014 (31.12.2013: € 0.9 billion), which represents the security transferred to the Bank for the issuance of the preference shares on behalf of the Greek State according to Law 3723/2008 which matured on 21.5.2014.

c. Loans and receivables

Loans and receivables include bonds issued by the European Financial Stability Facility (E.F.S.F.) at a nominal value of €3,960,544 received by the Bank as a result of the share capital increase which was completed on 6.6.2013 and of nominal value of €284,628 which were transferred to the Bank from the Hellenic Financial Stability Fund for the undertaking of customer deposits from the former Cooperative Banks of Macedonia, Evia and Dodecanese in December 2013. The total carrying amount of these bonds as at 31.3.2014 amounted to €4.3 billion (31.12.2013: €4.3 billion).

d. Exposure to the peripheral eurozone countries debt

The Bank holds at available for sale portfolio a bond of Cyprus Popular Bank (senior term) with a book value of € 1.6 million (after the accumulated impairment of past years amounting to € 31.6 million). Also the Bank holds at the held for trading portfolio a bond issued by the Italian Republic with a book value of € 3.3 million which was liquidated in April 2014.

As at 31.3.2014 the Bank had no exposure to bonds issued by Spain, Portugal and Ireland.

7. Investment property

	Land-Buildings
Balance 1.1.2013	
Cost	41,076
Accumulated depreciation and impairment losses	(9,393)
1.1.2013 - 31.3.2013	
Net book value 1.1.2013	31,683
Depreciation charge for the period	(96)
Net book value 31.3.2013	**31,587**
Balance 31.3.2013	
Cost	41,076
Accumulated depreciation and impairment losses	(9,489)
1.4.2013 - 31.12.2013	
Net book value 1.4.2013	31,587
Additions	411
Impairments	(3,526)
Depreciation charge for the period	(267)
Net book value 31.12.2013	**28,205**
Balance 31.12.2013	
Cost	41,487
Accumulated depreciation and impairment losses	(13,282)
1.1.2014 - 31.3.2014	
Net book value 1.1.2014	28,205
Depreciation charge for the period	(89)
Net book value 31.3.2014	**28,116**
Balance 31.3.2014	
Cost	41,487
Accumulated depreciation and impairment losses	(13,371)

In 2013, an impairment loss amounting to € 3.5 million was recognized, in order for the carrying amount of investment property not to exceed their recoverable amount as at 31.12.2013, as estimated by Alpha Astika Akinita A.E.. The impairment amount was recorded in "Other Expenses".

8. Property, plant and equipment

	Land and Buildings	Leased Equipment	Equipment	Total
Balance 1.1.2013				
Cost	812,090	39	360,448	1,172,577
Accumulated depreciation and impairment losses	(260,014)	(6)	(315,563)	(575,583)
1.1.2013 - 31.3.2013				
Net book value 1.1.2013	552,076	33	44,885	596,994
Additions	1,474		2,351	3,825
Disposals/write-offs	(246)		(41)	(287)
Depreciation charge for the period	(3,852)	(1)	(5,566)	(9,419)
Net book value 31.3.2013	**549,452**	**32**	**41,629**	**591,113**
Balance 31.3.2013				
Cost	813,318	39	362,758	1,176,115
Accumulated depreciation and impairment losses	(263,866)	(7)	(321,129)	(585,002)
1.4.2013 - 31.12.2013				
Net book value 1.4.2013	549,452	32	41,629	591,113
Additions	9,620	745	6,765	17,130
Impairments	(15,922)			(15,922)
Disposals/write-offs	(13,012)		(322)	(13,334)
Reclassification	(5,845)			(5,845)
Reclassification from "Equipment" to "Land and buildings"	18		(18)	-
Additions from the acquisition of Emporiki Bank	188,675		16,534	205,209
Depreciation charge for the period	(16,204)	(29)	(7,819)	(24,052)
Net book value 31.12.2013	**696,782**	**748**	**56,769**	**754,299**
Balance 31.12.2013				
Cost	986,066	784	378,803	1,365,653
Accumulated depreciation and impairment losses	(289,284)	(36)	(322,034)	(611,354)
1.1.2014 - 31.3.2014				
Net book value 1.1.2014	696,782	748	56,769	754,299
Additions	2,944		1,817	4,761
Disposals/write-offs	(1,873)		(185)	(2,058)
Depreciation charge for the period	(5,283)	(27)	(3,603)	(8,913)
Net book value 31.3.2014	**692,570**	**721**	**54,798**	**748,089**
Balance 31.3.2014				
Cost	984,142	784	377,445	1,362,371
Accumulated depreciation and impairment losses	(291,572)	(63)	(322,647)	(614,282)

The book value of land and buildings included in the above balances amounts to € 641,412 as at 31.3.2014 (31.12.2013: € 642,250).

In 2013, an impairment loss of € 15.9 million was recognized for property, plant and equipment and was recorded in "Other Expenses".

Caption "Additions from the acquisition of Emporiki Bank" refers to the recognition of assets of Emporiki Bank at fair value of 30.6.2013.

9. Goodwill and other intangible assets

	Software	Banking rights	Other	Total
Balance 1.1.2013				
Cost	291,987	1,785	69	293,841
Accumulated amortization and impairment losses	(198,577)	(1,785)	(50)	(200,412)
1.1.2013 - 31.3.2013				
Net book value 1.1.2013	93,410		19	93,429
Additions	14,586			14,586
Depreciation charge for the period	(6,087)		(3)	(6,090)
Net book value 31.3.2013	**101,909**	**-**	**16**	**101,925**
Balance 31.3.2013				
Cost	306,573	1,785	69	308,427
Accumulated amortization and impairment losses	(204,664)	(1,785)	(53)	(206,502)
1.4.2013 - 31.12.2013				
Net book value 1.4.2013	101,909		16	101,925
Additions	25,944			25,944
Additions from the acquisition of Emporiki Bank	23,388		46,100	69,488
Additions from the acquisition of Cooperative Banks			9,094	9,094
Disposals/write-offs	(1,951)			(1,951)
Depreciation charge for the period	(4,584)		(3,849)	(8,433)
Net book value 31.12.2013	**144,706**	**-**	**51,361**	**196,067**
Balance 31.12.2013				
Cost	352,865	1,785	55,263	409,913
Accumulated amortization and impairment losses	(208,159)	(1,785)	(3,902)	(213,846)
1.1.2014 - 31.3.2014				
Net book value 1.1.2014	144,706		51,361	196,067
Additions	5,711			5,711
Depreciation charge for the period	(3,240)		(3,060)	(6,300)
Net book value 31.3.2014	**147,177**	**-**	**48,301**	**195,478**
Balance 31.3.2014				
Cost	358,576	1,785	55,263	415,624
Accumulated amortization and impairment losses	(211,399)	(1,785)	(6,962)	(220,146)

Caption "Additions from the acquisition of Emporiki Bank" refers to the recognition of intagible fixed assets of Emporiki Bank at fair value as at 30.6.2013. In particular, the amount of €46.1 million relates to the recognition of an intangible asset regarding the acquired core customer deposit base of Emporiki Bank, the useful life of which was estimated in 6 years.

Additionally, an amount of €9.1 million relates to the recognition of an intangible asset regarding the newly acquired core customer deposit base of Cooperative Banks of Dodecanese, Evia and Macedonia, with an estimated useful life of 2 years.

LIABILITIES

10. Due to banks

	31.3.2014	31.12.2013
Deposits:		
- Current accounts	37,863	60,894
- Term deposits		
Central Banks	15,668,206	17,177,209
Other credit institutions	1,171,351	834,858
Cash collateral for derivative margin accounts	41,175	27,628
Sale of repurchase agreements (Repos)	870,542	857,589
Borrowing funds	395,621	397,151
Total	**18,184,758**	**19,355,329**

11. Debt securities in issue and other borrowed funds

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

In accordance with Greek liquidity enhancement plan, according to Law 3723/2008, the Bank proceeded in issuing an ordinary bond loan with a nominal value of €950 million with issue date 17.2.2014, maturity date 17.3.2015 and floating interest rate of three month Euribor plus 12% margin.

The total balance of senior debt securities guaranteed by the Greek State as at 31.3.2014 amounts to €9.8 billion.

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

ii. Covered bonds [1]

Covered bonds issued by the Bank as at 31.3.2014 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 (ECP)

Balance 1.1.2014	**37,521**
Changes for the period 1.1 - 31.3.2014	
New issues	35,793
Maturities/Redemptions	(37,545)
Accrued interest	237
Foreign exchange differences	96
Balance 31.3.2014	**36,102**

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

- nominal value of USD 45 million maturing on 11.6.2014
- nominal value of USD 5 million maturing on 14.4.2014

[1] *Financial disclosures regarding covered bond issues, as determined by the 2620/28.08.2009 directive of Bank of Greece are published at the Bank's website.*

iv. Senior debt securities

Balance 1.1.2014	**1,067,285**
Changes for the period 1.1 - 31.3.2014	
Maturities/Redemptions	(80,946)
Fair value change	1,325
Accrued interest	11,487
Foreign exchange differences	101
Balance 31.3.2014	**999,252**

v. Securitization of mortgage loans

Balance 1.1.2014	**26,917**
Maturities/repayments	(27,383)
Accrued interest	466
Balance 31.3.2014	**-**

These obligations occurred after the acquisition of Emporiki Bank and refer to the special purpose entity Lithos Mortgage Financing Plc. The transaction was recalled on 24.2.2014 after the exercise of the respective option of the Bank.

Additional liabilities arising from the securitization of consumer loans, corporate loans and credit cards are not included in "Debt securities in issue and other borrowed funds" since these securities amounting to a nominal value of €3.7 billion, that were issued by special purpose entities, are held by the Bank.

vi. Subordinated debt

Balance 1.1.2014	**88,625**
Changes for the period 1.1 - 31.3.2014	
Maturities/repayments	
Accrued interest	(8)
Balance 31.3.2014	**88,617**

vii. Hybrid securities

Balance 1.1.2014	**35,497**
Changes for the period 1.1 - 31.3.2014	
Maturities/repayments	
Accrued interest	(30)
Balance 31.3.2014	**35,467**

During 2013 no dividends were paid to the hybrid security holders due to the non existence of sufficient funds for the Bank up to the end of 2012. Since the condition of non existence of sufficient funds was met in 2013, it was announced on 17.1.2014 the non payment on 18.2.2014 of the annual dividend of the CMS hybrid title (ISIN: DE000A0DX3M2) without interest step up clause.

viii. Convertible bond loan

Balance 1.1.2014/31.3.2014	**39,600**

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.

This 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 is 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 capitalization 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 participated 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 bonds will be converted into is variable, as depending on the share's price.

Total of debt securities in issue and other borrowed funds, not held by the Bank, as at 31.3.2014	**1,199,038**

12. Provisions

Balance 1.1.2013	**30,173**
Changes for the period 1.1 - 31.3.2013	
Reversal of other provisions	(316)
Other provisions	34
Balance 31.3.2013	**29,891**
Changes for the period 1.4 - 31.12.2013	
Reversal of other provisions	(72)
Write-offs	(1,478)
Other provisions	240
Other provisions used during the period	(3,017)
Provisions to cover credit risk relating to off-balance sheet items	145,249
Provisions to cover credit risk relating to off-balance sheet items from the acquisition of Emporiki Bank	37,423
Other provisions from the acquisition of Emporiki Bank	194,982
Reclassification to "Other assets"	(136,273)
Reclassification to "Loans and advances to customers"	(8,000)
Balance 31.12.2013	**258,945**
Changes for the period 1.1- 31.3.2014	
Other provisions	23
Other provisions used during the period	(155)
Reclassification to "Other liabilities"	(9,807)
Balance 31.3.2014	**249,006**

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

The transfers of other provisions in other Balance Sheet captions, deriving mainly from the acquisition of Emporiki Bank, are due to reclassifications or due to the fact that these provisions do no concern contingent liabilities of the Bank but impairment losses.

As at 31.3.2014 the balance of provisions to cover credit risk relating to off-balance sheet items amounts to € 193.3 million and other provisions to € 55.7 million out of which € 29.8 million concerns legal cases.

EQUITY

13. Share capital, Share premium and Retained earnings

a) Share capital

The Bank's share capital as at 31.3.2014 is analyzed as follows:

	Opening balance of shares as at 1.1.2014	Share capital increase	Balance of shares as at 31.3.2014	Paid-in capital
a. Ordinary shares				
Number of ordinary shares	10,922,906,012		10,922,906,012	3,276,872
Share capital increase		1,846,153,846	1,846,153,846	553,846
Balance 31.3.2014	**10,922,906,012**	**1,846,153,846**	**12,769,059,858**	**3,830,718**
b. Preference shares				
Number of preference shares	200,000,000		200,000,000	940,000
Balance of ordinary and preference shares 31.3.2014	**11,122,906,012**	**1,846,153,846**	**12,969,059,858**	**4,770,718**

On 28.3.2014 the share capital increase of the Bank was completed through payment in cash, cancellation of pre-emption rights of existing ordinary and preference shares and distribution of all new shares through a private placement to qualified investors, as specified in article 2 paragraph 1 of Law 3401/2005. An amount of € 1.2 billion was raised through the increase while the share capital increased by € 553.8 million. A total amount of 1,846,153,846 new ordinary, non-paper shares with voting right were registered and issued of par value € 0.30 and offer price of € 0.65 each.

Thus, on 31.3.2014 the Bank's share capital amounts to € 4,770,717,957.40, divided to 12,969,059,858 shares, out of which:

a) 3,843,792,077 ordinary, registered, voting, non-paper shares of nominal value of € 0.30 each

b) 8,925,267,781 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, issued in accordance with Law 3723/2008, of nominal value of € 4.70.

The share capital increase intended, among other things, to create the conditions for satisfaction of the terms of Law 3723/2008 for the repayment of preference shares issued by the Bank and owned by the Hellenic Republic and its replacement with high quality capital (note 17).

On 17.4.2014, the Bank fully redeemed to the Hellenic Republic the total amount of preference shares of € 940 million, issued to the latter by the Bank (notes 17 and 22).

b) Share premium

On 28.3.2014 after the share capital increase and the issuance of 1,846,153,846 new shares with a nominal amount of €0.30 and an offer price of € 0.65, the total difference of € 646.2 million between the nominal value and the shares' offer price was credited in the caption "Share Premium".

c) Retained earnings

a) Since in 2013 there are no distributed profits, in accordance with article 44a of Codified Law 2190/1920, the Board of Directors of the Bank will propose to the Ordinary General Meeting of Shareholders:

- the non payment to the Greek State of the respective return for 2013 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 2013.

It is noted that on 17.4.2014 the Bank fully redeemed to the Hellenic Republic the total amount of preference shares of € 940 million.

b) The caption "Retained Earnings" as at 31.3.2014 includes expenses concerning the share capital increase, which is referred in note 13a, amounting to € 5.1 million after income tax.

ADDITIONAL INFORMATION

14. Contingent liabilities and commitments

a) Legal issues

The Bank, in the ordinary course of business, is a defendant in claims from customers and other legal proceedings. 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 Bank.

The Bank as at 31.3.2014 has recorded a provision for pending legal cases amounting to €29.8 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 no qualifications for 2011 and 2012. The Bank's branches in London and Bulgaria have been audited by the tax authorities up to and including the years 2011 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 no qualifications for 2011 and 2012. Emporiki Bank's Cyprus branch has not been audited by the tax authorities since the commencement of its operations in 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.

c) Operating leases

The Bank as lessee

The Bank has various obligations with respect to leases of buildings which are used as branches or for administrative purposes.

The duration of the lease agreements is initially for twelve years with a renewal or extension option according to the lease agreements. The policy of the Bank is to renew these contracts.

The minimum future lease payments are:

	31.3.2014	31.12.2013
Less than one year	36,771	37,630
Between one and five years	107,514	110,500
More than five years	120,495	125,967
Total	**264,780**	**274,097**

The total lease expenses for the first quarter of 2014 relating to rental of buildings amounted to €9,128 (first quarter of 2013: €6,243) and are included in "General administrative expenses".

The Bank as a lessor

The Bank's receivables from leases relate to leases from buildings either to group companies or third parties.

The minimum future lease fees are:

	31.3.2014	31.12.2013
Less than one year	2,654	2,548
Between one and five years	5,715	4,640
More than five years	4,382	2,571
Total	**12,751**	**9,759**

The lease revenues for the first quarter of 2014 amounted to € 693 (first quarter of 2013: € 493) are included in "Other income".

d) Off balance sheet liabilities

The Bank pursuant to its normal operations, is bound by contractual commitments, that in the future may result in changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee, undrawn credit facilities and credit limits, as well as guarantees provided for bonds issued by subsidiaries and other guarantees to subsidiaries.

In addition, contingent liabilities for the Bank arise from undrawn loan commitments and credit limits that may not be fulfilled immediately or may be partly fulfilled as long as the agreed upon requirements are fulfilled by counterparties.

The outstanding balances are as follows:

	31.3.2014	31.12.2013
Letters of credit	39,730	42,029
Letters of guarantee and other guarantees	6,088,092	6,200,228
Guarantees relating to bonds issued by subsidiaries of the Bank	1,552,346	1,635,190

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 Bank clients. Letters of credit, as well as letters of guarantee, are commitments under specific terms and are issued by the Bank for the purpose of ensuring that its clients will fulfill the terms of their contractual obligations.

The liability from limits that can not be recalled (committed) in case where counterparties fail to meet their contractual obligations as at 31.3.2014 amounts to €146.6 million (31.12.2013: €279.2 million) and are included in the calculation of risk weighted assets.

e) Assets pledged

Assets pledged, amounting to € 20.1 billion as at 31.3.2014 include:

- Deposits pledged amounting to € 0.2 billion concerning guarantees granted and provided for on behalf of the Greek State.
- Deposits pledged to Credit Institutions amounting to € 1.2 billion which have been provided as guarantee for derivative transactions.
- Loans and advances to customers amounting to € 1.7 billion out of which:
  - i. an amount of € 1.1 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.
- Securities held for trading and investment securities portfolio amounting to € 17 billion out of which:
  - i. an amount of € 3.7 billion relates to the issuance of covered bonds secured by mortgage loans of € 4.3 billion of which an amount of € 3.2 billion is pledged as collateral to Central Banks for participation in main refinancing operations and an amount of € 0.5 billion has been given as collateral for the repurchase agreements (repo).
  - ii. an amount of € 4.9 billion that relates to Greek Government Bonds and other bonds of which an amount of € 4 billion is pledged as collateral to Central Banks for participation in main refinancing operations, to the Bank of Greece for participation in the TARGET system (Intra-Europe clearing of payments system on ongoing time), to the Athens Derivatives Exchange Clearing House and to the European Investment Bank, while an amount of € 0.9 billion has been given as collateral for the repurchase agreements (repo).
  - iii. an amount of € 4.2 billion relating 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 is pledged as collateral to Central Banks for participation in main refinancing operations.
  - iv. an amount of € 4.2 billion relates to securities issued by the European Financial Stability Facility (EFSF), that the Bank received by the HFSF in the context of a) its participation to the Bank's share capital increase that was completed on 6.6.2013 and b) due to the coverage of the difference between the values of assets and liabilities transferred from Cooperative Banks, of which an amount of € 3.6 billion is pledged as collateral to Central Banks for participation in main refinancing operations and an amount of € 0.6 billion has been given as collateral for the repurchase agreements (repo).

Additionally, an amount of € 9.8 billion that relates 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.

15. Operating segments

(Amounts in million of Euro)

	1.1 - 31.3.2014						
	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South Eastern Europe	Other	Total
Net interest income	189.5	167.9	1.2	9.8	7.9		376.3
Net fee and commission income	37.6	34.2	6.1	1.0	1.2		80.1
Other income	1.3	2.0	0.2	34.0	3.1	26.6	67.2
Total income	**228.4**	**204.1**	**7.5**	**44.8**	**12.2**	**26.6**	**523.6**
Total expenses	**(197.7)**	**(38.6)**	**(5.2)**	**(4.9)**	**(7.9)**	**(12.9)**	**(267.2)**
Impairment losses	(127.7)	(178.3)			(1.4)		(307.4)
Profit/(loss) before income tax	**(97.0)**	**(12.8)**	**2.3**	**39.9**	**2.9**	**13.7**	**(51.0)**
Income tax							13.2
Profit/(loss) after income tax	**(97.0)**	**(12.8)**	**2.3**	**39.9**	**2.9**	**13.7**	**(37.8)**
Assets	29,396.4	16,187.8	157.0	15,710.3	747.1	5,100.9	67,299.5
Liabilities	30,100.4	6,154.4	1,518.2	20,519.5	524.3	93.3	58,910.1

Total expenses include expenses relating to the merger of Emporiki Bank amounting to € 5.3 million. In addition in the context of operating integration the Bank made capital expenditure of € 3.8 million.

(Amounts in million of Euro)

	1.1 - 31.3.2013						
	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South Eastern Europe	Other	Total
Net interest income	173.5	100.6	(0.4)	(71.1)	8.7		211.3
Net fee and commission income	24.1	22.4	3.4	(4.7)	1.1		46.3
Other income	1.3	0.7	0.4	16.2	0.2	113.6	132.4
Total income	**198.9**	**123.7**	**3.4**	**(59.6)**	**10.0**	**113.6**	**390.0**
Total expenses	**(131.4)**	**(29.1)**	**(4.4)**	**(3.8)**	**(8.5)**	**(8.0)**	**(185.2)**
Impairment losses	(297.3)	(128.5)			(8.2)		(434.0)
Profit/(loss) before income tax	**(229.8)**	**(33.9)**	**(1.0)**	**(63.4)**	**(6.7)**	**105.6**	**(229.2)**
Income tax							472.8
Profit/(loss) after income tax							**243.6**
Assets 31.12.2013	29,499.1	16,800.2	147.7	15,660.1	758.0	5,237.9	68,103.0
Liabilities 31.12.2013	30,357.7	6,687.1	1,468.9	21,715.7	541.2	185.1	60,955.7

i. Retail Banking

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

The Bank, 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) as long as 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. The Bank offers working capital facilities, corporate loans, and letters of guarantee.

iii. Asset Management / Insurance

Consists of a wide range of asset management services offered through Bank'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.

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. 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 operating in South Eastern Europe.

vi. Other

This segment consists of the Bank's administration section and the Bank's income and expenses that are not related to its operating activities or that are not repetitive and are due to external factors.

16. Disclosures relevant to the fair value of financial instruments

Fair value of financial instruments measured at amortized cost

	31.3.2014		31.12.2013	
	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets				
Loans and advances to customers	43,001,557	43,399,816	43,954,363	44,236,465
Investment securities				
- Held to maturity [1]	1,022,775	1,028,901	985,062	1,017,694
- Loans and receivables	4,340,223	4,315,398	4,333,574	4,308,556
Financial liabilities				
Due to customers	36,614,407	36,838,051	37,414,504	37,504,689
Debt securities in issue [2]	1,040,546	1,159,438	1,132,806	1,255,845

The table above presents the carrying amounts and fair values of financial assets and liabilities which are carried at amortized cost.

The fair value of loans is estimated based on the interbank market yield curves by adding a liquidity premium and spread per loan category and business unit for the expected loss. The fair value of deposits is estimated based on the interbank market yield curves by deducting customer's spread depending on the type of deposit. In both of these cases, the future cash flows (floating rate) are calculated based on the implied forward rates until their maturity.

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

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

(1) *As at 31.3.2014 investment securities portfolio includes an amount of €895.2 million (31.12.2013: €891.6 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.*

(2) *Debt securities in issue do not include the convertible bond loan issued by the Bank in the context of the agreement with Credit Agricole S.A. regarding the acquisition of Emporiki Bank since this security is measured at fair value.*

Hierarchy of financial instruments measured at fair value

	31.3.2014			
	Level 1	Level 2	Level 3	Total fair value
Derivative financial assets	28,316	775,489	170	803,975
Securities held for trading				
- Bonds and treasury bills	10,950			10,950
Available for sale securities				
- Bonds	3,774,520	765,454	14,261	4,554,235
- Shares	21,969		17,239	39,208
- Other variable yield securities	38,885			38,885
Derivative financial liabilities	149	1,424,936	1,687	1,426,772
Convertible bond		39,600		39,600

	31.12.2013			
	Level 1	Level 2	Level 3	Total fair value
Derivative financial assets	23,751	784,096	64	807,911
Securities held for trading				
- Bonds and treasury bills	7,001			7,001
Available for sale securities				
- Bonds and treasury bills	3,596,047	779,736	12,942	4,388,725
- Shares	19,810		17,912	37,722
- Other variable yield securities	23,129			23,129
Derivative financial liabilities	178	1,373,437	646	1,374,261
Convertible bond		39,600		39,600

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

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

The securities whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of income approach methodology using interest rates and credit spreads which are observable in the market, are classified into Level 2. Level 3 classification includes the fair value of securities with complex cash flows, estimated using significant unobservable inputs, for which external market makers do not provide indicative prices in the market and securities traded in a market which is considered inactive due to lack of liquidity. The fair value of non listed shares, as well as shares not traded in an active market is determined based on the provisions of the Bank 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 discount rate. Given that the above parameters are mainly non observable, the valuation of these shares is classified in Level 3.

For the valuation of over the counter derivatives income approach the following methodologies are used: discounted cash flow models, option-pricing models or other widely accepted valuation models. Valuations are checked on a daily basis with the respective prices of the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non observable inputs are significant, the fair value that arises is classified into Level 3 or otherwise in Level 2.

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

During the period, non material transfers were made in available for sale portfolio, between Levels 1 and 2 due to the change of the conditions that determined the market as active or not.

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

	31.3.2014			
	Total fair value	**Fair value**	**Valuation method**	**Significant non-observable inputs**
Derivative Financial Assets	170	170	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid secutities' dividends
Available for sale bonds	14,261	14,261	Based on issuer price	Price
Available for sale shares	17,239	17,239	Discounted cash flows – Multiples valuation method – Cost of acquisition	Future profitability of the issuer
Derivative Financial Liabilities	1,687	25	Discounted cash flows - Black Scholes valuation model with shares basket being the underlying instrument	Coefficient of variation and correlation coefficient between shares
		1,662	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid secutities' dividends

For all financial instruments measured at fair value classified in Level 3 due to the limited exposure of the Bank on the specific financial instruments, a reasonable variation in non-observable inputs would not affect significantly the results of the Bank.

A reconciliation for the movement of financial instruments measured at fair value in Level 3 is depicted below.

	31.3.2014		
	Assets		Liabilities
	Available for sale securities	Derivative Financial Assets	Derivative Financial Liabilities
Opening balance 1.1.2014	**30,854**	**64**	**(646)**
Total gain or loss recognized in the income statement	647	106	(1,041)
Total gain or loss recognized directly in equity	2,709		
Purchases/ Issues	92		
Sales/Repayments/Settlements	(2,802)		
Balance 31.3.2014	**31,500**	**170**	**(1,687)**
Amounts included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period	567		

During the period, no transfer was made from and to Level 3.

	31.12.2013		
	Assets		Liabilities
	Available for sale securities	Derivative Financial Assets	Available for sale securities
Opening balance 1.1.2013	**12,357**	**1,880**	**(4,022)**
Changes for the period 1.1 - 31.3.2013			
Total gain or loss recognized in the income statement	169	(101)	126
Total gain or loss recognized directly in equity	(18)		
Purchases/Issues	22		
Sales/Repayments/Settlements	(397)	(119)	(119)
Transfers to level 3 from level 2	13,198		
Balance 31.3.2013	**25,331**	**1,660**	**(4,015)**
Changes for the period 1.4 - 31.12.2013			
Total gain or loss recognized in the income statement	(11,075)	(662)	2,152
Total gain or loss recognized directly in equity	10,620		
Purchases/Issues	5,481		
Sales/Repayments/Settlements	(2,194)	(118)	401
Transfers to level 3 from level 1	2,277		
Transfers to level 3 from level 2	2,074		
Transfers from level 3 to level 2	(1,660)	(816)	816
Balance 31.12.2013	**30,854**	**64**	**(646)**
Amounts included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period **1.1 - 31.3.2013**	167	(101)	126

17. The Bank's recapitalization framework

On 6.6.2013, the Bank completed the share capital increase procedure, pursuant to the decisions of the second iterative Extraordinary General Meeting of 16.4.2013 and the Board of Directors meeting of 30.4.2013, based on the provisions of Law 3864/2010 amounting to € 4.571 billion, covering in this way the capital needs of the Group, as these were determined by the Bank of Greece.

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.

As set out in the Memorandum of Economic and Financial Policies of May 2013, the Bank of Greece conducted a new stress test, based on the data as at 30.6.2013, in order to update the capital needs of the banks. The results of the stress test were announced in March 2014. Based on the above exercise the Group capital needs were determined at € 262 million.

On 7.3.2014, Alpha Bank's Board of Directors decided the invitation of the Extraordinary Meeting of Shareholders that was held on 28.3.2014 and the agenda included the share capital increase of a total amount of up to € 1.2 billion, through payment in cash and cancellation of pre-emption rights. The share capital increase intended to:

a) contribute to the creation of the conditions necessary to satisfy the provisions of Law 3723/2008 regarding the repayment of preferred shares issued by Bank and owned by the Greek State (article 1 of Law 3723/2008) and their replacement with high quality capital, a fact that will give greater flexibility to the Bank's dividend policy in the future,

b) meet requirements as defined by the results of the diagnostic assessment of the Bank of Greece,

c) improve the quality of the Bank's regulatory capital and accelerate its adaptation to the new regulatory framework of Basel III and

d) to facilitate the Bank's financing from international capital markets under the reinforced creditworthiness.

The share capital increase of the Bank amounting to € 1.2 billion was completed on 28.3.2014 through a private placement to qualified investors. On 17.4.2014, the Bank fully redeemed to the Hellenic Republic the total amount of preference shares of € 940 million, issued to the latter by the Bank.

18. Capital adequacy

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

The Bank'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 Bank are determined by the Bank of Greece Executive Committee's Acts

From 1.1.2008 to 31.12.2013, the capital adequacy calculation was determined under the regulatory framework known as Basel II, which has been incorporated in the Greek legislation by Law 3601/2007 and several Acts of the Governor of Bank of Greece. These Acts were amended during 2010, in order to adopt the corresponding changes of EU Directives on risk management, own funds, capital adequacy and large exposures, and some of them were further amended during 2012. On January 1st, 2014, the Directive 2013/36/EU of the European Parliament and of the Council of June 26, 2013 with Regulation 575/2013 of the European Parliament and of the Council of Europe of June 26, 2013 («CRD IV») came into force, which gradually introduce the new framework of capital adequacy of credit institutions, under the standards of Basel III.

Despite their anticipated gradual application, Alpha Bank is well positioned to follow the new standards. The overall estimated impact on its core Tier I ratio is small and arises from negligible non-controlling interests, limited amount of goodwill and intangibles, no substantial insurance risk and the application of the standardized methodology for credit risk. The actions that contributed to the enhancement of the capital adequacy of the Bank during 2013 are the following:

- The completion of the merge with Emporiki Bank and the transfer of the net assets of the acquired to the Bank.
- The share capital increase amounting to €4.571 billion.
- The further reduction of risk weighted assets.
- The approval of the tender offer for the buy-back program of securities that constitute part of the capital, improved Core Tier I Capital by €103 million before tax.

On 6.3.2014 Bank of Greece announced the capital needs for the Greek banks, taking into account the expected losses as they were defined in the Baseline Scenario of the Blackrock Solutions assessment. The capital needs of Alpha Bank amounted to €262 million. The amount of €262 million was covered from the recent share capital increase of the Bank amounted to €1.2 billion that was completed during March 2014, while the preference shares of Hellenic Republic were repaid during April 2014.

The capital adequacy ratio compares the Bank'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 portfolio and the operational risk.

	31.3.2014 (estimate) [2]	31.3.2014 (estimate)	31.12.2013
Common Equity Tier I [1]	15.4%	17.2%	16.3%
Tier I	15.4%	17.2%	16.3%
Capital adequacy ratio	**15.4%**	**17.2%**	**16.5%**

[1] *For 31.12.2013 according to BoG Act 13/28.3.2013 and for 31.3.2014 according to new framework of Basel III.*

[2] *After the repayment of preference shares to the Hellenic Republic.*

Since 31.3.2013, besides the 8% capital adequacy ratio limit, new additional limits of 9% and 6% for Core Tier I ratios were set with Act 13/28.3.2013 of the Executive Committee of the Bank of Greece. The above mentioned limits should be satisfied on solo and consolidated basis. Since 31.12.2013 the new Act 36/23.12.2013 of the Executive Committee has been in effect, abrogating as deductible item, the limit of 20% of the Core Tier I Capital.

The establishment of a Single Supervisory Mechanism (SSM) is the first step for the creation of a European banking union that will be based on a Single Rule Book for financial services and on new frameworks for deposit insurance and sanitation. To this direction, special tasks have been assigned to ECB through the Council Regulation 1024/2013 which concern the prudential supervision of credit institutions in the Euro area member-countries and which allows other member countries to establish a close cooperation with ECB.

As it was announced in October 2013, in line with the Regulation's provisions regarding the SSM, ECB will perform a comprehensive assessment of the banking system, in close cooperation with the National Competent Authorities (NCAs). ECB will complete the assessment until October 2014, prior to assuming its new supervisory tasks in November 2014.

The assessment will be comprised of the following complementary pillars: a) a supervisory risk assessment, b) an asset quality review, c) a stress test in cooperation with European Banking Authority.

The Bank, based on the available data, the stress test and the assessment of capital adequacy that it has performed, considers that it maintains adequate capital buffer to satisfy the required minimum Common equity Tier I of 8% and 5.5% of the baseline and the adverse scenario, respectively.

19. Related-party transactions

The Bank enters into a number of transactions with related parties in the normal course of business. These transactions are performed at arm's length and are approved by the Bank's committees.

a. The outstanding balances of the Bank'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:

	31.3.2014	31.12.2013
Assets		
Loans and advances to customers	**67,648**	**77,644**
Liabilities		
Due to customers	73,548	74,839
Employee defined benefit obligations	619	607
Total	**74,167**	**75,446**
Letters of guarantee and approved limits	**11,936**	**12,054**

	From 1 January to	
	31.3.2014	31.3.2013
Income		
Interest and similar income	375	362
Fee and commission income	33	9
Total	**408**	**371**
Expenses		
Interest expense and similar charges	602	893
Fees paid to key management and close family members	782	788
Total	**1,384**	**1,681**

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

i. Subsidiaries

	31.3.2014	31.12.2013
Assets		
Due from banks	3,229,039	3,376,298
Derivative financial assets	13,026	16,824
Loans and advances to customers	1,313,766	1,307,156
Available for sale securities	702,467	716,926
Other assets	1,174	2,637
Total	**5,259,472**	**5,419,841**

	31.3.2014	31.12.2013
Liabilities		
Due to banks	444,248	354,299
Due to customers	398,800	478,519
Derivative financial liabilities	18,897	13,257
Debt securities in issue and other borrowed funds	1,299,341	1,402,376
Other liabilities	4,237	7,710
Total	**2,165,523**	**2,256,161**
Letters of guarantee and other guarantees	**483,611**	**524,101**

	From 1 January to	
	31.3.2014	31.3.2013
Income		
Interest and similar income	41,806	22,566
Fee and commission income	4,403	3,706
Gains less losses on financial transactions	31	(9,750)
Other income	987	525
Total	**47,227**	**17,047**
Expenses		
Interest expense and similar charges	16,409	21,116
Commission expense	388	417
General administrative expenses	4,516	5,252
Total	**21,313**	**26,785**

ii. Joint Ventures

	31.3.2014	31.12.2013
Assets		
Loans and advances to customers	151,451	150,297
Other assets	4	
Total	**151,455**	**150,297**
Liabilities		
Due to customers	7,509	8,357

	From 1 January to	
	31.3.2014	31.3.2013
Income		
Interest and similar income	1,281	1,203
Fee and commission income	1	4
Other income	1	7
Total	**1,283**	**1,214**
Expenses		
Interest expense and similar charges	25	159
General administrative expenses	1,376	1,102
Total	**1,401**	**1,261**

iii. Associates

	31.3.2014	31.12.2013
Liabilities		
Due to customers	132	547

c. The Supplementary Fund of former Alpha Credit Bank's employees holds bonds of the Bank's subsidiary Alpha Credit Group Plc of € 51,809, while its receivables from Alpha Bank amounts to € 8,691 and its deposits with Alpha Bank to € 118. It also holds Alpha Bank's shares of € 1,449.

d. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on the Bank. In particular, due to its participation in the share capital increase which was completed on 6.6.2013, 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, the Hellenic Financial Stability Fund (HFSF) and its related entities are considered related parties for the Bank.

As at 31.3.2014, the outstanding balances of the transactions as well as the results related to these transactions are analyzed as follows:

	31.3.2014	31.12.2013
Assets		
Investment securities	46,436	57,370
Liabilities		
Due to banks	442	988
Letters of guarantee	**2,054**	

	From 1 January to
	31.3.2014
Expenses	
Interest expense and similar charges	178

20. Investments in subsidiaries, associates and joint ventures

	1.1 - 31.3.2014	1.4 - 31.12.2013	1.1 - 31.3.2013
Subsidiaries			
Opening balance	**1,982,262**	**2,082,163**	**2,044,676**
Additions	1,901	143,367	7,945
Disposals		(277,791)	
Transfer due to reclassification to assets held for sale		(80,000)	
Transfers		(74)	30,160
Valuation of investments due to fair value hedge [1]	848	(1,083)	(618)
Additions from acquisition of Emporiki Bank		115,680	
Closing balance	**1,985,011**	**1,982,262**	**2,082,163**
Associates			
Opening balance	**631**	**-**	**74**
Additions		30	
Transfers		74	(74)
Transfer from Investment Securities Portfolio		527	
Closing balance	**631**	**631**	**-**
Joint ventures			
Opening balance	**87,842**	**75,619**	**105,705**
Additions	102	12,223	
Transfer to subsidiaries			(30,086)
Closing balance	**87,944**	**87,842**	**75,619**
Total	**2,073,586**	**2,070,735**	**2,157,782**

Additions represent: share purchases, participation in share capital increases and acquisitions of shares from mergers.

Disposals represent: sales of shares, return of capital, proceeds arising from the liquidation of companies, contribution in kind and impairments.

The additions in subsidiaries amounting to € 1.9 million relate to the share capital increase of the company Ionian Equity Participations Ltd.

The additions in joint ventures amounting € 0.1 million relate to the Bank's capital contribution to Alpha-TANEO A.K.E.S.

21. Corporate events

a. On 24.2.2014, the Bank exercised the option to recall the transaction of securitized mortgage loans through the special purpose entity Lithos Mortgage Financing Plc.

b. On 26.3.2014, the Bank participated in the share capital increase of its subsidiary, Ionian Equity Participations Ltd, by contributing € 1.9 million.

[1] *The Bank uses FX swaps and money market loans to hedge the foreign exchange risk of its investments in its subsidiaries abroad.*

22. Events after the balance sheet date

a. On 17.4.2014, the Bank fully redeemed to the Hellenic Republic the total amount of preference shares (200,000,000) of € 940 million, issued to the latter by the Bank.

b. On 21.5.2014, the security issued by the Hellenic Republic and transferred to the Bank instead of issuance of preference shares according to Law 3723/2008, was repaid.

Athens, May 29, 2014

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**