ALPHA BANK

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31.3.2014

(In accordance with International Accounting Standard 34)

Athens,
May 29, 2014

TABLE OF CONTENTS

Interim Consolidated Financial Statements as at 31.3.2014
(In accordance with IAS 34)

Interim Consolidated Income Statement

(Amounts in thousand of Euro)

	Note	From 1 January to 31.3.2014	31.3.2013*
Interest and similar income		837,191	826,192
Interest expense and similar charges		(365,856)	(508,470)
Net interest income		471,335	317,722
Fee and commission income		103,810	91,359
Commission expense		(8,616)	(15,410)
Net fee and commission income		95,194	75,949
Dividend income		62	12
Gains less losses on financial transactions		42,458	191,929
Other income		15,126	13,278
		57,646	205,219
Total income		**624,175**	**598,890**
Staff costs		(166,862)	(161,414)
General administrative expenses		(141,742)	(127,792)
Depreciation and amortization	7, 8, 9	(23,837)	(29,068)
Other expenses		(2,081)	(66)
Total expenses		**(334,522)**	**(318,340)**
Impairment losses and provisions to cover credit risk	2	(395,051)	(504,915)
Negative goodwill from the acquisition of Emporiki Bank			3,283,052
Share of profit/(loss) of associates and joint ventures		(2,206)	(3,119)
Profit/(loss) before income tax		**(107,604)**	**3,055,568**
Income tax	3	13,469	472,421
Profit/(loss) after income tax, from continuing operations		**(94,135)**	**3,527,989**
Profit /(loss) after income tax, from discontinued operations	22		310
Profit/(loss) after income tax		**(94,135)**	**3,528,299**
Profit/(loss) attributable to:			
Equity owners of the Bank			
- from continuing operations		(94,213)	3,527,888
- from discontinued operations			310
		(94,213)	**3,528,198**
Non-controlling interests			
- from continuing operations		78	101
Earnings/(losses) per share:			
Basic and diluted (€ per share)	4	(0.01)	3.65
Basic and diluted from continuing operations (€ per share)	4	(0.01)	3.65
Basic and diluted from discontinued operations (€ per share)	4		0.0003

* *The figures of the Interim Consolidated Income Statement of the comparative period have been restated due to the presentation of JSC Astra Bank as a discontinued operation and the finalization of the accounting for the acquisition of Emporiki Group (notes 22 and 24).*

The attached notes (pages 9 - 48) form an integral part of these interim consolidated financial statements

Interim Consolidated Balance Sheet

(Amounts in thousand of Euro)

	Note	31.3.2014	31.12.2013
ASSETS			
Cash and balances with Central Banks		1,712,991	1,688,182
Due from banks		2,560,559	2,566,230
Securities held for trading	6	13,463	8,836
Derivative financial assets		797,151	797,393
Loans and advances to customers	5	50,709,656	51,678,313
Investment securities			
- Available for sale	6	5,078,949	4,966,934
- Held to maturity	6	1,303,704	1,369,786
- Loans and receivables	6	4,315,398	4,308,556
Investments in associates and joint ventures		49,644	50,044
Investment property	7	568,516	560,453
Property, plant and equipment	8	1,113,729	1,122,470
Goodwill and other intangible assets	9	242,621	242,914
Deferred tax assets		2,788,567	2,788,688
Other assets		1,565,014	1,542,830
		72,819,962	73,691,629
Assets held for sale		5,305	5,638
Total Assets		**72,825,267**	**73,697,267**
LIABILITIES			
Due to banks	10	17,836,715	19,082,724
Derivative financial liabilities		1,424,541	1,373,500
Due to customers (including debt securities in issue)		41,842,348	42,484,860
Debt securities in issue held by institutional investors and other borrowed funds	11	721,087	782,936
Amounts due for current income tax and other taxes		51,126	56,768
Deferred tax liabilities		38,456	35,160
Employee defined benefit obligations		80,250	78,700
Other liabilities		1,020,875	1,156,000
Provisions	12	278,668	278,884
Total Liabilities		**63,294,066**	**65,329,532**
EQUITY			
Equity attributable to equity owners of the Bank			
Share capital	13	4,770,718	4,216,872
Share premium	13	4,858,216	4,212,062
Reserves		694,043	631,033
Retained earnings	13	(847,126)	(747,572)
		9,475,851	**8,312,395**
Non-controlling interests		**23,650**	**23,640**
Hybrid securities	14	**31,700**	**31,700**
Total Equity		**9,531,201**	**8,367,735**
Total Liabilities and Equity		**72,825,267**	**73,697,267**

The attached notes (pages 9 - 48) form an integral part of these interim consolidated financial statements

Interim Consolidated Statement of Comprehensive Income

(Amounts in thousand of Euro)

	Note	From 1 January to 31.3.2014	From 1 January to 31.3.2013*
Profit/(Loss), after income tax, recognized in the income statement		**(94,135)**	**3,528,299**
Other comprehensive income recognized directly in Equity:			
Amounts that may be reclassified to the income statement			
Change in available for sale securities' reserve		137,438	(26,338)
Change in cash flow hedge reserve		(55,133)	38,838
Exchange differences on translating and hedging the net investment in foreign operations		(122)	1,122
Change in the share of other comprehensive income of associates and joint ventures			140
Income tax	3	(19,122)	2,918
Total amounts that may be reclassified to the income statement from continuing operations, after income tax		**63,061**	**16,680**
Amounts that may be reclassified to the income statement from discontinued operations	22		5,410
		63,061	**22,090**
Amounts that will not be reclassified to the income statement from continuing operations			
Change in actuarial gains/(losses) of defined benefit obligations			
Income tax	3		1,882
		-	**1,882**
Total of other comprehensive income recognized directly in equity, after income tax	3	**63,061**	**23,972**
Total comprehensive income for the period, after income tax		**(31,074)**	**3,552,271**
Total comprehensive income for the period attributable to:			
Equity owners of the Bank			
- from continuing operations		(31,155)	3,546,443
- from discontinued operations			5,720
		(31,155)	**3,552,163**
Non controlling interests			
- from continuing operations		81	108

* *The figures of the Interim Consolidated Statement of Comprehensive Income of the comparative period have been restated due to the presentation of JSC Astra Bank as a discontinued operation and the finalization of the accounting for the acquisition of Emporiki Group (notes 22 and 24).*

Interim Consolidated Statements of Changes in Equity

(Amounts in 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 - 31.3.2013									
Profit/(Loss) for the period, after income tax					3,528,198	3,528,198	101		3,528,299
Other comprehensive income recognized directly in equity, after income tax				22,083	1,882	23,965	7		23,972
Total comprehensive income for the period, after income tax		**-**	**-**	**22,083**	**3,530,080**	**3,552,163**	**108**	**-**	**3,552,271**
Purchases/sales and change of ownership interests in subsidiaries					(197)	(197)	11,685		11,488
Purchases/sales/redemptions of hybrid securities, after income tax					(422)	(422)		(320)	(742)
Appropriation to reserves				86,646	(86,646)	-			-
Other					(558)	(558)			(558)
Balance 31.3.2013		**1,100,281**	**2,757,653**	**377,044**	**(95,950)**	**4,139,028**	**23,697**	**147,234**	**4,309,959**
Changes for the period 1.4 - 31.12.2013									-
Profit/(Loss) for the period, after income tax					(606,029)	(606,029)	(46)		(606,075)
Other comprehensive income recognized directly in equity, after income tax				309,444	(3,425)	306,019	(16)		306,003
Total comprehensive income for the period, after income tax		**-**	**-**	**309,444**	**(609,454)**	**(300,010)**	**(62)**	**-**	**(300,072)**
Share capital increase through issuance of common shares to Hellenic Financial Stability Fund		2,741,591	1,279,409			4,021,000			4,021,000
Share capital increase paid in cash		375,000	175,000			550,000			550,000
Share capital increase expenses, after income tax					(163,828)	(163,828)			(163,828)
Purchases/sales and change of ownership interests in subsidiaries					(195)	(195)	5		(190)
(Purchases), (Redemptions)/ Sales of hybrid securities, after income tax					51,348	51,348		(115,534)	(64,186)
Appropriation to reserves				(55,455)	55,455	-			-
Other					15,052	15,052			15,052
Balance 31.12.2013		**4,216,872**	**4,212,062**	**631,033**	**(747,572)**	**8,312,395**	**23,640**	**31,700**	**8,367,735**

(Amounts in thousand of Euro)

	Note	Share Capital	Share premium	Reserves	Retained earnings	Total	Non controlling interests	Hybrid securities	Total
Balance 1.1.2014		**4,216,872**	**4,212,062**	**631,033**	**(747,572)**	**8,312,395**	**23,640**	**31,700**	**8,367,735**
Changes for the period 1.1 - 31.3.2014									
Profit/(Loss) for the period, after income tax					(94,213)	(94,213)	78		(94,135)
Other comprehensive income recognized directly in equity, after income tax				63,058		63,058	3		63,061
Total comprehensive income for the period, after income tax		**-**	**-**	**63,058**	**(94,213)**	**(31,155)**	**81**	**-**	**(31,074)**
Share capital increase	13	553,846	646,154			1,200,000			1,200,000
Share capital increase expenses, after income tax	13				(5,077)	(5,077)			(5,077)
Purchases/sales and change of ownership interests in subsidiaries					13	13	(71)		(58)
Appropriation to reserves				(48)	48	-			-
Other					(325)	(325)			(325)
Balance 31.3.2014		**4,770,718**	**4,858,216**	**694,043**	**(847,126)**	**9,475,851**	**23,650**	**31,700**	**9,531,201**

Interim Consoliated 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		(107,604)	3,055,568
Adjustments for gain/(losses) before income tax for:			
Depreciation of fixed assets	7, 8	15,785	20,288
Amortization of intangible assets	9	8,052	8,780
Impairment losses from loans, provisions and staff leaving indemnity		402,656	509,589
Fair value adjustment recognized in the income statement		4,838	3,805
(Gains)/losses from investing activities		(30,332)	5,059
(Gains)/losses from financing activities		29,615	(116,329)
Share of (profit)/loss of associates and joint ventures		2,206	3,119
Negative goodwill from the acquisition of Emporiki Bank			(3,283,052)
		325,216	**206,827**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks		(120,069)	808,840
Securities held for trading and derivative financial assets		(4,385)	161,293
Loans and advances to customers		546,904	273,785
Other assets		(21,851)	122,048
Net increase /(decrease) in liabilities relating to continuing operating activities:			
Due to banks		(1,246,009)	(5,192,057)
Derivative financial liabilities		(458)	(209,553)
Due to customers		(733,960)	207,822
Other liabilities		(131,336)	(183,291)
Net cash flows from continuing operating activities before taxes		**(1,385,948)**	**(3,804,286)**
Income taxes and other taxes paid		(10,865)	(12,204)
Net cash flows from continuing operating activities		**(1,396,813)**	**(3,816,490)**
Net cash flows from discontinued operating activities			**5,488**
Cash flows from continuing investing activities			
Investments in subsidiaries, associates and joint ventures		(141)	645,121
Dividends received		62	12
Acquisition of fixed and intangible assets		(15,559)	(24,614)
Disposals of fixed and intangible assets		2,394	548
Net (increase)/decrease in investement securities		121,763	2,213,116
Net cash flows from continuing investing activities		**108,519**	**2,834,183**
Net cash flows from discontinued investing activities			**(7,413)**
Cash flows from continuing financing activities			
Dividends paid		(604)	(1,196)
Share capital increase		1,200,000	
Share capital increase expenses		(6,859)	
(Repayment)/receipts of debt securities		(6,674)	137,367
(Purchases)/sales of hybrid securities			(303)
Net cash flows from continuing financing activities		**1,185,863**	**135,868**
Effect of exchange rate fluctuations on cash and cash equivalents		(270)	4,099
Net increase/(decrease) in cash flows – continuing activities		**(102,701)**	**(842,340)**
Net increase/(decrease) in cash flows – discontinued activities			**(1,925)**
Cash and cash equivalents at the beginning of the period		**973,167**	**2,110,093**
Cash and cash equivalents at the end of the period		**870,466**	**1,265,828**

* *The figures of the Interim Consolidated Statement of Cash Flows of the comparative period have been restated due to the presentation of JSC Astra Bank as a discontinued operation and the finalization of the accounting for the acquisition of Emporiki Group (notes 22 and 24).*

The attached notes (pages 9 - 48) 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, 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 **

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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)
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, 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 which took place in March 2014, with cancellation of pre-emption rights, 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 to 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.

* *Member of the Audit Committee*
** *Member of the Remuneration Committee*
*** *Member of the Risk Management Committee*

ACCOUNTING POLICIES APPLIED

1.1 Basis of prsentation

The Group 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 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 31.12.2013, 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 Group 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 Group, in the context of applying accounting policies and preparing financial statements in accordance with the International Financial Reporting Standards, makes estimates and assumptions that affect the amounts that are recognized as income, expenses, assets or liabilities. The use of estimates and assumptions is an integral part of recognizing amounts in the financial statements that mostly relate to the following:

Fair value of assets and liabilities

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

Impairment losses of financial assets

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

Impairment losses of non – financial assets

The Group, at each 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.

Provisions and contingent liabilities

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

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

1.2.1 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 19, 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 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 note 1.31.2 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 Group recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized. The main categories of deferred tax assets 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 1.31.3 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 Group reassesses its estimation regarding the recoverability of the deferred tax assets or the recognition of the non-recognised 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)	398,310	505,997
Provisions to cover credit risk relating to off balance sheet items (note 12)	106	446
Recoveries	(3,365)	(1,528)
Total	**395,051**	**504,915**

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 applicable from 1.1.2014.

In accordance with article 72 of Law 4172/23.7.2013, 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 cannot be established.

For the Bank's subsidiaries and branches operating in other countries, the applicable nominal tax rates for accounting periods 2013 and 2014 are as follows:

Cyprus	12.5
Bulgaria	10
Serbia	15
Romania	16
FYROM	10[1]
Albania	10
Ukraine	19
Jersey	10
United Kingdom	23[2]

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 28/30.4.2013 the tax rate reached 0.15%.

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.

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

[1] *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.*

[2] *For the year 2012 up to 31.3.2013 the tax rate was 24%.*

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

	From 1 January to	
	31.3.2014	31.3.2013
Current	5,222	6,017
Deferred	(18,691)	(478,438)
Total	**(13,469)**	**(472,421)**

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 Group 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	2,460	866
Valuation/ impairment of loans	22,456	(13,140)
Suspension of interest accruals	11,757	(14,779)
Effective interest rate	(112)	(810)
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(1,668)	1,433
Valuation/ impairment of bonds and other securities	10,632	(7,097)
Tax losses carried forward	(61,812)	(103,732)
Valuation/ impairment of loans and other temporary differences	(12,390)	(105,929)
Total	**(18,691)**	**(478,438)**

The above amounts for 2013 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			
	31.3.2014		31.3.2013	
	%		%	
Profit/(loss) before income tax		**(107,604)**		**3,055,568**
Income tax (nominal tax rate)	22.57	(24,281)	26.15	798,980
Increase/(decrease) due to:				
Additional tax on income from land and buildings	(0.05)	53	0.01	25
Non taxable income	0.14	(152)	(0.02)	(659)
Non deductible expenses	(7.08)	7,614	0.20	6,131
Effect of changes in tax rates used for deferred tax			(13.59)	(415,245)
Negative goodwill from the acquisition of Emporiki Bank not subject to tax			(27.94)	(853,594)
Other temporary differences	(3.06)	3,297	(0.26)	(8,059)
Income tax (effective tax rate)	**12.52**	**(13,469)**	**(15.45)**	**(472,421)**

The tax rate of 22.57% for the first three month period of 2014 and 26.15% for the first three month period of 2013, is the weighted average nominal tax rate based on the nominal income tax rate and the profit/loss before tax of the parent company and of each of the Group's subsidiaries.

Income tax of the 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	137,438	(33,849)	103,589	(26,338)	7,069	(19,269)
Change in cash flow hedge reserve	(55,133)	14,335	(40,798)	38,838	(10,098)	28,740
Exchange differences on translating and hedging the net investment in foreign operations	(122)	392	270	1,122	1,034	2,156
Tax rate adjustments (Law 4110/2013)					4,913	4,913
Change in the share of other comprehensive income of associates and joint ventures				140		140
Total amounts that may be reclassified in the Income Statement from continuing operations	**82,183**	**(19,122)**	**63,061**	**13,762**	**2,918**	**16,680**
Amounts that may be reclassified in the Income Statement from discontinued operations				5,682	(272)	5,410
	82,183	**(19,122)**	**63,061**	**19,444**	**2,646**	**22,090**
Amounts that will not be reclassified in the Income Statement						
Tax rate adjustments (Law 4110/2013)					1,882	1,882
Total	**82,183**	**(19,122)**	**63,061**	**19,444**	**4,528**	**23,972**

For the first three month period 2014, "Retained Earnings" includes a deferred tax liability amounting to €1,782, 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.

For the first three month period 2013, "Retained Earnings" includes a deferred tax liability amounting to €439, arising from purchases/sales of hybrid securities.

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 companies of the Group, during the period.

For the calculation of basic earnings/(losses) per share, profit or loss for the period is adjusted by deducting the after-tax amount of dividends for 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 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 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	
	31.3.2014	**31.3.2013**
Profit/(loss) attributable to equity owners of the Bank	(94,213)	3,528,198
Weighted average number of outstanding ordinary shares	11,004,957,294	965,652,432
Basic and diluted earnings/(losses) per share (in €)	(0.01)	3.65

	From 1 January to	
	31.3.2014	**31.3.2013**
Profit/(loss) from continuing operations attributable to the ordinary equity owners of the Bank	(94,213)	3,527,888
Weighted average number of outstanding ordinary shares	11,004,957,294	965,652,432
Basic and diluted earnings/(losses) from continuing operations per share (in €)	(0.01)	3.65

	From 1 January to	
	31.3.2014	**31.3.2013**
Profit/(loss) from discontinued operations attributable to the ordinary equity owners of the Bank	-	310
Weighted average number of outstanding ordinary shares	11,004,957,294	965,652,432
Basic and diluted earnings/(losses) from discontinued operations per share (in €)	-	0.0003

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 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	20,414,485	20,128,867
- Securitized		99,096
Consumer:		
- Non-Securitized	3,830,411	3,859,647
- Securitized	1,333,812	1,319,169
Credit cards:		
- Non-Securitized	536,729	529,613
- Securitized	458,057	471,800
Other	14,015	20,504
Total	**26,587,509**	**26,428,696**
Companies:		
Corporate loans:		
- Non-securitized	28,669,893	28,990,910
- Securitized	1,397,608	1,480,643
Finance leases (Leasing)		
- Non-securitized	303,960	312,336
- Securitized	459,314	449,050
Factoring	496,995	503,431
Total	**31,327,770**	**31,736,370**
Receivables from insurance and re-insurance activities	15,644	14,363
Other receivables	230,068	455,018
	58,160,991	**58,634,447**
Less:		
Allowance for impairment losses (1)	(7,451,335)	(6,956,134)
Total	**50,709,656**	**51,678,313**

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 €99,096 as of 31.12.2013 refers to securitized mortgage loans of Emporiki Bank. The transaction was withdrawn 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 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 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 amounted to €4.3 billion.

(1) *In addition to the allowance for impairment losses and advances to customers, a provision of €67,083 (31.12.2013: €66,986) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to €7,518,418 (31.12.2013: €7,023,120).*

Allowance for impairment losses

Balance 1.1.2013	**4,606,220**
Changes for the period 1.1. - 31.3.2013	
Impairment losses for the period from continuing operations (note 2)	505,997
Impairment losses for the period from discontinued operations (note 22)	367
Change in present value of the allowance account	82,093
Foreign exchange differences	(2,159)
Loans written-off during the period	(15,442)
Balance 31.3.2013	**5,177,076**
Changes for the period 1.4. - 31.12.2013	
Accumulated provisions of companies which are consolidated for the first time	5,564
Impairment losses for the period from continuing operations	1,426,374
Impairment losses for the period from discontinued operations	495
Change in present value of the allowance account	299,537
Foreign exchange differences	(8,002)
Loans written-off during the period	(111,056)
Other adjustments for credit risk	174,416
Accumulated provisions of disposed companies	(8,270)
Balance 31.12.2013	**6,956,134**
Changes for the period 1.1. - 31.3.2014	
Impairment losses for the period (note 2)	398,310
Change in present value of the allowance account	117,693
Foreign exchange differences	1,350
Loans written-off during the period	(22,152)
Balance 31.3.2014	**7,451,335**

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

	31.3.2014	31.12.2013
Up to 1 year	386,822	393,579
From 1 year to 5 years	163,911	208,857
Over 5 years	365,813	313,017
	916,546	**915,453**
Non accrued finance lease income	(153,272)	(154,067)
Total	**763,274**	**761,386**

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

	31.3.2014	31.12.2013
Up to 1 year	362,913	369,858
From 1 year to 5 years	96,363	129,859
Over 5 years	303,998	261,669
Total	**763,274**	**761,386**

6. Investment and held for trading securities

i. Held for trading securities

Securities held for trading amounted to €13.5 million on 31.3.2014 (31.12.2013: €8.8 million) of which Greek Government Bonds €7.7 million (31.12.2013: €6.5 million)

ii. Investment securities

a. Available for sale

The available for sale portfolio amounts to € 5.1 billion as at 31.3.2014 (31.12.2013: € 5 billion). This amount includes securities issued by the Greek State that amount to € 3.5 billion as at 31.3.2014 (31.12.2013: € 3.4 billion) out of which € 2.5 billion (31.12.2013: € 2.5 billion) relate to treasury bills.

The Group during the first three month period of 2014 has recognized impairment losses for mutual funds amounting to € 0.2 million which are included in "Gain less losses on financial transactions".

b. Held to maturity

The held to maturity portfolio amounts to € 1.3 billion as at 31.3.2014 (31.12.2013: € 1.4 billion). This amount includes Greek Government bonds of €0.9 billion as at 31.3.2014 (31.12.2013: € 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 and 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 Group holds at available for sale portfolio, bonds of the Republic of Cyprus with a book value of € 5 million (31.12.2013: € 19.8 million) and a bond of Cyprus Popular Bank (senior term) with a book value of € 1.6 million (31.12.2013: € 1.6 million) after the accumulated impairment of past years amounting of € 34.4 million.

Also, the Group 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 and 42,274 shares of Bank of Cyprus with a book value of € 8.8 thousand.

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

7. Investment property

	Land and Buildings
Balance 1.1.2013	
Cost	510,252
Accumulated depreciation and impairment losses	(16,754)
1.1.2013 - 31.3.2013	
Net book value 1.1.2013	493,498
Additions	2,784
Additions from companies consolidated for the first time in 2013 which were reclassified to "Other assets"	109,974
Additions from companies consolidated for the first time in 2013	53,810
Foreign exchange differences	336
Depreciation charge from continuing operations	(2,640)
Net book value 31.3.2013	**657,762**
Balance 31.3.2013	
Cost	683,276
Accumulated depreciation and impairment losses	(25,514)
1.4.2013 - 31.12.2013	
Net book value 1.4.2013	657,762
Additions	36,895
Additions from companies consolidated for the first time in 2013	29,109
Reclassification to "Other assets"	(109,974)
Disposals/write-offs	(2,596)
Impairments	(39,385)
Reclassifications	(2,500)
Foreign exchange differences	(735)
Depreciation charge from continuing operations	(8,123)
Net book value 31.12.2013	**560,453**
Balance 31.12.2013	
Cost	627,457
Accumulated depreciation and impairment losses	(67,004)
1.1.2014 - 31.3.2014	
Net book value 1.1.2014	560,453
Additions	1,178
Additions from companies consolidated for the first time	9,660
Foreign exchange differences	143
Disposals/write-offs	(454)
Depreciation charge	(2,464)
Net book value 31.3.2014	**568,516**
Balance 31.3.2014	
Cost	635,868
Accumulated depreciation and impairment losses	(67,352)

The additions from companies consolidated for the first time in 2013 and in the first three month period 2014 relate to investment property which were obtained as collateral for loans and acquired by the group in the context of its credit risk methodology.

In 2013, an impairment loss amounting to €39.4 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	1,261,028	3,747	497,024	1,761,799
Accumulated depreciation and impairment losses	(350,284)	(2,444)	(421,686)	(774,414)
1.1.2013 - 31.3.2013				
Net book value 1.1.2013	910,744	1,303	75,338	987,385
Foreign exchange differences	673	2	500	1,175
Additions	1,829	197	3,164	5,190
Additions from companies consolidated for the first time in 2013	182,445		22,540	204,985
Additions from companies consolidated for the first time in 2013 which were reclassified to"Land and Buildings"			20,647	20,647
Disposals/write-offs	(246)	(67)	(66)	(379)
Impairments	(193)			(193)
Other reclassifications	(500)		505	5
Depreciation charge for the period from discontinued operations	(86)		(174)	(260)
Depreciation charge for the period from continuing operations	(6,467)	(142)	(11,039)	(17,648)
Restatements due to acquisition of Emporiki Bank	(15,119)	-	-	(15,119)
Net book value 31.3.2013	**1,073,080**	**1,293**	**111,415**	**1,185,788**
Balance 31.3.2013				
Cost	1,445,364	3,668	683,351	2,132,383
Accumulated depreciation and impairment losses	(372,284)	(2,375)	(571,936)	(946,595)
1.4.2013 - 31.12.2013				
Net book value 1.4.2013	1,073,080	1,293	111,415	1,185,788
Foreign exchange differences	(1,794)	(15)	(531)	(2,340)
Additions	11,722	845	11,483	24,050
Additions from companies consolidated for the first time in 2013	2,941			2,941
Reclassification from "Equipment"	20,647		(20,647)	
Sale of subsidiary	(4,673)		(1,104)	(5,777)
Disposals/write-offs	(14,949)	(16)	(858)	(15,823)
Other reclassifications	(6,259)		(700)	(6,959)
Impairment loss	(18,378)		(21)	(18,399)
Depreciation charge for the period from discontinued operations	(131)		(240)	(371)
Depreciation charge for the period from continuing operations	(24,513)	(389)	(15,738)	(40,640)
Net book value 31.12.2013	**1,037,693**	**1,718**	**83,059**	**1,122,470**
Balance 31.12.2013				
Cost	1,428,120	4,378	515,075	1,947,573
Accumulated depreciation and impairment losses	(390,427)	(2,660)	(432,016)	(825,103)
1.1.2014 - 31.3.2014				
Net book value 1.1.2014	1,037,693	1,718	83,059	1,122,470
Foreign exchange differences	38	(1)	17	54
Additions	3,354		3,126	6,480
Additions from companies consolidated for the first time	1		51	52
Disposals/write-offs	(1,934)		(188)	(2,122)
Reclassifications	(120)		120	
Reclassification from "Goodwill and other intangible assets"			116	116
Depreciation charge for the period	(7,710)	(145)	(5,466)	(13,321)
Net book value 31.3.2014	**1,031,322**	**1,572**	**80,835**	**1,113,729**
Balance 31.3.2014				
Cost	1,425,841	4,386	515,139	1,945,366
Accumulated depreciation and impairment losses	(394,519)	(2,814)	(434,304)	(831,637)

"Additions from companies consolidated for the first time in 2013" mainly includes the fair value of Emporiki Bank Group's assets on the acquisition date.

In 2013, an impairment loss of €18.6 million was recognized for property, plant and equipment and was recorded in "Other Expenses".

9. Goodwill and other intangible assets

	Goodwill	Software	Other intangible	Total
Balance 1.1.2013				
Cost	41,656	347,339	54,597	443,592
Accumulated amortization and impairment losses	(40,520)	(234,898)	(26,417)	(301,835)
1.1.2013 - 31.3.2013				
Net book value 1.1.2013	1,136	112,441	28,180	141,757
Additions		16,232	389	16,621
Additions from companies consolidated for the first time in 2013		24,008	46,100	70,108
Disposals/write-offs		(99)		(99)
Foreign exchange differences	29	(591)	39	(523)
Amortization charge for the period from discontinued operations		(23)		(23)
Amortization charge from continuing operations		(8,131)	(649)	(8,780)
Net book value 31.3.2013	**1,165**	**143,837**	**74,059**	**219,061**
Balance 31.3.2013				
Cost	1,165	483,024	101,708	585,897
Accumulated amortization and impairment losses		(339,187)	(27,649)	(366,836)
1.4.2013 - 31.12.2013				
Net book value 1.4.2013	1,165	143,837	74,059	219,061
Additions		32,505		32,505
Additions from acquisition of Cooperative Banks			9,094	9,094
Disposals/write-offs		(2,594)		(2,594)
Sale of subsidiary	(1,136)	(80)	(22)	(1,238)
Reclassifications		(1,972)	1,972	
Foreign exchange differences	(29)	523	(36)	458
Amortization charge for the period from discontinued operations		(40)	(2)	(42)
Amortization charge from continuing operations		(8,554)	(5,776)	(14,330)
Net book value 31.12.2013	**-**	**163,625**	**79,289**	**242,914**
Balance 31.12.2013				
Cost	40,520	418,490	112,361	571,371
Accumulated amortization and impairment losses	(40,520)	(254,865)	(33,072)	(328,457)
1.1.2014 - 31.3.2014				
Net book value 1.1.2014		163,625	79,289	242,914
Additions		7,900	1	7,901
Reclassification to "Property, plant and equipment"		(116)		(116)
Reclassifications		27,922	(27,922)	
Foreign exchange differences		(26)		(26)
Amortization charge		(4,989)	(3,063)	(8,052)
Net book value 31.3.2014	**-**	**194,316**	**48,305**	**242,621**
Balance 31.3.2014				
Cost		470,682	70,947	541,629
Accumulated amortization and impairment losses		(276,366)	(22,642)	(299,008)

"Additions from companies consolidated for the first time in 2013" includes the fair value of intangible assets of Emporiki Bank Group obtained on the acquisition date. 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.

Additionally, an amount equal to €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.

The amount of €1,136 for the year 2013, relates to the goodwill arising from the initial acquisition of JSC Astra Bank.

LIABILITIES

10. Due to banks

	31.3.2014	31.12.2013
Deposits:		
- Current accounts	47,777	69,757
- Term deposits		
Central Banks	15,668,206	17,177,211
Other credit institutions	811,805	538,517
Sale of repurchase agreements (Repos)	870,542	857,590
Borrowing funds	438,385	439,649
Total	**17,836,715**	**19,082,724**

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 a ordinary bond loan with a nominal value of €950 million with issue day 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	**35,851**
Changes for the period 1.1 - 31.3.2014	
New issues	35,793
Maturities/Redemptions	(35,877)
Accrued interest	266
Foreign exchange differences	99
Balance 31.3.2014	**36,132**

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 2620/28.08.09 directive of Bank of Greece are published at the Bank's website.*

iv. Senior debt securities

Balance 1.1.2014	**744,254**
Changes for the period 1.1 - 31.3.2014	
(Repurchases)/sales	6,037
Maturities/repayments	(29,647)
Fair value change	1,315
Accrued interest	10,133
Foreign exchange differences	99
Balance 31.3.2014	**732,191**

v. Securitization of mortgage loans

Balance 1.1.2014	**68,517**
Changes for the period 1.1 - 31.3.2014	
Maturities/repayments	(69,948)
Accrued interest	1,431
Balance 31.3.2014	**-**

These obligations occurred after the acquisition of Emporiki Bank and refer to the securities issued by special purpose entity Lithos Mortgage Financing Plc (securitization of mortgage loans). The transaction was recalled on 24.2.2014 after the exercise of the respective option of the Bank.

Additional liabilities arising from the securitisation 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 € 4.2 billion, that were issued by special purpose entities, are held by the Group.

vi. Subordinated debt

Balance 1.1.2014	**163,289**
Changes for the period 1.1 - 31.3.2014	
(Repurchases)/sales	(12)
Accrued interest	(3)
Balance 31.3.2014	**163,274**

vii. Convertible bond loan

Balance 1.1.2014 / Balance 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 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 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 debt securities in issue and other borrowed funds on 31.3.2014	**971,197**

Of the above debt securities in issue amounting to €971,197 an amount of €250,110 (31.12.2013: €268,575) 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 31.3.2014, amounts to €721,087 (31.12.2013: €782,936).

12. Provisions

	31.3.2014	31.12.2013
Insurance provisions	148,341	138,701
Provisions to cover credit risk and other provisions	130,327	140,183
Total	**278,668**	**278,884**

a. Insurance provisions

	31.3.2014	31.12.2013
Non-life insurance		
Unearned premiums	5,023	5,388
Outstanding claim reserves	9,617	9,261
Total	**14,640**	**14,649**
Life insurance		
Mathematical reserves	103,094	95,841
Outstanding claim reserves	7,365	6,031
Total	**110,459**	**101,872**
Reserves for investments held on behalf and at risk of life insurance policy holders	**23,242**	**22,180**
Total	**148,341**	**138,701**

b. Provisions to cover credit risk and other provisions

Balance 1.1.2013	**38,354**
Changes for the period 1.1. - 31.3.2013	
Provisions to cover credit risk relating to off-balance sheet items (note 2)	446
Other provisions used during the period	27
Reversal of other provisions	(647)
Other provisions from companies consolidated for the first time	116,766
Other provisions used during the period	(110)
Foreign exchange differences	391
Balance 31.3.2013	**155,227**
Changes for the period 1.4. - 31.12.2013	
Provisions to cover credit risk relating to off-balance sheet items	17,718
Other provisions used during the period	759
Write-offs	(1,478)
Provisions to cover credit risk relating to off-balance sheet items from companies consolidated for the first time	118,862
Reclassification to "Other assets"	(136,273)
Reclassification to "Loans and advance to customers"	(8,000)
Other provisions used during the period	(6,400)
Accumulated provisions from discontinued operations	(158)
Foreign exchange differences	(74)
Balance 31.12.2013	**140,183**
Changes for the period 1.1. - 31.3.2014	
Provisions to cover credit risk relating to off-balance sheet items (note 2)	106
Other provisions used during the period	161
Reclassification to "Other liabilities"	(9,807)
Other provisions used during the period	(309)
Foreign exchange differences	(7)
Balance 31.3.2014	**130,327**

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 €67.1 million and other provisions to €63.2 million out of which €32 million concerns legal cases.

c. Restructuring program provisions

Balance 1.1.2013	**477**
Changes for the period 1.1. - 31.3.2013	
Provisions used during the period	(13)
Balance 31.3.2013	**464**
Changes for the period 1.4. - 31.12.2013	
Provisions used during the period	(464)
Balance 31.12.2013	**-**

EQUITY

13. Share capital, Share premium and Retained earnings

a) Share capital

The Bank's share capital as at 31.3.2014 is analysed 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 on 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 on 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 a 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 19).

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 19 and 25).

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 to note 13a, amounting to € 5.1 million after income tax.

14. Hybrid securities

	31.3.2014	31.12.2013
Hybrid securities		
Perpetual with 1st call option on 18.2.2015 and annually	35,400	35,400
Total	**35,400**	**35,400**
Securities held by Group companies	(3,700)	(3,700)
Total	**31,700**	**31,700**

During 2013 no dividends were distributed to hybrid security holders due to the non existence of distributable funds for the Bank up to the end of 2012. Since the requirement for non existence of distributable funds for 2013 as well is fulfilled, on 17.1.2014 the non payment of dividend for the CMS hybrid security (ISIN: DE000A0DX3M2) which does not have an interest step up clause was announced for 18.2.2014.

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 31.3.2014 has recorded a provision for pending legal cases amounting to €32 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 with 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 with 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 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)	2011
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.	2011
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. Ventures **/***	2009
4. Alpha A.E. Ventures Capital Management - AKES **/***	2009
5. Emporiki Ventures Capital Developed Markets Ltd	2007
6. Emporiki Ventures Capital Emerging Markets Ltd	2008
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)	2011
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
29. SC Cordia Residence SRL	2011
30. HT-1 E.O.O.D	*
31. AGI-RRE Venus S.R.L. (commencement of operation 2014)	*
32. AGI-RRE Cleopatra S.R.L. (commencement of operation 2014)	*
33. AGI-RRE Hermes S.R.L. (commencement of operation 2014)	*
34. SC Carmel Residential S.R.L. (commencement of operation 2014)	*
Special purpose and holding entities	
1. Alpha Credit Group Plc (voluntary settlement of tax obligation)	2011
2. Alpha Group Jersey Ltd (voluntary settlement of tax obligation)	2011
3. Alpha Group Investments Ltd (commencement of operation 2007)	*
4. Ionian Holdings A.E**/***	2009
5. Ionian Equity Participations Ltd (commencement of operation 2006)	2007
6. Emporiki Group Finance Plc	2011
7. AGI – BRE Participations 1 Ltd (commencement of operation 2009)	*
8. AGI – RRE Participations 1 Ltd (commencement of operation 2009)	*
9. Alpha Group Ltd (commencement of operation 2012)	*
10.Katanalotika Plc (voluntary settlement of tax obligation)	2011
11.Epihiro Plc (voluntary settlement of tax obligation)	2011
12. Irida Plc (voluntary settlement of tax obligation)	2011
13. Pisti 2010 - 1 Plc (voluntary settlement of tax obligation)	2011
14. AGI – RRE Athena Ltd (commencement of operation 2011)	*
15. AGI - RRE Poseidon Ltd (commencement of operation 2012)	*
16. AGI - RRE Hera Ltd (commencement of operation 2012)	*
17. Umera Ltd (commencement of operation 2012)	*
18. AGI – BRE Participations 2 Ltd (commencement of operation 2011)	*
19. AGI – BRE Participations 3 Ltd (commencement of operation 2011)	*
20. AGI – BRE Participations 4 Ltd (commencement of operation 2010)	*

* *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
21. AGI – RRE Apollo Ltd (commencement of operation 2010)	*
22. AGI – RRE Ares Ltd (commencement of operation 2010)	*
23. AGI – RRE Venus Ltd (commencement of operation 2012)	*
24. AGI – RRE Artemis Ltd (commencement of operation 2012)	*
25. AGI – BRE Participations 5 Ltd (commencement of operation 2012)	*
26. AGI-RRE Cleopatra Ltd (commencement of operation 2013)	*
27. AGI-RRE Hermes Ltd (commencement of operation 2013)	*
28. AGI-Cypre Arsinoe Ltd (commencement of operation 2013)	*
29.AGI-SRE Ariadni Ltd (commencement of operation 2014)	*
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:

	31.3.2014	31.12.2013
- less than one year	50,144	51,869
- between one and five years	135,685	145,326
- over five years	213,523	228,186
Total	**399,352**	**425,381**

The minimum future lease fees are:

	31.3.2014	31.12.2013
- less than one year	9,602	10,205
- between one and five years	29,944	28,548
- over five years	19,747	19,148
Total	**59,293**	**57,901**

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 clients. 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.

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* *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.*

*** *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.*

The outstanding balances are as follows:

	31.3.2014	31.12.2013
Letters of credit	57,449	51,387
Letters of guarantee and other guarantees	5,806,776	5,869,824

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

Committed limits that can not be recalled in case where counterparties fail to meet their contractual obligations as at 31.3.2014 amounts to €258.4 million (31.12.2013: €375.8 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 are 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 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 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 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.

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 %	
		31.3.2014	31.12.2013
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	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. Alpha Bank Albania SH.A.	Albania	100.00	100.00
8. JSC Astra Bank (note 22)	Ukraine		
Leasing companies			
1. Alpha Leasing A.E.	Greece	100.00	100.00
2. Alpha Leasing Romania IFN S.A.	Romania	100.00	100.00
3. ABC Factors A.E.	Greece	100.00	100.00
Investment Banking			
1. Alpha Finance A.E.P.E.Y.	Greece	100.00	100.00
2. SSIF Alpha Finance Romania S.A.	Romania	100.00	100.00
3. Alpha A.E. 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	100.00
6. Emporiki Ventures Capital Emerging Markets Ltd	Cyprus	100.00	100.00
7. Emporiki Management A.E.	Greece	100.00	100.00
Asset Management			
1. Alpha Asset Management A.E.D.A.K.	Greece	100.00	100.00
2. ABL Independent Financial Advisers Ltd	United Kingdom	100.00	100.00
Insurance			
1. Alpha Insurance Agents A.E.	Greece	100.00	100.00
2. Alpha Insurance Ltd	Cyprus	100.00	100.00
3. Alpha Insurance Brokers S.R.L.	Romania	100.00	100.00
4. Alphalife A.A.E.Z.	Greece	100.00	100.00
Real estate and hotel			
1. Alpha Astika Akinita A.E.	Greece	93.17	93.14
2. Ionian Hotel Enterprises A.E.	Greece	97.27	97.27
3. Oceanos A.T.O.E.E.	Greece	100.00	100.00
4. Emporiki Development and Real Estate Management A.E.	Greece	100.00	100.00
5. Alpha Real Estate D.O.O. Beograd	Serbia	93.17	93.14
6. Alpha Astika Akinita D.O.O.E.L. Skopje	FYROM	93.17	93.14
7. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	93.17	93.14
8. Chardash Trading E.O.O.D.	Bulgaria	93.17	93.14
9. Alpha Astika Akinita Romania S.R.L.	Romania	93.17	93.14
10. Alpha Investment Property Chalandriou A.E.	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.	Greece	100.00	100.00
13. Alpha Investment Property Amaroussion I A.E.	Greece	100.00	100.00
14. Alpha Investment Property Amaroussion II A.E.	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

Name	Country of incorporation	Group's ownership interest % 31.3.2014	Group's ownership interest % 31.12.2013
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.	Greece	72.20	72.20
29. SC Cordia Residence S.R.L.	Romania	100.00	100.00
30. HT-1 E.O.O.D.	Bulgaria	100.00	100.00
31. AGI-RRE Venus S.R.L. (23b)	Romania	100.00	
32. AGI-RRE Cleopatra S.R.L. (23c)	Romania	100.00	
33. AGI-RRE Hermes S.R.L. (23d)	Romania	100.00	
34. SC Carmel Residential S.R.L. (23f)	Romania	100.00	
Special purpose and holding entities			
1. Alpha Credit Group Plc	United Kingdom	100.00	100.00
2. Alpha Group Jersey Ltd	Jersey	100.00	100.00
3. Alpha Group Investments Ltd (23a)	Cyprus	100.00	100.00
4. Ionian Holdings A.E.	Greece	100.00	100.00
5. Ionian Equity Participations Ltd (23g)	Cyprus	100.00	100.00
6. Emporiki Group Finance Plc	United Kingdom	100.00	100.00
7. AGI – BRE Participations 1 Ltd	Cyprus	100.00	100.00
8. AGI – RRE Participations 1 Ltd	Cyprus	100.00	100.00
9. Alpha Group Ltd	Cyprus	100.00	100.00
10. Katanalotika Plc	United Kingdom		
11. Epihiro Plc	United Kingdom		
12. Irida Plc	United Kingdom		
13. Pisti 2010-1 Plc	United Kingdom		
14. Lithos Mortgage Financing Plc (23e)	United Kingdom		
15. AGI – RRE Athena Ltd	Cyprus	100.00	100.00
16. AGI – RRE Poseidon Ltd	Cyprus	100.00	100.00
17. AGI – RRE Hera Ltd	Cyprus	100.00	100.00
18. Umera Ltd	Cyprus	100.00	100.00
19.AGI-BRE Participations 2 Ltd	Cyprus	100.00	100.00
20.AGI-BRE Participations 3 Ltd	Cyprus	100.00	100.00
21.AGI-BRE Participations 4 Ltd	Cyprus	100.00	100.00
22.AGI-RRE Apollo Ltd	Cyprus	100.00	100.00
23.AGI-RRE Ares Ltd	Cyprus	100.00	100.00
24.AGI-RRE Venus Ltd (23b)	Cyprus	100.00	100.00
25.AGI-RRE Artemis Ltd (23f)	Cyprus	100.00	100.00
26.AGI-BRE Participations 5 Ltd	Cyprus	100.00	100.00
27.AGI-RRE Cleopatra Ltd (23c)	Cyprus	100.00	100.00
28.AGI-RRE Hermes Ltd (23d)	Cyprus	100.00	100.00
29.AGI-Cypre Arsinoe Ltd	Cyprus	100.00	100.00
30.AGI-SRE Ariadni Ltd (23a)	Cyprus	100.00	
Other companies			
1. Alpha Bank London Nominees Ltd	United Kingdom	100.00	100.00
2. Alpha Trustees Ltd	Cyprus	100.00	100.00
3. 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.	Greece	100.00	100.00
7. Zerelda Ltd	Cyprus	100.00	100.00
8. Evisak A.E.	Greece	85.71	85.71

B. JOINT VENTURES

1. Cardlink A.E.	Greece	50.00	50.00
2. APE Commercial Property A.E.	Greece	72.20	72.20
3. APE Investment Property A.E.	Greece	72.80	72.80
4. Alpha TANEO A.K.E.S.	Greece	51.00	51.00
5. Rosequeens Properties Ltd.	Cyprus	33.33	33.33

C. ASSOCIATES

1. AEDEP Thessalias and Stereas Ellados	Greece	50.00	50.00
2. A.L.C. Novelle Investments Ltd	Cyprus	33.33	33.33
3. Banking Information Systems A.E.	Greece	23.77	23.77
4. Propindex A.E.D.A.	Greece	35.58	35.58
5. Olganos A.E.	Greece	30.44	30.44

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".

Consolidated Financial Statements do not include the Commercial Bank of London Ltd which is a dormant company and Smelter Medical Systems AE, Emporiki Media Ltd, Aris-Diomidis Emporiki AE, Metek AE, which have been fully impaired and are in the process of liquidation. On 31.3.2014, Prismatech Hellas AE, which has also been fully impaired, was deleted from the portfolio of Alpha A.E. Ventures.

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 million of Euro)

	1.1 - 31.3.2014						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South Eastern Europe	Other	Group
Net interest income	202.0	178.4	3.5	(0.3)	87.1	0.6	471.3
Net fee and commission income	37.7	36.1	8.4	3.0	9.8	0.2	95.2
Other income	1.3	3.9	0.8	29.9	12.3	7.2	55.4
Total income	**241.0**	**218.4**	**12.7**	**32.6**	**109.2**	**8.0**	**621.9**
Total expenses	**(194.1)**	**(42.7)**	**(7.7)**	**(6.7)**	**(63.7)**	**(19.6)**	**(334.5)**
Impairment losses	(127.7)	(182.3)	-	-	(85.0)	-	(395.0)
Profit/(loss) before income tax	**(80.8)**	**(6.6)**	**5.0**	**25.9**	**(39.5)**	**(11.6)**	**(107.6)**
Income tax							13.5
Profit/(loss) after income tax from continuing operations	**(80.8)**	**(6.6)**	**5.0**	**25.9**	**(39.5)**	**(11.6)**	**(94.1)**
Assets 31.3.2014	29,284.4	15,652.2	616.5	11,457.2	12,199.3	3,615.7	72,825.3
Liabilities 31.3.2014	30,124.8	5,961.8	2,073.4	14,151.1	10,792.5	190.5	63,294.1

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 Group made capital expenditure of € 3.8 million.

(Amounts in million of Euro)

	1.1 - 31.3.2013						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South Eastern Europe	Other	Group
Net interest income	168.0	139.0	2.6	(73.4)	80.7	0.8	317.7
Net fee and commission income	31.3	30.9	5.1	(2.9)	11.4	0.1	75.9
Other income	1.3	2.8	0.2	78.6	6.9	112.3	202.1
Total income	**200.6**	**172.7**	**7.9**	**2.3**	**99.0**	**113.2**	**595.7**
Total expenses	**(183.9)**	**(39.2)**	**(6.6)**	**(6.9)**	**(66.1)**	**(15.6)**	**(318.3)**
Impairment losses	(297.3)	(131.8)			(75.8)		(504.9)
Negative goodwill from the acquisition of Emporiki Bank						3,283.1	3,283.1
Profit/(loss) before income tax	**(280.6)**	**1.7**	**1.3**	**(4.6)**	**(42.9)**	**3,380.7**	**3,055.6**
Income tax							472.4
Profit/(loss) after income tax from continuing operations	**(280.6)**	**1.7**	**1.3**	**(4.6)**	**(42.9)**	**3,380.7**	**3,528.0**
Profit/(loss) from discontinued operations (note 22)					0.3		0.3
Profit/(loss) after income tax	**(280.6)**	**1.7**	**1.3**	**(4.6)**	**(42.6)**	**3.380.7**	**3.528.3**
Assets 31.3.2013	27,030.2	19,060.8	666.8	10,850.1	10,918.8	3,987.9	72,514.6
Liabilities 31.3.2013	31,728.0	4,263.0	1,950.8	23,209.4	5,950.6	1,102.8	68,204.6

The component operating segments include the figures of Emporiki Group from the acquisition date 1.2.2013.

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 thourgh 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. 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
Assets				
Loans and advances to customers	50,270,847	50,709,656	51,383,343	51,678,313
Investment securities				
- Held to maturity [1]	1,296,024	1,303,704	1,301,233	1,369,786
- Loans and receivables	4,340,223	4,315,398	4,333,574	4,308,556
Liabilities				
Due to customers	41,569,998	41,842,348	42,373,924	42,484,860
Debt securities in issue [2]	646,006	681,487	673,565	743,336

The table above presents the carrying amounts and fair values of financial assets and liabilities which are mesured 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 observable and non-observable market data.

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

Hierarchy of financial instruments measured at fair value

	31.3.2014			
	Level 1	Level 2	Level 3	Total fair value
Derivative financial assets	28,921	768,230		797,151
Securities held for trading				
- Bonds and treasury bills	10,950			10,950
- Shares	2,513			2,513
Available for sale securities				
- Bonds	4,362,188	533,693	13,668	4,909,549
- Shares	23,580		68,957	92,537
- Other variable yield securities	76,863			76,863
Derivative financial liabilities	165	1,422,859	1,517	1,424,541
Convertible bond		39,600		39,600

(1) *On 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.*

	31.12.2013			
	Level 1	Level 2	Level 3	Total fair value
Derivative financial assets	23,751	773,642		797,393
Securities held for trading				
- Bonds and treasury bills	7,002			7,002
- Shares	1,834			1,834
Available for sale securities				
- Bonds	4,228,135	579,137	10,667	4,817,939
- Shares	22,321		64,594	86,915
- Other variable yield securities	62,080			62,080
Derivative financial liabilities	212	1,372,706	582	1,373,500
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 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 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 Group 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
Available for sale bonds	13,668	13,668	Based on issuer price	Price
Available for sale shares	68,957	68,957	Discounted cash flows – Multiples valuation method –Cost of acquisition	Future profitability of the issuer
Derivative Financial Liabilities	1,517	25	Discounted cash flows - Black Scholes valuation model with shares basket being the underlying instrument	Coefficient of variation and correlation coefficient between shares
		1,492	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 Group on the specific financial instruments, a reasonable variation in non-observable inputs would not affect significantly the results of the Group.

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	**75,261**	**-**	**(582)**
Total gain or loss recognized in the income statement	210		(935)
Total gain or loss recognized directly in equity	7,957		
Sales/Repayments/Settlements	(803)		
Balance 31.3.2014	**82,625**	**-**	**(1,517)**
Amounts included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period	130		

During the reporting period, no transfers to or from Level 3 took place.

	31.12.2013		
	Assets		Liabilities
	Available for sale securities	Derivative Financial Assets	Derivative Financial Liabilities
Opening balance 1.1.2013	**49,273**	**1,482**	**(3,623)**
Changes for the period 1.1 - 31.3.2013			
Total gain or loss recognized in the income statement	126	(152)	176
Total gain or loss recognized directly in equity	1,200		
Purchases/Issues	3,066		
Sales/Repayments/Settlements	(118)	(119)	(120)
Transfers to level 3 from level 2	13,198		
Balance 31.3.2013	**66,745**	**1,211**	**(3,567)**
Changes for the period 1.4 - 31.12.2013			
Total gain or loss recognized in the income statement	(11,115)	(277)	1,767
Total gain or loss recognized directly in equity	16,737		
Purchases/Issues	2,788		
Sales/Repayments/Settlements	(574)	(118)	402
Transfers to level 3 from level 1	2		
Transfers to level 3 from level 2	2,146		
Transfers from level 3 to level 2	(1,468)	(816)	816
Balance 31.12.2013	**75,261**	**-**	**(582)**
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**	126	(152)	176

19. The Bank's recapitalization framework

On 6.6.2013, the Bank completed the share capital increase in accordance with the decisions made by 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 the 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 Euro 940 million, issued to the latter by the Bank.

20. 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 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 1 January 2014, the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 and Regulation 575/2013 of the European Parliament and of the Council of Europe of 26 June 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 Group 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 the 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 on March 2014, while the preference shares of Hellenic Republic were repaid during April 2014.

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 portfolio and the operational risk.

	31.3.2014 (estimate) [2]	31.3.2014 (estimate)	31.12.2013
Common Equity Tier I [1]	15.6%	17.3%	16.1%
Tier I	15.6%	17.3%	16.1%
Capital adequacy ratio	**15.6%**	**17.3%**	**16.4%**

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 a standalone and on a 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 to 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, estimates that it maintains adequate capital buffer to satisfy the required minimum Common Equity Tier I of 8% and 5.5% of the base and the adverse scenario, respectively.

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

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

21. 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:

	31.3.2014	31.12.2013
Assets		
Loans and advances to customers	67,823	77,827
Liabilities		
Due to customers	79,383	80,644
Debt securities in issue	1,460	1,638
Employee defined benefit obligations	619	607
Total	**81,462**	**82,889**
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	377	362
Fee and commission income	33	9
Total	**410**	**371**
Expenses		
Interest expense and similar charges	604	956
Fees paid to key management and close family members	785	805
Other expenses	1	
Total	**1,390**	**1,761**

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

	31.3.2014	31.12.2013
Assets		
Loans and advances to customers	151,497	150,344
Other assets	262	907
Total	**151,759**	**151,251**
Liabilities		
Due to customers	7,732	8,951

	From 1 January to	
	31.3.2014	31.3.2013
Income		
Interest and similar income	1,282	1,260
Fee and commission income	1	4
Other income	201	207
Total	**1,484**	**1,471**
Expenses		
Interest expense and similar charges	25	159
General administrative expenses	1,376	1,102
Other expenses	395	331
Total	**1,796**	**1,592**

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 amount 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 took place in 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, 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:

	31.3.2014	31.12.2013
Assets		
Due from banks	36	24,643
Investment securities	46,436	155,306
Total	**46,472**	**179,949**
Liabilities		
Due to banks	442	988
Letters of guarantee	**2,054**	

	From 1 January to 31.3.2014
Income	
Interest and similar income	333

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 Delta Bank Ukrainian Group 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, sole company through which the Group operates in Ukraine, has been classified 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. In the following table, the amounts presented in the Income Statement, and in the Statement of Comprehensive Income are analyzed.

(Thousand of Euro)

	From 1 January to 31.3.2013
Interest and similar income	6,032
Interest expense and similar charges	(1,939)
Net interest income	4,093
Fee and commission income	301
Commission expense	(40)
Net fee and commission income	261
Dividend income	
Gains less losses on financial transactions	41
Other income	2
	43
Total income	**4,397**
Staff costs	(1,889)
General administrative expenses	(1,492)
Depreciation and amortization expenses	(283)
Total expenses	**(3,664)**
Impairment losses and provisions to cover the credit risk	(367)
Profit/(loss) before income tax	**366**
Income tax	(56)
Profit/ (loss) from discontinued operations after income tax	**310**
Other comprehensive income recognized directly in Equity:	
Amounts that may be reclassified in the Income Statement	
Available for sale portfolio reserve	2,718
Exchange differences on translating and hedging the net investment in foreign operations	2,964
Income tax	(272)
Amounts that may be reclassified in the Income Statement from discontinued operations	**(5,410)**

23. Corporate events

a. On 21.1.2014 the Bank's subsidiary Alpha Group Investment Ltd acquired the total number of shares of AGI-SRE Ariadne Ltd registered in Cyprus, for the amount of €1.8 thousand.

b. On 13.2.2014, the Group's subsidiary, AGI-RRE Venus Ltd acquired the total number of shares of AGI-RRE Venus Srl registered in Romania, for the amount of €45.

c. On 20.2.2014, the Group's subsidiary, AGI-RRE Cleopatra Ltd acquired the total number of shares of AGI-RRE Cleopatra Srl registered in Romania, for the amount of €45.

d. On 20.2.2014, the Group's subsidiary, AGI-RRE Hermes Ltd acquired the total number of shares of AGI-RRE Hermes Srl registered in Romania, for the amount of €45.

e. 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.

f. On 27.2.2014, the Bank's subsidiary, AGI-RRE Artemis Ltd the total number of shares of SC Carmel Residential Srl registered in Romania, for the amount of € 45. The Group through the abovementioned company, acquired investments in property in Romania, with a fair value of € 9.7 million, instead of loan with the same book value that had granted to it.

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

h. On 31.3.2014 the Bank's subsidiary, Alpha A.E Ventures deleted the investment in Prismatech A.E. It is mentioned that in past an equal impairment provision was raised, so it has been fully impaired.

24. Restatement of financial statements

The finalization of valuation at fair value of the assets and liabilities of Emporiki Group at the acquisition date, was held the fourth quarter of 2013. This fact, led to the retrospective accounting recognition of the merger as if it was completed at the acquisition date. As a result, the Interim Financial Statements of 2013 were restated.

Moreover, the Interim Financial Statements of 2013 were restated due to the recognition of JSC Astra Bank as a discontinued operation.

The restated consolidated income statement, balance sheet and comprehensive income for the period up to 31.3.2013, are depicted below.

Consolidated Income Statement

(Amounts in thousand of Euro)

	From 1 January to 31.3.2013				
	Published amounts	Acquisition of Emporiki Group	Restated	Discontinued operations	Continuing operations
Interest and similar income	832,224		832,224	6,032	826,192
Interest expense and similar charges	(511,666)	1,257	(510,409)	(1,939)	(508,470)
Net interest income	320,558	1,257	321,815	4,093	317,722
Fee and commission income	91,660		91,660	301	91,359
Commission expense	(15,450)		(15,450)	(40)	(15,410)
Net fee and commission income	76,210		76,210	261	75,949
Dividend income	12		12		12
Gains less losses on financial transactions	191,970		191,970	41	191,929
Other income	13,280		13,280	2	13,278
	205,262		205,262	43	205,219
Total income	**602,030**	**1,257**	**603,287**	**4,397**	**598,890**
Staff costs	(163,303)		(163,303)	(1,889)	(161,414)
General administrative expenses	(129,284)		(129,284)	(1,492)	(127,792)
Depreciation and amortization expenses	(29,351)		(29,351)	(283)	(29,068)
Other expenses	(66)		(66)		(66)
Total expenses	**(322,004)**		**(322,004)**	**(3,664)**	**(318,340)**
Impairment losses and provisions to cover credit risk	(505,282)		(505,282)	(367)	(504,915)
Negative goodwill from the acquisition of Emporiki Bank	2,632,255	650,797	3,283,052		3,283,052
Share of profit/(loss) of associates and joint ventures	(3,119)		(3,119)		(3,119)
Profit/(loss) before income tax	**2,403,880**	**652,054**	**3,055,934**	**366**	**3,055,568**
Income tax	472,692	(327)	472,365	(56)	472,421
Profit/(loss) after income tax	**2,876,572**	**651,727**	**3,528,299**	**310**	**3,527,989**
Profit/(loss) attributable to:					
Equity owners of the Bank	**2,876,471**	**651,727**	**3,528,198**	**310**	**3,527,888**
Non controlling interests	101		101		101
Basic and diluted (€per share)	5.38		3.65	0.0003	3.65

Consolidated Balance Sheet

(Amounts in thousand of Euro)

	31.3.2013		
	Published amounts	Acquisition of Emporiki Group	Restated
Assets			
Cash and balances with Central Banks	1,728,101		1,728,101
Due from banks	2,736,269		2,736,269
Securities held for trading	16,750		16,750
Derivative financial assets	783,996		783,996
Loans and advances to customers	54,761,770	14,134	54,775,904
Investment securities			
- Available for sale	4,264,937		4,264,937
- Held to maturity	1,491,305		1,491,305
Investments in associates and joint ventures	50,497		50,497
Investment property	657,762		657,762
Property, plant and equipment	1,200,907	(15,119)	1,185,788
Goodwill and other intangible assets	172,961	46,100	219,061
Deferred tax assets	2,458,845	651,992	3,110,837
Other assets	1,475,175		1,475,175
	71,799,275	697,107	72,496,382
Non-current assets held for sale	6,766	11,441	18,207
Total Assets	**71,806,041**	**708,548**	**72,514,589**
Liabilities			
Due to banks	21,734,203		21,734,203
Derivative financial liabilities	1,434,693		1,434,693
Due to customers (including debt securities in issue)	42,044,519	(2,665)	42,041,854
Debt securities in issue held by institutional investors and other borrowed funds	832,198	39,459	871,657
Liabilities for current income tax and other taxes	43,736		43,736
Deferrred tax liabilities	581,945		581,945
Employee defined benefit obligations	99,202		99,202
Other liabilities	1,092,067	25,168	1,117,235
Provisions	285,246	(5,141)	280,105
Total Liabilities	**68,147,809**	**56,821**	**68,204,630**
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	377,044		377,044
Retained earnings	(747,677)	651,727	(95,950)
	3,487,301	**651,727**	**4,139,028**
Non-controlling interests	23,697		23,697
Hybrid securities	147,234		147,234
Total Equity	**3,658,232**	**651,727**	**4,309,959**
Total Liabilities and Equity	**71,806,041**	**708,548**	**72,514,589**

Consolidated Statement of Comprehensive Income

(Amounts in thousand of Euro)

	From 1 January to 31.3.2013				
	Published amounts	Acquisition of Emporiki Group	Restated	Discontinued operations	Continuing operations
Profit/(loss), after income tax, recognized in the income statement	**2,876,572**	**651,727**	**3,528,299**	**310**	**3,527,989**
Other comprehensive income recognized directly in Equity:					
Amounts that may be reclassified in the income statement					
Change in available for sale securities' reserve	(23,620)		(23,620)	2,718	(26,338)
Change in cash flow hedge reserve	38,838		38,838		38,838
Exchange differences on translating and hedging the net investment in foreign operations	4,086		4,086	2,964	1,122
Change in the share of other comprehensive income of associates and joint ventures	140		140		140
Income tax	2,646		2,646	(272)	2,918
	22,090	**-**	**22,090**	**5,410**	**16,680**
Amounts that will not classified in the Income Statement from continuing operations					
Change in actuarial gains/(losses) of defined benefit obligations					
Income tax					
Effect due to change of income tax rate	1,882		1,882		1,882
	1,882	**-**	**1,882**	**-**	**1,882**
Total other comprehensive income recognized directly in Equity, after income tax	**23,972**	**-**	**23,972**	**5,410**	**18,562**
Total comprehensive income for the period, after income tax	**2,900,544**	**651,727**	**3,552,271**	**5,720**	**3,546,551**
Total comprehensive income for the period attributable to:					
Equity owners of the Bank	**2,900,436**	**651,727**	**3,552,163**	**5,720**	**3,546,443**
Non-controlling interests	108		108		108

25. 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**