



**ALPHA BANK**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS AT 31.3.2015**

(In accordance with International Accounting Standard 34)



Athens,  
28 May 2015



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(In accordance with IAS 34)

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## Interim Consolidated Income Statement

(Amounts in thousand of Euro)

	Note	From 1 January to	
		31.3.2015	31.3.2014*
Interest and similar income		768,929	837,191
Interest expense and similar charges		<u>(287,400)</u>	<u>(365,856)</u>
Net interest income		481,529	471,335
Fee and commission income		100,606	91,072
Commission expense		<u>(14,263)</u>	<u>(8,616)</u>
Net fee and commission income		86,343	82,456
Dividend income		25	62
Gains less losses on financial transactions		26,237	42,458
Other income		<u>14,243</u>	<u>15,126</u>
		<u>40,505</u>	<u>57,646</u>
<b>Total income</b>		<b>608,377</b>	<b>611,437</b>
Staff costs		(136,723)	(166,862)
General administrative expenses		(122,504)	(129,004)
Depreciation and amortization	7, 8, 9	(26,473)	(23,837)
Other expenses		<u>(1,069)</u>	<u>(2,081)</u>
<b>Total expenses</b>		<b>(286,769)</b>	<b>(321,784)</b>
Impairment losses and provisions to cover credit risk	2	(426,264)	(395,051)
Share of profit /(loss) of associates and joint ventures		<u>(1,990)</u>	<u>(2,206)</u>
<b>Profit/(loss) before income tax</b>		<b>(106,646)</b>	<b>(107,604)</b>
Income tax	3	<u>(9,192)</u>	13,469
<b>Profit/(loss), after income tax</b>		<b>(115,838)</b>	<b>(94,135)</b>
<b>Profit/(loss) attributable to:</b>			
<b>Equity owners of the Bank</b>		<b>(115,974)</b>	<b>(94,213)</b>
Non-controlling interests		136	78
<b>Earnings/(losses) per share:</b>			
Basic and diluted (€ per share)	4	(0.01)	(0.01)

\* Certain figures of the Interim Consolidated Income Statement of the comparative period have been restated (note 24)



## Interim Consolidated Balance Sheet

(Amounts in thousand of Euro)

	Note	31.3.2015	31.12.2014
<b>ASSETS</b>			
Cash and balances with Central Banks		1,903,223	2,019,017
Due from banks		2,649,368	2,771,739
Securities held for trading	6	5,350	4,189
Derivative financial assets		1,352,946	1,148,476
Loans and advances to customers	5	49,716,622	49,556,985
Investment securities			
- Available for sale	6	5,620,848	5,688,286
- Held to maturity	6	271,199	310,818
- Loans and receivables	6	4,303,909	4,299,101
Investments in associates and joint ventures		45,950	46,383
Investment property	7	570,855	567,212
Property, plant and equipment	8	1,072,179	1,083,348
Goodwill and other intangible assets	9	332,309	331,424
Deferred tax assets		3,760,995	3,689,446
Other assets		1,401,318	1,365,066
		<u>73,007,071</u>	<u>72,881,490</u>
Assets held for sale		6,186	53,971
<b>Total Assets</b>		<b>73,013,257</b>	<b>72,935,461</b>
<b>LIABILITIES</b>			
Due to banks	10	24,194,397	17,300,114
Derivative financial liabilities		2,540,737	1,948,541
Due to customers (including debt securities in issue)		36,008,412	42,900,633
Debt securities in issue held by institutional investors and other borrowed funds	11	1,409,378	1,523,521
Amounts due for current income tax and other taxes		38,231	61,794
Deferred tax liabilities		23,855	25,502
Employee defined benefit obligations		106,682	105,353
Other liabilities		1,087,075	1,091,747
Provisions	12	224,858	212,712
Liabilities related to assets held for sale			58,994
<b>Total Liabilities</b>		<b>65,633,625</b>	<b>65,228,911</b>
<b>EQUITY</b>			
<b>Equity attributable to equity owners of the Bank</b>			
Share capital	13	3,830,718	3,830,718
Share premium	13	4,858,216	4,858,216
Reserves		(104,094)	105,712
Amounts recognized directly in equity for held for sale items			(25)
Retained earnings	13	(1,258,419)	(1,142,801)
		<u>7,326,421</u>	<u>7,651,820</u>
<b>Non-controlling interests</b>		<b>23,437</b>	<b>23,266</b>
<b>Hybrid securities</b>	14	<b>29,774</b>	<b>31,464</b>
<b>Total Equity</b>		<b>7,379,632</b>	<b>7,706,550</b>
<b>Total Liabilities and Equity</b>		<b>73,013,257</b>	<b>72,935,461</b>

The attached notes (pages 9-43) 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	
		31.3.2015	31.3.2014
<b>Profit/(Loss), after income tax, recognized in the income statement</b>		<b>(115,838)</b>	<b>(94,135)</b>
<b>Other comprehensive income recognized directly in equity:</b>			
<b>Amounts that may be reclassified to the income statement</b>			
Net change in available for sale securities reserve		(200,290)	137,438
Net change in cash flow hedge reserve		(90,199)	(55,133)
Exchange differences on translating and hedging the net investment in foreign operations		2,394	(122)
Income tax	3	77,858	(19,122)
		<b>(210,237)</b>	<b>63,061</b>
<b>Amounts that will not be reclassified to the Income Statement</b>		-	-
<b>Total other comprehensive income recognized directly in equity, after income tax</b>	3	<b>(210,237)</b>	<b>63,061</b>
<b>Total comprehensive income for the period, after income tax</b>		<b>(326,075)</b>	<b>(31,074)</b>
<b>Total comprehensive income for the period attributable to:</b>			
<b>Equity owners of the Bank</b>		<b>(326,246)</b>	<b>(31,155)</b>
Non controlling interests		171	81

## Interim Consolidated Statement of Changes in Equity

(Amounts in thousand of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non controlling interests	Hybrid securities	Total
<b>Balance 1.1.2014</b>		<b>4,216,872</b>	<b>4,212,062</b>	<b>631,033</b>	<b>(747,572)</b>	<b>8,312,395</b>	<b>23,640</b>	<b>31,700</b>	<b>8,367,735</b>
<b>Changes for period 1.1 - 31.3.2014</b>									
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
<b>Total comprehensive income for the period, after income tax</b>		<b>-</b>	<b>-</b>	<b>63,058</b>	<b>(94,213)</b>	<b>(31,155)</b>	<b>81</b>	<b>-</b>	<b>(31,074)</b>
Share capital increase		553,846	646,154			1,200,000			1,200,000
Share capital increase expenses, after income tax					(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)
<b>Balance 31.3.2014</b>		<b>4,770,718</b>	<b>4,858,216</b>	<b>694,043</b>	<b>(847,126)</b>	<b>9,475,851</b>	<b>23,650</b>	<b>31,700</b>	<b>9,531,201</b>
<b>Changes for the period 1.4 - 31.12.2014</b>									
Profit/(loss) for the period, after income tax					(235,596)	(235,596)	23		(235,573)
Other comprehensive income recognized directly in equity, after income tax				(589,750)	(28,427)	(618,177)	(71)		(618,248)
<b>Total comprehensive income for the period, after income tax</b>				<b>(589,750)</b>	<b>(264,023)</b>	<b>(853,773)</b>	<b>(48)</b>	<b>-</b>	<b>(853,821)</b>
Repayment of preference shares		(940,000)				(940,000)			(940,000)
Share capital increase expenses, after income tax					(30,687)	(30,687)			(30,687)
Purchases/Sales and change of ownership interests in subsidiaries					61	61	(336)		(275)
(Purchases), (Redemptions)/ Sales of hybrid securities, after taxes								(236)	(236)
Appropriation to reserves				1,394	(1,394)				
Other					368	368			368
<b>Balance 31.12.2014</b>		<b>3,830,718</b>	<b>4,858,216</b>	<b>105,687</b>	<b>(1,142,801)</b>	<b>7,651,820</b>	<b>23,266</b>	<b>31,464</b>	<b>7,706,550</b>



(Amounts in thousand of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non controlling interests	Hybrid securities	Total
<b>Balance 1.1.2015</b>		<b>3,830,718</b>	<b>4,858,216</b>	<b>105,687</b>	<b>(1,142,801)</b>	<b>7,651,820</b>	<b>23,266</b>	<b>31,464</b>	<b>7,706,550</b>
<b>Changes for the period 1.1 - 31.3.2015</b>									
Profit/(loss) for the period, after income tax					(115,974)	(115,974)	136		(115,838)
Other comprehensive income recognized directly in equity, after income tax				(210,272)		(210,272)	35		(210,237)
<b>Total comprehensive income for the period, after income tax</b>		<b>-</b>	<b>-</b>	<b>(210,272)</b>	<b>(115,974)</b>	<b>(326,246)</b>	<b>171</b>	<b>-</b>	<b>(326,075)</b>
(Purchases), (Redemptions)/ Sales of hybrid securities, after taxes					768	768		(1,690)	(922)
Appropriation to reserves				491	(491)	-			-
Other					79	79			79
<b>Balance 31.03.2015</b>		<b>3,830,718</b>	<b>4,858,216</b>	<b>(104,094)</b>	<b>(1,258,419)</b>	<b>7,326,421</b>	<b>23,437</b>	<b>29,774</b>	<b>7,379,632</b>



## Interim Consolidated Statement of Cash Flows

(Amounts in thousand of Euro)

	Note	From 1 January to	
		31.3.2015	31.3.2014
<b>Cash flows from operating activities</b>			
Profit/(Loss) before income tax		(106,646)	(107,604)
<b>Adjustments for gains/(losses) before income tax for:</b>			
Depreciation/Impairment of fixed assets	7, 8	15,172	15,785
Amortization/Impairment of intangible assets	9	11,301	8,052
Impairment losses from loans, provisions and staff leaving indemnity		437,413	402,656
Fair value adjustments recognized in the income statement		5,320	4,838
(Gains)/Losses from investing activities		(15,303)	(30,332)
(Gains)/Losses from financing activities		22,750	29,615
Share of (profit)/loss of associates and joint ventures		1,989	2,206
		<b>371,996</b>	<b>325,216</b>
<b>Net (increase)/decrease in assets relating to operating activities:</b>			
Due from banks		257,131	(120,069)
Securities held for trading and derivative financial assets		(205,630)	(4,385)
Loans and advances to customers		(677,740)	546,904
Other assets		(12,360)	(21,851)
<b>Net increase/(decrease) in liabilities relating to operating activities:</b>			
Due to banks		6,894,284	(1,246,009)
Derivative financial liabilities		501,996	(458)
Due to customers		(6,991,667)	(733,960)
Other liabilities		(6,072)	(131,336)
		<b>131,938</b>	<b>(1,385,948)</b>
<b>Net cash flows from continuing operating activities before taxes</b>		<b>131,938</b>	<b>(1,385,948)</b>
Income taxes and other taxes paid		(28,287)	(10,865)
<b>Net cash flows from continuing operating activities</b>		<b>103,651</b>	<b>(1,396,813)</b>
<b>Cash flows from investing activities</b>			
Amounts received from disposal of subsidiaries, associates and joint ventures		8,050	
Investments in subsidiaries, associates and joint ventures			(141)
Acquisition of the Retail Banking operations of Citibank		9,151	
Dividends received		25	62
Acquisition of fixed and intangible assets		(20,609)	(15,559)
Disposals of fixed and intangible assets		2,899	2,394
Net (increase)/decrease in investment securities		(82,781)	121,763
<b>Net cash flows from investing activities</b>		<b>(83,265)</b>	<b>108,519</b>
<b>Cash flows from financing activities</b>			
Dividends paid			(604)
Share capital increase			1,200,000
Share capital increase expenses			(6,859)
(Repayments)/Receipt of debt securities in issue		(10,076)	(6,674)
(Purchases)/Sales of hybrid securities		(652)	
		<b>(10,728)</b>	<b>1,185,863</b>
<b>Net cash flows from financing activities</b>		<b>(10,728)</b>	<b>1,185,863</b>
Effect of exchange rate fluctuations on cash and cash equivalents		9,340	(270)
<b>Net increase/(decrease) in cash flows</b>		<b>18,998</b>	<b>(102,701)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>1,194,244</b>	<b>973,167</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>1,213,242</b>	<b>870,466</b>

The attached notes (pages 9-43) 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 in the General Commercial Register with registration number 223701000 (ex record number of Société Anonyme Companies Registry 6066/06/B/86/05). The Bank's duration is until 2100 but may be extended by the General Meeting of Shareholders.

In accordance with article 4 of the Articles of Incorporation,

the Bank's objective is to engage, on its own account or on behalf of third parties, in Greece and abroad, independently or collectively, including joint ventures with third parties, in any and all (main and secondary) operations, activities, transactions and services allowed to credit institutions, in conformity with whatever rules and regulations (domestic, community, foreign) may be in force each time. In order to serve this objective, the Bank may perform any kind of action, operation or transaction which, directly or indirectly, is pertinent, complementary or auxiliary to the purposes mentioned above.

The tenure of the Board of Directors which was elected by the Ordinary General Meeting of Shareholders on 27.6.2014, expires until 2018.

The Board of Directors as at 31.3.2015 consists of:

#### CHAIRMAN (Non Executive Member)

Vasileios T. Rapanos

#### VICE CHAIRMAN (Non Executive Independent Member)

Minas G. Tanes <sup>\*/\*\*/\*\*\*\*</sup>

#### 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

Efthymios O. Vidalis

Ioanna E. Papadopoulou <sup>\*\*\*\*</sup>

#### NON-EXECUTIVE INDEPENDENT MEMBERS

Paul A. Apostolidis <sup>\*\*/\*\*\*\*</sup>

Evangelos J. Kaloussis <sup>\*/\*\*\*\*</sup>

Ioannis K. Lyras <sup>\*/\*\*</sup>

Ibrahim S.Dabdoub <sup>\*\*</sup>

Shahzad A.Shahbaz <sup>\*\*\*</sup>

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\* Member of the Audit Committee

\*\* Member of the Remuneration Committee

\*\*\* Member of the Risk Management Committee

\*\*\*\* Member of Corporate Governance and Nominations Committee

**NON-EXECUTIVE MEMBER**

(in accordance with the requirements of Law 3723/2008)

Marica S. Ioannou - Fragkakis (she replaced Mr Sarantis – Evangelos G. Lolos from 17.3.2015)

**NON-EXECUTIVE MEMBER**

(in accordance with the requirements of Law 3864/2010)

Panagiota S. Iplixian \*/\*\*/\*\*\*/\*\*\*\*

**SECRETARY**

Georgios P. Triantafyllidis

The Bank's Board of Directors will suggest in the Ordinary General Meeting of Shareholders, as auditors of semi-annual and annual financial statements for fiscal year 2015, the company KPMG Certified Auditors A.E.

The Bank's shares are listed in the Athens Stock Exchange since 1925 and are 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, STOXX Europe 600 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).

The share capital of the Bank amounted to 12,769,059,858 ordinary shares as at 31 March 2015. 4,310,200,279 ordinary shares of the Bank are traded in the Athens Exchange while the Hellenic Financial Stability Fund ("HFSF") possesses the remaining 8,458,859,579 ordinary, registered, voting, paperless shares or percentage equal to 66.24% 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 1,141,747,967 warrants that are traded each one incorporating the right of its holder to purchase 7,408,683,070 new shares owned by the HFSF.

During the first quarter of 2015, the average daily volume per session for shares was €15,063,588 and for warrants €1,866,242.

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

- Moody's: Caa3
- Fitch Ratings: CCC
- Standard & Poor's: CCC+

**The financial statements have been approved by the Board of Directors on 28 May 2015.**

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\* Member of the Audit Committee

\*\* Member of the Remuneration Committee

\*\*\* Member of the Risk Management Committee

\*\*\*\* Member of Corporate Governance and Nominations Committee

## ACCOUNTING POLICIES APPLIED

### 1.1 Basis of presentation

The Group has prepared the condensed interim financial statements as at 31.3.2015 in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as it has been adopted by the European Union.

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

- Securities held for trading
- Derivative financial instruments
- Available for sale securities
- The convertible bond issued by the Bank which 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 31.12.2014, 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 1.1.2015:

- **Amendment to International Accounting Standard 19 "Employee Benefits"**: Defined benefit Plans: Employee Contributions (Regulation 2015/29/17.12.2014)
- **Improvements to International Accounting Standards**:
  - **cycle 2010-2012** (Regulation 2015/28/17.12.2014)
  - **cycle 2011-2013** (Regulation 1361/18.12.2014)

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

The adoption by the European Union, by 31.12.2015, 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 1.1.2015, 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 assets and liabilities for current and deferred tax, as well as the related expenses, based on estimates concerning the amounts expected to be paid to or recovered from tax authorities in the current and future periods. Estimates are affected by factors such as the practical implementation of the relevant legislation, the expectations regarding the existence of future taxable profit and the settlement of disputes that might exist with tax authorities etc. Future tax audits, changes in tax legislation and the amount of taxable profit actually realised may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Group. Any adjustments are recognized within the year that they become final.



### Employee defined benefit obligations

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

### Provisions and contingent liabilities

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

The Group applied the going concern principle for the preparation of the financial statements as at 31.3.2015. For the application of this principle, the Group takes into consideration current economic developments in order to make projections for future economic conditions of the environment in which it operates. The main factors that create uncertainties regarding the application of this principle relate to the adverse economic environment in Greece, and abroad, as well to the progress of the negotiations of the Greek Republic for the financial support program for Greece and the impact from all these uncertainties on the liquidity levels of the Hellenic Republic and the banking system. In the first quarter of 2015 and until the date of approval of the financial statements, there were outflows of customer deposits, as specifically analyzed in note 10, which were funded by the Eurosystem mechanisms.

The Group, taking into account the factors that are mentioned in detail in note 1.31.1 of the annual financial statements as at 31.12.2014, estimates that the conditions for the application of the going concern principle for the preparation of the Group's financial statements are met, noting,

however, the negative impact of any significant deterioration in the economic environment would have on the application of the going concern principle.

#### 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 and taking into account that its level has not changed significantly, there have been no significant changes compared to those disclosed in note 1.31.2 of the annual financial statements as at 31.12.2014.

#### 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 are described in detail in note 1.31.3 of the annual financial statements as at 31.12.2014.

Based on the recoverability assessment, which is based on forecasts for the development of the accounting results, as these are reflected in the approved by the European Commission restructuring plan of the Bank, taking also into consideration the effect of factors that may adversely affect the figures of the Group, and given that there has been no significant change in the amount of deferred tax assets in relation to 31.12.2014, the Group estimates that the total deferred tax assets it has recognized and that has been derived both from temporary differences and from tax losses carried forward is recoverable.

In addition, and regardless of the assessment of the recoverability of deferred tax assets that it is carried out based on what is mentioned above, Law 4303/2014 provides that in case that the after tax accounting result for the period is a loss, the deferred tax assets arising from the PSI debit difference and from the accumulated provisions and other general losses due to credit risk relating to outstanding receivables as at 31.12.2014, are eligible to be converted into a final and settled claim against the Greek State, as described in detail in note 3.

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 deferred tax assets in conjunction with the development of the factors that affect it.

## INCOME STATEMENT

### 2. Impairment losses and provisions to cover credit risk

	From 1 January to	
	31.3.2015	31.3.2014
Impairment losses on loans and advances to customers (note 5)	428,963	398,310
Provisions to cover credit risk relating to off balance sheet items (note 12)	2,843	106
Recoveries	(5,542)	(3,365)
<b>Total</b>	<b>426,264</b>	<b>395,051</b>

### 3. Income tax

For the Bank's subsidiaries and branches operating in other countries, the applicable nominal tax rates for accounting periods 2014 and 2015 are as follows:

Cyprus	12.5
Bulgaria	10
Serbia	15
Romania	16
FYROM	10 <sup>(1)</sup>
Albania	15
Jersey	10
United Kingdom	21 <sup>(2)</sup> (from 1.4.2014)

In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (AE), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. This tax certificate is submitted to the entity under audit within 10 days from the submission of the corporate income tax return, as well as, electronically to the Ministry of Finance, no later than ten days following the date of the approval of the

financial statements from the Ordinary Shareholders General Meeting.

The tax audit of the year, after eighteen months from the issuance of an Unqualified Tax Compliance Report and on the precondition that no tax violations have been identified by audits performed by the Ministry of Finance, is considered finalized.

The year 2011, following the expiry of the deadline set by the Ministry of Finance Circular (POL 1236/18.10.2013) is considered audited, except under certain circumstances (e.g. receiving or issuing fake tax documents, additional information from other sources) for which the Ministry of Finance can require re-examination.

For the fiscal years 2012 and 2013 the Bank and its local subsidiaries have obtained the relevant tax certificate without any qualifications on the tax issues audited whereas for the year 2014 the tax audit is in progress and no material findings are expected.

The income tax in the income statement is analysed in the below table.

	From 1 January to	
	31.3.2015	31.3.2014
Current	4,724	5,222
Deferred	4,468	(18,691)
<b>Total</b>	<b>9,192</b>	<b>(13,469)</b>

<sup>(1)</sup> From 1.1.2015 the tax rate for legal entities changed. The tax rate of 10% is imposed on taxable profits and not on the non deductible expenses or distributable profits. The above apply to the profits of 2014.

<sup>(2)</sup> Until 31.3.2014 the tax rate was 23%.





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

	From 1 January to	
	31.3.2015	31.3.2014
Debit difference of Law 4046/2012	9,986	9,986
Revaluation/ impairment of assets	(886)	
Depreciation and write-offs of fixed assets	5,668	2,460
Valuation/ impairment of loans	(28,833)	(21,057)
Valuation of loans due to hedging	(216)	(2)
Employee defined benefit obligations	(202)	22,456
Valuation of derivatives	6,786	11,757
Effective interest rate	(521)	(112)
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(1,373)	(1,668)
Valuation/impairment of bonds and other securities	6,792	10,632
Tax losses carried forward	(15,963)	(61,812)
Other temporary differences	23,230	8,669
<b>Total</b>	<b>4,468</b>	<b>(18,691)</b>

According to article 5 of Law 4303/17.10.2014 "Ratification of the Legislative Act "Emergency legislation to replenish the General Secretary of Revenue upon early termination of office" (A 136) and other provisions", deferred tax assets of the legal entities supervised by the Bank of Greece under article 26 paragraphs 5, 6, 7 of Law 4172/2013 that have been or will be recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, with respect to existing amounts up to 31 December 2014, are converted into final and settled

claims against the State, if the accounting result for the period, after taxes, is a loss, according to the audited and approved financial statements by the Ordinary Shareholders' General Meeting.

The inclusion in the Law is implemented by the General Meeting of Shareholders, concerns tax assets created from 2016 onwards, whereas it is envisaged the end of inclusion in the Law with the same procedure and after obtaining relevant approval from the Supervisory Authority.

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

	From 1 January to			
	31.3.2015		31.3.2014	
	%		%	
<b>Profit/(loss) before income tax</b>		<b>(106,646)</b>		<b>(107,604)</b>
Income tax (weighted average nominal tax rate)	22.87	(24,386)	22.57	(24,281)
<b>Increase/(decrease) due to:</b>				
Additional tax on income from land and buildings			(0.05)	53
Non taxable income	0.22	(230)	0.14	(152)
Non deductible expenses	(12.77)	13,616	(7.08)	7,614
Other temporary differences	(19.28)	20,559	(3.06)	3,297
Tax losses carried forward	0.34	(367)		
<b>Income tax (effective tax rate)</b>	<b>(8.62)</b>	<b>9,192</b>	<b>12.52</b>	<b>(13,469)</b>

The tax rate of 22.87% for the first quarter of 2015 and 22.57% for the first quarter of 2014, is the weighted average nominal tax rate based on the nominal income tax rate and the profit before tax of each of the Group's subsidiaries.



## Income tax of comprehensive income recognized directly in Equity

	From 1 January to					
	31.3.2015			31.3.2014		
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
<b>Amounts that may be reclassified in the Income Statement</b>						
Net change in available for sale securities' reserve	(200,290)	52,524	(147,766)	137,438	(33,849)	103,589
Net change in cash flow hedge reserve	(90,199)	23,452	(66,747)	(55,133)	14,335	(40,798)
Exchange differences on translating and hedging the net investment in foreign operations	2,394	1,882	4,276	(122)	392	270
<b>Total</b>	<b>(288,095)</b>	<b>77,858</b>	<b>(210,237)</b>	<b>82,183</b>	<b>(19,122)</b>	<b>63,061</b>

During the first quarter of 2015, "Retained Earnings" includes a deferred tax liability amount of €269, arising from purchases/sales of hybrid securities.

During the first quarter of 2014, in "Retained earnings", there is a deferred tax liability of €1,782 that was record-

ed as a result from the share capital increase costs which was recorded in the same account and relate to the share capital increase which was completed during the reporting period.

## 4. Earnings/(losses) per share

### a. Basic

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

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

- The after-tax amount of any dividends of preference shares on non-cumulative dividend preference shares declared for distribution during the year.
- The after-tax amount of the preference dividends for cumulative dividend preference shares required for the period, whether or not the dividends have been declared.

The Bank had issued non-cumulative dividend preference shares, according to Law 3723/2008 which were repaid on 17.4.2014.

### 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 that held until 17.4.2014 and the convertible bond loan with Credit Agricole S.A., basic and dilutive earnings/(losses) per share should not differ.

	From 1 January to	
	31.3.2015	31.3.2014
<b>Profit/(loss) attributable to equity owners of the Bank</b>	<b>(115,974)</b>	<b>(94,213)</b>
Weighted average number of outstanding ordinary shares	12,769,059,858	11,004,957,294
Basic and diluted earnings/(losses) per share (in €)	(0.01)	(0.01)

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.



## ASSETS

## 5. Loans and advances to customers

	31.3.2015	31.12.2014
<b>Individuals</b>		
Mortgages	20,447,211	20,274,246
Consumer:		
- Non-securitized	3,766,116	3,701,797
- Securitized	1,490,676	1,462,066
Credit cards:		
- Non-securitized	741,904	773,928
- Securitized	581,210	579,353
Other	4,476	4,401
<b>Total</b>	<b>27,031,593</b>	<b>26,795,791</b>
<b>Companies:</b>		
Corporate loans:		
- Non-securitized	28,484,426	27,860,246
- Securitized	2,063,747	2,084,171
Finance leases (Leasing):		
- Non-Securitized	271,414	268,880
- Securitized	456,604	459,666
Factoring	577,410	578,763
<b>Total</b>	<b>31,853,601</b>	<b>31,251,726</b>
<b>Other receivables</b>	<b>273,972</b>	<b>339,745</b>
Less:		
Allowance for impairment losses <sup>(1)</sup>	(9,442,544)	(8,830,277)
<b>Total</b>	<b>49,716,622</b>	<b>49,556,985</b>

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.

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 31.3.2015, the balance of the covered bonds amounts to €3.7 billion and the book value of mortgage loans provided as coverage for the above mentioned bonds amounted to €4.4 billion.

<sup>(1)</sup> In addition to the allowance for impairment losses regarding loans and advances to customers, a provision of €18,409 (31.12.2014: €15,551) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to €9,460,953 (31.12.2014: €8,845,828).

### Allowance for impairment losses

<b>Balance 1.1.2014</b>	<b>6,956,134</b>
<b>Changes for the period 1.1 - 31.3.2014</b>	
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)
<b>Balance 31.3.2014</b>	<b>7,451,335</b>
<b>Changes for the period 1.4 - 31.12.2014</b>	
Impairment losses for the period	1,525,758
Change in present value of the allowance account	396,305
Reclassification to provisions from contingent liabilities	775
Reclassification to assets held for sale	(3,223)
Loans written-off during the period	(543,369)
Foreign exchange differences	2,696
<b>Balance 31.12.2014</b>	<b>8,830,277</b>
<b>Changes for the period 1.1 - 31.3.2015</b>	
Impairment losses for the period (note 2)	428,963
Change in present value of the allowance account	132,213
Foreign exchange differences	69,226
Loans written-off during the period	(18,135)
<b>Balance 31.3.2015</b>	<b>9,442,544</b>

The finance lease receivables by duration are as follows:

	<u>31.3.2015</u>	<u>31.12.2014</u>
Up to 1 year	405,162	398,910
From 1 year to 5 years	84,814	186,968
Over 5 years	372,315	280,637
	<b>862,291</b>	<b>866,515</b>
Non accrued finance lease income	(134,273)	(137,969)
<b>Total</b>	<b>728,018</b>	<b>728,546</b>

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

	<u>31.3.2015</u>	<u>31.12.2014</u>
Up to 1 year	383,500	376,693
From 1 year to 5 years	36,225	116,121
Over 5 years	308,293	235,732
<b>Total</b>	<b>728,018</b>	<b>728,546</b>



## 6. Investment and held for trading securities

### i. Held for trading securities

Securities held for trading amounted to €5.3 million on 31.3.2015 (31.12.2014: €4.2 million) of which Greek Government Bonds €2 million (31.12.2014: €1.7 million).

### ii. Investment securities

#### a. Available for sale

The available for sale portfolio amounts to €5.6 billion as at 31.3.2015 (31.12.2014: €5.7 billion). This amount includes securities issued by the Greek State that amount to €3.5 billion as at 31.3.2015 (31.12.2014: €3.7 billion) out of which €2.1 billion (31.12.2014: €2.2 billion) relate to Greek Government treasury bills. The Group during the quarter of 2015 has recognized impairment losses for mutual funds amounting to €42 thousand which are included in "Gain less losses on financial transactions".

#### b. Held to maturity

The held to maturity portfolio amounts to €271.2 million as at 31.3.2015 (31.12.2014: €310.8 million).

#### 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 West Macedonia, Evia and Dodecanese in December 2013. The total carrying amount of these bonds as at 31.3.2015 amounted to €4.3 billion (31.12.2014: €4.3 billion).

## 7. Investment property

	<u>Land and Buildings</u>
<b>Balance 1.1.2014</b>	
Cost	627,457
Accumulated depreciation and impairment losses	(67,004)
<b>1.1.2014 - 31.3.2014</b>	
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 for the period	(2,464)
Net book value 31.3.2014	<b>568,516</b>
<b>Balance 31.3.2014</b>	
Cost	635,868
Accumulated depreciation and impairment losses	(67,352)
<b>1.4.2014 - 31.12.2014</b>	
Net book value 1.4.2014	568,516
Additions	13,362
Additions from companies consolidated for the first time in 2014	43,075
Disposals/Write-offs	(3,634)
Reclassifications to "Asset held for sale" (Property)	109
Reclassification from "Property, plant and equipment"	4,682
Reclassification from "Other assets"	1,926
Reclassification to "Assets held for sale" (Alpha Insurance Ltd.)	(1,269)
Foreign exchange differences	(471)
Depreciation	(8,615)
Impairment losses	(50,469)
Net book value 31.12.2014	<b>567,212</b>
<b>Balance 31.12.2014</b>	
Cost	693,486
Accumulated depreciation and impairment losses	(126,274)
<b>1.1.2015 - 31.3.2015</b>	
Net book value 1.1.2015	567,212
Additions	3,271
Reclassification to "Other assets"	(110)
Reclassification from "Property, plant and equipment"	3,650
Foreign exchange differences	1,658
Disposals/Write-offs	(2,137)
Depreciation for the period	(2,689)
Net book value 31.3.2015	<b>570,855</b>
<b>Balance 31.3.2015</b>	
Cost	697,807
Accumulated depreciation and impairment losses	(126,952)

There was no significant change in investment property during the current period.

The additions from companies consolidated for the first time in first quarter of 2014 relate to investment property which were obtained as collateral for loans and acquired by the Group in the context of its credit risk management.

In 2014, an impairment loss amounting to €50.5 million was recognized, in order for the carrying amount of investment property not to exceed their recoverable amount as at 31.12.2014, as estimated by certified valuers. The impairment amount was recorded in "Other Expenses".



## 8. Property, plant and equipment

	Land and buildings	Leased equipment	Equipment	Total
<b>Balance 1.1.2014</b>				
Cost	1,428,120	4,378	515,075	1,947,573
Accumulated depreciation and impairment losses	(390,427)	(2,660)	(432,016)	(825,103)
<b>1.1.2014 - 31.3.2014</b>				
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 for the period	(7,710)	(145)	(5,466)	(13,321)
Net book value 31.3.2014	<b>1,031,322</b>	<b>1,572</b>	<b>80,835</b>	<b>1,113,729</b>
<b>Balance 31.3.2014</b>				
Cost	1,425,841	4,386	515,139	1,945,366
Accumulated depreciation and impairment losses	(394,519)	(2,814)	(434,304)	(831,637)
<b>1.4.2014 - 31.12.2014</b>				
Net book value 1.4.2014	1,031,322	1,572	80,835	1,113,729
Foreign exchange differences	(1,518)	(1)	(76)	(1,595)
Additions	12,462	14	11,306	23,782
Additions from companies consolidated for the first time	36		422	458
Disposals/Write-offs	(2,688)		(349)	(3,037)
Reclassification from "Goodwill and other intangible assets"			29	29
Reclassification to "Investment property"	(4,682)			(4,682)
Reclassification internally to property, plant and equipment	(96)		96	
Reclassification to "Other assets"	(3,572)			(3,572)
Reclassification to "Assets held for sale"	(212)		(241)	(453)
Depreciation for the period	(22,250)	(435)	(15,646)	(38,331)
Impairment losses	(3,001)		21	(2,980)
Net book value 31.12.2014	<b>1,005,801</b>	<b>1,150</b>	<b>76,397</b>	<b>1,083,348</b>
<b>Balance 31.12.2014</b>				
Cost	1,410,759	4,302	518,133	1,933,194
Accumulated depreciation and impairment losses	(404,958)	(3,152)	(441,736)	(849,846)
<b>1.1.2015 - 31.3.2015</b>				
Net book value 1.1.2015	1,005,801	1,150	76,397	1,083,348
Foreign exchange differences	572	5	183	760
Additions	1,751		3,425	5,176
Disposals/Write-offs	(945)		(50)	(995)
Reclassification to "Investment property"	(3,650)			(3,650)
Reclassification internally to property, plant and equipment	(9)		9	
Reclassification to "Other assets"			23	23
Depreciation for the period	(7,199)	(154)	(5,130)	(12,483)
Net book value 31.3.2015	<b>996,321</b>	<b>1,001</b>	<b>74,857</b>	<b>1,072,179</b>
<b>Balance 31.3.2015</b>				
Cost	1,413,616	4,337	522,074	1,940,027
Accumulated depreciation and impairment losses	(417,295)	(3,336)	(447,217)	(867,848)

There was no significant change in property, plant and equipment during the current period.

In 2014, an impairment loss of €3 million was recognized for

owned property, plant and equipment and was recorded in "Other Expenses".

## 9. Goodwill and other intangible assets

	Software	Other	Total
<b>Balance 1.1.2014</b>			
Cost	418,490	112,361	530,851
Accumulated amortization and impairment losses	(254,865)	(33,072)	(287,937)
<b>1.1.2014 - 31.3.2014</b>			
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 for the period	(4,989)	(3,063)	(8,052)
Net book value 31.3.2014	194,316	48,305	242,621
<b>Balance 31.3.2014</b>			
Cost	470,682	70,947	541,629
Accumulated amortization and impairment losses	(276,366)	(22,642)	(299,008)
<b>1.4.2014 - 31.12.2014</b>			
Net book value 1.4.2014	194,316	48,305	242,621
Additions	31,159	1	31,160
Additions from companies consolidated for first time in 2014	9	85,164	85,173
Sale of subsidiary	(1)		(1)
Disposals/Write-offs	(220)		(220)
Reclassifications	(2,803)	2,774	(29)
Reclassification to "assets held for sale"	(74)		(74)
Foreign exchange differences	(36)		(36)
Amortization charge for the period	(12,562)	(14,608)	(27,170)
Net book value 31.12.2014	209,788	121,636	331,424
<b>Balance 31.12.2014</b>			
Cost	488,347	155,103	643,450
Accumulated amortization and impairment losses	(278,559)	(33,467)	(312,026)
<b>1.1.2015 - 31.3.2015</b>			
Net book value 1.1.2015	209,788	121,636	331,424
Additions	12,162		12,162
Reclassification	(1)	1	
Foreign exchange differences	25	(1)	24
Amortization charge for the period	(5,591)	(5,710)	(11,301)
Net book value 31.3.2015	216,383	115,926	332,309
<b>Balance 31.3.2015</b>			
Cost	500,803	155,182	655,985
Accumulated amortization and impairment losses	(284,420)	(39,256)	(323,676)

There was no significant change in goodwill and other intangible assets during the current period.

"Additions from companies consolidated for first time in 2014" includes an amount of €25 million regarding the acquired customer relationships from Diners Club and an amount of €60

million regarding the acquired customer relationships and the deposit base from the acquisition of Citibank. The range of the useful life of customer relationships was determined between 8 and 9 years, whereas the useful life of customer deposit accounts to 7 years.



## LIABILITIES

### 10. Due to banks

	<u>31.3.2015</u>	<u>31.12.2014</u>
Deposits:		
- Current accounts	84,378	104,066
- Term deposits		
Central Banks	23,611,956	14,819,325
Other credit institutions	30,384	318,128
Cash collateral for derivative margin accounts	193,784	193,064
Sale and repurchase agreements (Repos)	16,220	1,606,716
Borrowing funds	254,065	255,019
Deposits on demand:		
- Other credit institutions	3,610	3,796
<b>Total</b>	<b><u>24,194,397</u></b>	<b><u>17,300,114</u></b>

Due to Banks have increased by €6.9 billion during the first quarter of 2015 due to the increase of the borrowings from the European System of Central Banks as a result of mainly the deposit's outflow amounting to €6.2 billion due to the adverse economic environment in Greece.

Subsequent to 31.3.2015 the borrowing from the European System of Central Banks increased by €1.8 billion approximately.

### 11. Debt securities in issue and other borrowed funds

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

Under the programme for the enhancement of the Greek's economy's liquidity, according to Law 3723/2008, during the first quarter of 2015, the Bank proceeded to the issuance of senior debt securities of a nominal value of €4.6 billion with a floating interest rate of six month Euribor plus a spread of 6% (31.12.2014: 12%), while the maturities for the same period amounted to €9.8 billion.

From the new issues amounting at €4.6 billion, the amount of €3.6 billion has the Greek Government Guarantee, while for the amount of €950 million the Greek government guarantee is effective from 3.4.2015. The total balance of senior debt securities guaranteed by the Greek State as at 31.3.2015 amounts to €3.6 billion. (31.12.14: €9.8 billion).

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

Additionally, under the aforementioned programme the Bank proceeded on 30.4.2015 and on 25.5.2015 to the issuance of senior debt securities guaranteed by the Greek State of nominal value €1.5 billion and €3.77 billion respectively. The issues bear a floating interest rate of six month Euribor plus a spread of 6%.

Following the above, the current total balance of senior debt securities guaranteed by the Greek State amounts to €9.83 billion.

#### ii. Covered bonds<sup>(1)</sup>

Covered bonds issued by the Bank as at 31.3.2015 amount 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.

<sup>(1)</sup> Financial disclosures regarding covered bond issues, as determined by the 2620/28.08.2009 directive of Bank of Greece are published at the Bank's website.



**iii. Short term securities (ECP)**

<b>Balance 1.1.2015</b>	<b>26,339</b>
<b>Changes for the period 1.1 – 31.3.2015</b>	
Maturities/Repayments	(29,894)
Accrued interest	111
Foreign exchange differences	3,444
<b>Balance 31.3.2015</b>	<b>-</b>

**iv. Senior debt securities**

<b>Balance 1.1.2015</b>	<b>1,112,619</b>
<b>Changes for the period 1.1 - 31.3.2015</b>	
(Repurchases)/Sales	(44,132)
Maturities/Repayments	(38,419)
Fair value change	878
Accrued interest	12,630
Foreign exchange differences	308
<b>Balance 31.3.2015</b>	<b>1,043,884</b>

**v. Securitization liabilities of shipping loans**

<b>Balance 1.1.2015</b>	<b>414,446</b>
<b>Changes for the period 1.1 - 31.3.2015</b>	
Maturities/Repayments	(64,444)
Accrued interest	2,810
Foreign exchange differences	51,462
<b>Balance 31.3.2015</b>	<b>404,274</b>

The Bank proceeded to a shipping loan securitization transaction, transferring them in the fully consolidated Special Purpose Entity, Alpha Shipping Finance Ltd. Then Alpha Shipping Finance Ltd issued bonds, which are not held by the company.

The liability of the Group on 31.3.2015 which relates with the securitized shipping loans amounts to €404.3 million.

**vi. Securitization of other receivables**

Liabilities arising from the securitisation of consumer loans, corporate loans, credit cards and finance lease receivables are not included in "Debt securities in issue and other bor-

rowed funds" since these securities amounting to a nominal value €4.2 billion, were issued by special purpose entities are held by the Bank.

**vii. Subordinated debt (Lower Tier – II)**

<b>Balance 1.1.2015</b>	<b>154,042</b>
<b>Changes for the period 1.1 - 31.3.2015</b>	
(Repurchases)/Sales	(2,407)
Maturities/Repayments	(7,669)
Accrued interest	15
<b>Balance 31.3.2015</b>	<b>143,981</b>

**ix. Convertible bond loan**

<b>Balance 1.1.2015</b>	<b>64,600</b>
<b>Balance 31.3.2015</b>	<b>64,600</b>

<b>Total of debt securities in issue and other borrowed funds, not held by the Bank, as at 31.3.2015</b>	<b>1,656,739</b>
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Of the above debt securities in issue amounting to € 1,656,739 an amount of € 247,361 (31.12.2014: € 248,525) held by Bank customers has been reclassified to "Due to customer". There-

fore, the balance of "Debt securities in issue held by institutional investors and other borrowed funds" as at 31.3.2015, amounts to € 1,409,378 (31.12.2014: € 1,523,521).

## 12. Provisions

	<u>31.3.2015</u>	<u>31.12.2014</u>
Insurance provisions	143,363	132,211
Provisions to cover credit risk and other provisions	81,495	80,501
<b>Total</b>	<b>224,858</b>	<b>212,712</b>

### a. Insurance provisions

	<u>31.3.2015</u>	<u>31.12.2014</u>
<b>Life insurance</b>		
Mathematical reserves	143,344	132,177
Outstanding claim reserves	19	34
<b>Total</b>	<b>143,363</b>	<b>132,211</b>

### b. Provisions to cover credit risk and other provisions

<b>Balance 1.1.2014</b>	<b>140,183</b>
<b>Changes for the period 1.1 - 31.3.2014</b>	
Provisions to cover credit risk relating to off-balance sheet items (note 2)	106
Other provisions for the period	161
Reclassification to "Other liabilities"	(9,807)
Other provisions used during the period	(309)
Foreign exchange differences	(7)
<b>Balance 31.3.2014</b>	<b>130,327</b>
<b>Changes for the period 1.4 - 31.12.2014</b>	
Provisions to cover credit risk relating to off-balance sheet items	(51,536)
Other provisions for the period	4,913
Reclassification to provisions from other contingent liabilities	(775)
Other provisions used during the period	(4,239)
Provision for voluntary separation scheme	1,786
Other provisions from the acquisition of Citibank	117
Foreign exchange differences	(92)
<b>Balance 31.12.2014</b>	<b>80,501</b>
<b>Changes for the period 1.1 - 31.3.2015</b>	
Provisions to cover credit risk relating to off-balance sheet items (note 2)	2,843
Other provisions for the period	177
Other provisions used during the period	(2,071)
Foreign exchange differences	45
<b>Balance 31.3.2015</b>	<b>81,495</b>

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

On 31.3.2015 the balance of provisions to cover credit risk

relating to off-balance sheet items amounts to €18.4 million and other provisions to €63.1 million out of which €31.7 million concerns legal cases.

## EQUITY

### 13. Share capital and Retained earnings

#### a) Share capital

On 31.3.2015 the Bank's share capital amounts to €3,830,718, divided to 12,769,059,858 shares, out of which:

a) 4,310,200,279 ordinary, registered, voting, non-paper shares of nominal value of €0.30 each

b) 8,458,859,579 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.

#### b) Retained earnings

Since in 2014 there are no distributable 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-distribution of dividends to ordinary shareholders of the Bank and

- the non payment to the Greek State of the respective return for 2014, under article 1 paragraph 3 of Law 3723/2008, on the preference shares issued by the Bank and owned by the Greek State up to 17.4.2014.

### 14. Hybrid securities

	31.3.2015	31.12.2014
Perpetual with 1st call option on 18.2.2015 and annually	31,700	31,700
Securities held by Group companies	(1,926)	(236)
<b>Total</b>	<b>29,774</b>	<b>31,464</b>

Based on Alpha Group Jersey announcement at 16.1.2015 and under the terms of the €600 million (tranche B) CMS linked Non-cumulative Non-voting Preferred Securities (ISIN: DE000A0DX3M2), for which the subordinated guarantee

of the Bank has been issued, no (no-cumulative) dividend was distributed or paid to the hybrid securities holders at 18.2.2015.



## 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 31.3.2015 has recorded a provision for pending legal cases amounting to €31.7 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. The year 2011 is considered final, while a tax certificate with no qualifications was issued for 2012 and 2013. For the fiscal year 2014, the Bank's tax audit is in progress and no material findings are expected. Former Emporiki Bank has been audited by the tax authorities for the years up to and including 2008. The year 2011 is considered final, while it has obtained a tax certificate with no qualifications for 2012 and 2013.

The Bank's branches in London and Bulgaria have been audited by the tax authorities for the years 2011 and 2007 respectively. Emporiki Bank's Cyprus branch has not been audited by the tax authorities since the commencement of its operations (2011).

On 30 September 2014, the acquisition of Retail Banking op-

erations of Citibank International Plc (CIP) in Greece was completed. The acquisition does not affect the tax liabilities of the Bank since any obligations against the State until the date of acquisition remain with CIP.

In contrast, after the acquisition of the total amount of shares of "Diners Club Greece A.E.P.P." the company is considered as a subsidiary. This entity has been audited up to and including 2010. For the fiscal year of 2011 the company has conducted a voluntary settlement, while the fiscal years 2012 and 2013 it has received a tax certificate without qualification.

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
<b>Banks</b>	
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
<b>Leasing companies</b>	
1. Alpha Leasing A.E. **	2007
2. Alpha Leasing Romania IFN S.A.	2007
3. ABC Factors A.E. (tax audit is in progress for years for 2010)	2009
4. Diners Club Greece A.E.P.P. **	2010
<b>Investment Banking</b>	
1. Alpha Finance A.E.P.E.Y. **/***	2009
2. SSIF Alpha Finance Romania S.A. (tax audit is in progress for years from 2003 – 2007)	2002
3. Alpha A.E. Investment Holdings **/***	2009
4. Alpha A.E. Ventures Capital Management - AKES **/***	2009
5. Emporiki Ventures Capital Developed Markets Ltd	2007
6. Emporiki Ventures Capital Emerging Markets Ltd	2008
<b>Asset Management</b>	
1. Alpha Asset Management A.E.D.A.K. **/***	2009
2. ABL Independent Financial Advisers Ltd (voluntary settlement of tax obligation)	2011

\*\* These companies received tax certificate for the years 2011, 2012 and 2013 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
<b>Insurance</b>	
1. Alpha Insurance Brokers A.E. **/****	2009
2. Alpha Insurance Brokers S.R.L.	2005
3. Alphalife A.A.E.Z. **/****	2009
<b>Real estate and hotel</b>	
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 Real estate Services 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 Amarousion I A.E. (commencement of operation 2012)	* *
14. Alpha Investment Property Amarousion II A.E. (commencement of operation 2012)	* *
15. AGI – RRE Participations 1 S.R.L. (commencement of operation 2010)	* *
16. AGI – BRE Participations 1 E.O.O.D. (commencement of operation 2010)	2011
17. Stockfort Ltd (commencement of operation 2010)	*
18. Romfelt Real Estate SA (commencement of operation 1991)	*
19. AGI – RRE Zeus S.R.L. (commencement of operation 2012)	*
20. AGI – RRE Athena S.R.L. (commencement of operation 2012)	*
21. AGI – RRE Poseidon S.R.L. (commencement of operation 2012)	*
22. AGI – RRE Hera S.R.L. (commencement of operation 2012)	*
23. AGI - BRE Participations 2 E.O.O.D. (commencement of operation 2012)	*
24. AGI – BRE Participations 2BG E.O.O.D. (commencement of operation 2012)	*
25. AGI – BRE Participations 3 E.O.O.D. (commencement of operation 2012)	*
26. AGI – BRE Participations 4 E.O.O.D. (commencement of operation 2012)	*
27. APE Fixed Assets A.E. **/****	2009
28. SC Cordia Residence S.R.L.	2011
29. HT-1 E.O.O.D	*
30. AGI-RRE Venus S.R.L. (commencement of operation 2014)	*
31. AGI-RRE Cleopatra S.R.L. (commencement of operation 2014)	*
32. AGI-RRE Hermes S.R.L. (commencement of operation 2014)	*
33. SC Carmel Residential S.R.L. (commencement of operation 2014)	*
34. Alpha Investment Property Neas Kifisias A.E. (commencement of operation 2014)	*
35. Alpha Investment Property Kallirois A.E. (commencement of operation 2014)	*
36. Alpha Investment Property Livadias A.E. (commencement of operation 2014)	*
37. AGI-SRE Ariadni DOO (commencement of operation 2015)	*
<b>Special purpose and holding entities</b>	
1. Alpha Credit Group Plc (voluntary settlement of tax obligation)	2011
2. Alpha Group Jersey Ltd	****
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

\* 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, 2012 and 2013 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.

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



Name	Year
13. Pisti 2010 - 1 Plc (voluntary settlement of tax obligation)	2011
14. Alpha Shipping Finance Ltd (commencement of operation 2014)	*
15. AGI – RRE Athena Ltd (commencement of operation 2011)	*
16. AGI - RRE Poseidon Ltd (commencement of operation 2012)	*
17. AGI - RRE Hera Ltd (commencement of operation 2012)	*
18. Umera Ltd (commencement of operation 2012)	*
19. AGI – BRE Participations 2 Ltd (commencement of operation 2011)	*
20. AGI – BRE Participations 3 Ltd (commencement of operation 2011)	*
21. AGI – BRE Participations 4 Ltd (commencement of operation 2010)	*
22. Alpha Real Estate services Ltd (commencement of operation 2010)	*
23. AGI – RRE Ares Ltd (commencement of operation 2010)	*
24. AGI – RRE Venus Ltd (commencement of operation 2012)	*
25. AGI – RRE Artemis Ltd (commencement of operation 2012)	*
26. AGI – BRE Participations 5 Ltd (commencement of operation 2012)	*
27. AGI-RRE Cleopatra Ltd (commencement of operation 2013)	*
28. AGI-RRE Hermes Ltd (commencement of operation 2013)	*
29. AGI-Cypre Arsinoe Ltd (commencement of operation 2013)	*
30. AGI-SRE Ariadni Ltd (commencement of operation 2014)	*
31. Zerelda Ltd (commencement of operation 2012)	*
32. AGI-Cypre Alaminos Ltd (commencement of operation 2014)	*
33. AGI-Cypre Tochini Ltd (commencement of operation 2014)	*
34. AGI-Cypre Evagoras Ltd (commencement of operation 2014)	*
35. AGI-Cypre Tersefanou Ltd (commencement of operation 2014)	*
36. AGI-Cypre Mazotos Ltd (commencement of operation 2014)	*
37. AGI-Cypre Ermis Ltd (commencement of operation 2014)	*
<b>Other companies</b>	
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. Evisak A.E. **/****	2009
8. Emporiki Management A.E. ***	2009

### c) Operating leases

The Group's minimum future lease payments are:

	31.3.2015	31.12.2014
- less than one year	50,610	51,144
- between one and five years	125,658	126,856
- over five years	177,878	187,550
<b>Total</b>	<b>354,146</b>	<b>365,550</b>

The minimum future lease revenues are:

	31.3.2015	31.12.2014
- less than one year	11,616	11,108
- between one and five years	43,528	36,733
- over five years	40,984	39,996
<b>Total</b>	<b>96,128</b>	<b>87,837</b>

\* 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, 2012 and 2013 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.

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

#### d) Off balance sheet liabilities

The Group pursuant to its normal operations, is bound by contractual commitments, that in the future may result to changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee, undrawn credit facilities and credit limits.

Letters of credit are used to facilitate trading activities and relate to the financing of contractual agreements for the

The outstanding balances are as follows:

	31.3.2015	31.12.2014
Letters of credit	56,479	53,731
Letters of guarantee and other guarantees	3,802,946	3,933,314

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

The liability from limits that can not be recalled (commit-

ment) in case where counterparties fail to meet their contractual obligations as at 31.3.2015 amounts to €302.4 million (31.12.2014: €367.5 million) and are included in the calculation of risk weighted assets.

#### e) Assets pledged

Assets pledged, amounting to €39.3 billion as at 31.3.2015 include:

- Deposits pledged amounting to €0.2 billion concerning guarantees provided to the Greek State.
- Deposits pledged to credit institutions amounting to €1.6 billion which have been provided as guarantee for derivative transactions.
- Loans and advances to customers amounting to €21.9 billion out of which:
  - i. an amount of €19.9 billion has been pledged as collateral to Central Banks for liquidity purposes.
  - ii. an amount of €2.0 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 €1.6 billion in accordance with Law 3723/2008.
- Securities held for trading and investment securities portfolio amounting to €15.6 billion out of which:
  - i. an amount of €3.7 billion relates to the issuance of covered bonds secured by mortgage loans of €4.4 billion that are pledged as collateral to Central Banks for main refinancing operations.
  - ii. an amount of €3.6 billion relates to Greek Government bonds, of which an amount of €3.5 billion is pledged as collateral to Central Banks for participation

in main refinancing operations, while an amount of €0.1 billion has been given as collateral in the context of the long-term loan from European Investment Bank as well as in the context of 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 €4.1 billion is pledged as collateral to Central Banks for participation in main refinancing operations and 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.

In addition, an amount of €3.6 billion that relates to securities issued with the guarantee of the Greek State in accordance with Law 3723/2008 and are held by the Bank, are pledged as collateral to Central Banks for participation in main refinancing operations.



## 16. Group Consolidated Companies

The consolidated financial statements, apart from the parent company Alpha Bank include the following entities:

### A. SUBSIDIARIES

Name	Country	Group's ownership interest%	
		31.3.2015	31.12.2014
<b>Banks</b>			
1. Alpha Bank London Ltd	United Kingdom	100.00	100.00
2. Alpha Bank Cyprus Ltd <sup>(23f)</sup>	Cyprus	100.00	100.00
3. Emporiki Bank Cyprus Ltd <sup>(23f)</sup>	Cyprus		100.00
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
<b>Leasing Companies</b>			
1. Alpha Leasing A.E.	Greece	100.00	100.00
2. Alpha Leasing Romania IFN S.A.	Romania	100.00	100.00
3. ABC Factors A.E.	Greece	100.00	100.00
4. Diners Club Greece A.E.P.P.	Greece	100.00	100.00
<b>Investment Banking</b>			
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
<b>Asset Management</b>			
1. Alpha Asset Management A.E.Δ.A.K.	Greece	100.00	100.00
2. ABL Independent Financial Advisers Ltd	United Kingdom	100.00	100.00
<b>Insurance</b>			
1. Alpha Insurance Agents A.E.	Greece	100.00	100.00
2. Alpha Insurance Ltd <sup>(23a)</sup>	Cyprus		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
<b>Real estate and hotel</b>			
1. Alpha Astika Akinita A.E.	Greece	93.17	93.17
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	93.17
6. Alpha Astika Akinita D.O.O.E.L. Skopje	FYROM	93.17	93.17
7. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	93.17	93.17
8. Chardash Trading E.O.O.D.	Bulgaria	93.17	93.17
9. Alpha Real Estate Services S.R.L.	Romania	93.17	93.17
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. AGI-RRE Participations 1 S.R.L.	Romania	100.00	100.00
16. AGI-BRE Participations 1 E.O.O.D.	Bulgaria	100.00	100.00
17. Stockfort Ltd	Cyprus	100.00	100.00
18. Romfelt Real Estate S.A.	Romania	95.89	95.89



Name	Country	Group's ownership interest%	
		31.3.2015	31.12.2014
19. AGI-RRE Zeus S.R.L.	Romania	100.00	100.00
20. AGI – RRE Athena S.R.L.	Romania	100.00	100.00
21. AGI – RRE Poseidon S.R.L.	Romania	100.00	100.00
22. AGI – RRE Hera S.R.L.	Romania	100.00	100.00
23. AGI-BRE Participations 2 E.O.O.D.	Bulgaria	100.00	100.00
24. AGI-BRE Participations 2BG E.O.O.D.	Bulgaria	100.00	100.00
25. AGI-BRE Participations 3 E.O.O.D.	Bulgaria	100.00	100.00
26. AGI-BRE Participations 4 E.O.O.D.	Bulgaria	100.00	100.00
27. APE Fixed Assets A.E.	Greece	72.20	72.20
28. SC Cordia Residence S.R.L.	Romania	100.00	100.00
29. HT-1 E.O.O.D.	Bulgaria	100.00	100.00
30. AGI-RRE Venus S.R.L.	Romania	100.00	100.00
31. AGI-RRE Cleopatra S.R.L.	Romania	100.00	100.00
32. AGI-RRE Hermes S.R.L.	Romania	100.00	100.00
33. SC Carmel Residential S.R.L.	Romania	100.00	100.00
34. Alpha Investment Property Neas Kifisias A.E.	Greece	100.00	100.00
35. Alpha Investment Property Kallirois A.E.	Greece	100.00	100.00
36. Alpha Investment Property Livadias A.E.	Greece	100.00	100.00
37. AGI-SRE Ariadni DOO <sup>(23c)</sup>	Serbia	100.00	
<b>Special purpose and holding entities</b>			
1. Alpha Credit Group Plc	United Kingdom	100.00	100.00
2. Alpha Group Jersey Ltd	Jersey	100.00	100.00
3. Alpha Group Investments Ltd	Cyprus	100.00	100.00
4. Ionian Holdings A.E.	Greece	100.00	100.00
5. Ionian Equity Participations Ltd	Cyprus	100.00	100.00
6. Emporiki Group Finance Plc	United Kingdom	100.00	100.00
7. AGI – BRE Participations 1 Ltd	Cyprus	100.00	100.00
8. AGI – RRE Participations 1 Ltd	Cyprus	100.00	100.00
9. Alpha Group Ltd	Cyprus	100.00	100.00
10. Katanalotika Plc	United Kingdom		
11. Epihiro Plc	United Kingdom		
12. Irida Plc	United Kingdom		
13. Pisti 2010-1 Plc	United Kingdom		
14. Alpha Shipping finance Ltd	United Kingdom		
15. 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. Alpha Real Estate Services Ltd	Cyprus	100.00	100.00
23. AGI-RRE Ares Ltd	Cyprus	100.00	100.00
24. AGI-RRE Venus Ltd	Cyprus	100.00	100.00
25. AGI-RRE Artemis Ltd	Cyprus	100.00	100.00
26. AGI-BRE Participations 5 Ltd	Cyprus	100.00	100.00
27. AGI-RRE Cleopatra Ltd	Cyprus	100.00	100.00
28. AGI-RRE Hermes Ltd	Cyprus	100.00	100.00
29. AGI-RRE Arsinoe Ltd (23d)	Cyprus	100.00	100.00
30. AGI-SRE Ariadni Ltd	Cyprus	100.00	100.00
31. Zerelda Ltd	Cyprus	100.00	100.00
32. AGI-Cypre Alaminos Ltd	Cyprus	100.00	100.00



Name	Country	Group's ownership interest%	
		31.3.2015	31.12.2014
33. AGI-Cypre Tochini Ltd	Cyprus	100.00	100.00
34. AGI-Cypre Evagoras Ltd	Cyprus	100.00	100.00
35. AGI-Cypre Tersefanou Ltd	Cyprus	100.00	100.00
36. AGI-Cypre Mazotos Ltd	Cyprus	100.00	100.00
37. AGI-Cypre Ermis Ltd	Cyprus	100.00	100.00
<b>Other companies</b>			
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. Evisak A.E.	Greece	85.71	85.71
8. Emporiki Management A.E.	Greece	100.00	100.00

### b. Joint ventures

1. Cardlink A.E. <sup>(23b)</sup>	Greece		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
6. Rosequeens Properties S.R.L.	Romania	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
6. Aquaculture SELONDA AEGE <sup>(23e)</sup>	Greece	23.01	

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 AEVE, Emporiki Media Ltd, Aris Diomidis Emporiki SA, Metek SA, which have been fully impaired and are in the process of liquidation.

The Group hedges the foreign exchange risk arising from the net investment in subsidiaries through the use of derivatives in their functional currency.

## 17. Operating segments

(Amounts in million of Euro)

	1.1 - 31.3.2015						Group
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South Eastern Europe	Other	
Net interest income	230.1	169.9	4.0	(10.4)	87.8	0.1	481.5
Net fee and commission income	26.4	33.5	15.2	0.9	10.1	0.2	86.3
Other income	1.9	2.5	(0.1)	19.9	(14.2)	28.6	38.6
<b>Total income</b>	<b>258.4</b>	<b>205.9</b>	<b>19.1</b>	<b>10.4</b>	<b>83.7</b>	<b>28.9</b>	<b>606.4</b>
<b>Total expense</b>	<b>(161.4)</b>	<b>(34.9)</b>	<b>(8.7)</b>	<b>(6.8)</b>	<b>(63.6)</b>	<b>(11.3)</b>	<b>(286.7)</b>
Impairment losses	(144.0)	(228.8)	-	-	(53.5)	-	(426.3)
<b>Profit/(loss) before income tax</b>	<b>(47.0)</b>	<b>(57.8)</b>	<b>10.4</b>	<b>3.6</b>	<b>(33.4)</b>	<b>17.6</b>	<b>(106.6)</b>
Income tax							(9.2)
<b>Profit/(loss) after income tax</b>							<b>(115.8)</b>
Assets 31.3.2015	26,308.1	18,207.7	485.1	11,935.3	11,975.2	4,101.9	73,013.3
Liabilities 31.3.2015	25,803.3	5,198.3	1,613.2	23,416.9	9,466.2	135.7	65,633.6

Total expenses of first quarter of 2015 include expenses relating to mergers amounting to € 1.2 million.

(Amounts in million of Euro)

	1.1 - 31.3.2014						Group
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South Eastern Europe	Other	
Net interest income	202.0	178.4	3.5	(0.3)	87.1	0.6	471.3
Net fee and commission income	26.2	34.8	8.4	3.0	9.8	0.2	82.4
Other income	1.3	3.9	0.8	29.9	12.3	7.2	55.4
<b>Total income</b>	<b>229.5</b>	<b>217.1</b>	<b>12.7</b>	<b>32.6</b>	<b>109.2</b>	<b>8.0</b>	<b>609.1</b>
<b>Total expense</b>	<b>(182.6)</b>	<b>(41.4)</b>	<b>(7.7)</b>	<b>(6.7)</b>	<b>(63.7)</b>	<b>(19.6)</b>	<b>(321.7)</b>
Impairment losses	(127.7)	(182.3)	-	-	(85.0)	-	(395.0)
<b>Profit/(loss) before income tax</b>	<b>(80.8)</b>	<b>(6.6)</b>	<b>5.0</b>	<b>25.9</b>	<b>(39.5)</b>	<b>(11.6)</b>	<b>(107.6)</b>
Income tax							13.5
<b>Profit/(loss) after income tax</b>							<b>(94.1)</b>
Assets 31.12.2014	25,128.1	18,725.4	404.2	11,132.9	12,386.3	5,158.6	72,935.5
Liabilities 31.12.2014	29,837.8	7,046.0	1,938.9	15,938.9	9,977.0	490.3	65,228.9

Total expenses of first quarter of 2014 include expenses relating to the merger of Emporiki Bank amounting to €5.3 million.

### 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 branch network, offers all types of deposit products (deposits/ savings accounts, working capital/ current accounts, investment facilities/ term deposits, Repos, Swaps), loan facilities (mortgages, consumer,

corporate loans, letters of guarantee) and debit and credit cards of the above customers.

### ii. Corporate Banking

Includes all medium-sized and large companies, with international activities, corporations 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 of the abovementioned corporations. This sector also includes the leasing products which are offered through the subsidiary Alpha Leasing A.E. and factoring services offered through the subsidiary 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 the subsidiary, Alpha Asset Management A.E.D.A.K. In addition, it includes income received from the sale of a wide range of insurance products to individuals and companies through either AXA insurance, which is the corporate successor of the 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 subsidiaries (Alpha Finance A.E.P.E.Y., Alpha Ventures S.A.). It also includes the activities of the Dealing Room in the interbank market (FX Swaps, Bonds, Futures, IRS, Interbank placements – Loans etc.)

### v. South Eastern Europe

Consists of the 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 activity.

## 18. Exposure in credit risk from debt issued by the peripheral Eurozone countries

Due to the prolonged turmoil in the Eurozone countries, and the issues which the Greek economy faces, concerning the service of public debt, the Group monitors credit risk from

its exposure to the Greek State as well as the remaining peripheral Eurozone countries.

### i. Exposure to the Greek State

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

Portfolio	31.3.2015		31.12.2014	
	Nominal value	Carrying amount	Nominal value	Carrying amount
Available for sale	4,680,813	3,543,427	4,703,271	3,708,048
Trading	3,683	2,031	2,675	1,729
<b>Total</b>	<b>4,684,496</b>	<b>3,545,458</b>	<b>4,705,946</b>	<b>3,709,777</b>

All Greek Government securities are classified in Level 1 based on the quality of inputs used for the estimation of their fair value.

In addition the public sector entities/organizations securities on 31.3.2015 amounted to € 143,727 million (31.12.2014: € 138,862).

The Group's exposure to Greek State from other financial instruments, excluding securities is depicted in the table below:

### On balance sheet exposure

	31.3.2015	31.12.2014
	Carrying amount	Carrying amount
Derivative financial instruments – assets	552,448	566,070
Derivative financial instruments – liabilities	(516,131)	(290,879)

Derivative financial liabilities to public sector entities/organizations amounted to € 26.4 million on 31.3.2015 (31.12.2014: € 29.1 million).

The Group's exposure in loans to public sector entities/organizations on 31.3.2015 amounted € 1,404 million (31.12.2014: € 1,324 million). The Group for the above receivables has recognized impairment amounted to € 26.4 million as at 31.3.2015 (31.12.2014: € 29 million).

In addition the balance of Group's loans guaranteed by the Greek State (directly guaranteed by Greek government, loans guaranteed by TEMPE, Loans guaranteed by Common Ministerial Decisions) on 31.3.2015 amounted to € 738 million (31.12.2014: € 725 million). For these loans the Group has recognized impairment amounted to € 121 million as at 31.3.2015 (31.12.2014: € 142 million).

## Off balance sheet exposure

	31.3.2015		31.12.2014	
	Nominal value	Fair value	Nominal value	Fair value
Bonds used as collaterals for refinancing operation	-	-	105,641	65,202

## ii. Exposure to other peripheral Eurozone countries debt

The Group holds in its available for sale portfolio, bonds and treasury bills of the Republic of Cyprus with a book value of € 100.8 million (31.12.2014: € 50.9 million) and a bond of Cyprus Popular Bank (senior) with a book value of € 1.6 million (31.12.2014: € 1.6 million) after an impairment of € 34.6 million recognized in 2013 income statement.

Additionally, the Group holds in its available for sale portfolio,

bonds issued by the Italian Republic with a book value of € 7 million (31.12.2014: € 6.8 million) and bonds issued by the Spanish Republic with a book value of € 6.6 million (31.12.2014: € 6.3 million).

The Group as at 31.3.2015 had not exposure to bonds of Portugal and Ireland.

## 19. Disclosures relevant to the fair value of financial instruments

## Fair value of financial instruments measured at amortized cost

	31.3.2015		31.12.2014	
	Fair value	Carrying amount	Fair value	Carrying amount
<b>Assets</b>				
Loans and advances to customers	48,984,021	49,716,622	49,125,976	49,556,985
Investments securities				
- Held to maturity	258,683	271,199	309,592	310,818
- Loans and receivables	4,433,348	4,303,909	4,370,874	4,299,101
<b>Liabilities</b>				
Due to customers	35,718,478	36,008,412	42,557,113	42,900,633
Debt securities in issue <sup>(1)</sup>	988,877	1,344,778	1,286,879	1,458,921

The table above present the fair value and the carrying amount of financial instruments which are measured at amortized cost. The fair value of loans is estimated based on the interbank market yield curves by adding a liquidity premium and 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 and receivables portfolio, the discounted cash flows method is used and all significant variables are based either on observable market data or on a combination of observable and unobservable market data.

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

<sup>(1)</sup> Debt securities in issue do not include the convertible bond loan issued by the Bank in the context of the agreement with Credit Agricole S.A. regarding the acquisition of Emporiki Bank since this security is measured at fair value.

**Hierarchy of financial instruments measured at fair value**

	31.3.2015			Total Fair value
	Level 1	Level 2	Level 3	
Derivative financial assets	9,595	1,343,351		1,352,946
Securities held for trading				
- Bonds and treasury bills	2,031			2,031
- Shares	3,254			3,254
- Other variable yield securities	65			65
Available for sale securities				
- Bonds and treasury bills	4,293,254	1,190,991	17,383	5,501,628
- Shares	13,442		62,206	75,648
- Other variable yield securities	43,572			43,572
Derivative financial liabilities	272	2,532,154	8,311	2,540,737
Convertible bond		64,600		64,600

  

	31.12.2014			Total Fair value
	Level 1	Level 2	Level 3	
Derivative financial assets	12,368	1,136,108		1,148,476
Securities held for trading				
- Bonds and treasury bills	1,729			1,729
- Shares	2,380			2,380
- Other variable yield securities	80			80
Available for sale securities				
- Bonds and treasury bills	4,693,769	862,161	14,442	5,570,372
- Shares	11,913		62,011	73,924
- Other variable yield securities	43,990			43,990
Derivative financial liabilities	86	1,943,062	5,393	1,948,541
Convertible bond		64,600		64,600

The tables above present the fair value hierarchy 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 as Level 1.

The available for sale securities whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of the income approach methodology using interest rates and credit spreads which are observable in the market, are classified as Level 2. Level 3 classification includes securities with complex cash flows whose fair value is estimated using significant unobservable inputs.

The fair value of non listed shares, as well as shares not traded in an active market is determined based on the estimations made by 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 as Level 3.

For the valuation of over the counter derivatives income approach methodologies are used: discounted cash flow models, option-pricing models or other widely accepted valuation models. Valuations are checked on a daily basis with the respective prices of the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non observable inputs are significant the financial instrument 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.

Within the period, € 3.9 million bonds were transferred from Level 2 to Level 1 due to the satisfaction of the criteria of active market. In addition, within the period, € 233 million bonds were transferred from Level 1 to Level 2, as the liquidity margin (bid-ask spread) moved above the limit set for the characterization of market as active.

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

	31.3.2015			
	Total fair value	Fair value	Valuation method	Significant non-observable inputs
Available for sale bonds	17,383	17,383	Based on issuer price	Price
Available for sale shares	62,206	62,206	Discounted cash flows – Multiples valuation method – Cost of acquisition	Future profitability of the issuer
Derivative Financial Liabilities	8,311	20	Discounted cash flows - Black Scholes valuation model with shares basket being the underlying instrument	Coefficient of variation and correlation coefficient between shares
		8,291	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends

	31.12.2014			
	Total fair value	Fair value	Valuation method	Significant non-observable inputs
Available for sale bonds	14,442	14,442	Based on issuer price	Price
Available for sale shares	62,011	62,011	Discounted cash flows – Multiples valuation method – Cost of acquisition	Future profitability of the issuer
Derivative Financial Liabilities	5,393	20	Discounted cash flows - Black Scholes valuation model with shares basket being the underlying instrument	Coefficient of variation and correlation coefficient between shares
		5,373	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends

For all financial instruments measured at fair value and classified in Level 3 due to 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.

	31.3.2015	
	Assets	Liabilities
	Available for sale securities	Derivative Financial Assets
<b>Opening balance 1.1.2015</b>	<b>76,453</b>	<b>(5,393)</b>
Total gain or loss recognized in the income statement	224	(2,918)
Total gain or loss recognized directly in equity	734	
Purchases/Issues	7,342	
Sales/Repayments/Settlements	(5,164)	
<b>Balance 31.3.2015</b>	<b>79,589</b>	<b>(8,311)</b>
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 - 31.3.2015	224	(2,918)



During the period a purchase of bonds amounting at €7.3 million took place, which were classified in Level 3, because no observable parameters were utilized for valuation purposes. Additionally, sales amounting at €5.2 million took place.

	31.12.2014	
	Assets	Liabilities
	Available for sale securities	Derivative Financial Assets
<b>Opening balance 1.1.2014</b>	<b>75,261</b>	<b>(582)</b>
<b>Changes for the period 1.1 - 31.3.2014</b>		
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)	
<b>Balance 31.3.2014</b>	<b>82,625</b>	<b>(1,517)</b>
<b>Changes for the period 1.4 - 31.12.2014</b>		
Total gain or loss recognized in the income statement	(207)	(3,894)
Total gain or loss recognized directly in equity	(4,291)	
Purchases/Issues	1,086	
Sales/Repayments/Settlements	(10,638)	18
Transfers to Level 3 from Level 1	7,164	
Transfers to Level 3 from Level 2	714	
<b>Balance 31.12.2014</b>	<b>76,453</b>	<b>(5,393)</b>
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 - 31.3.2014	130	

## 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 Group.

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 Single Supervising Mechanism of ECB, to which reports are submitted on a quarterly basis. The minimum ratios (Common Equity Tier I capital, Tier I capital and Capital Adequacy Ratio) are determined by the Bank of Greece Executive Committee Act.

The capital adequacy ratio compares the Group's regulatory capital with the risks that it undertakes (risk weighted assets). Regulatory capital includes Tier I capital (share capital,

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

Since January 1, 2014 the above EU Directives have been repealed by virtue of EU Directive 2013/36/EU dated June 26, 2013 along with the EU Regulation 575/2013/EU, dated June 26, 2013 ("CRD IV"), which gradually introduce the new capital adequacy framework Basel III of credit institutions.

From 1.1 to 31.12.2014, besides the 8% capital adequacy limit, new limits of 4.5% for Common Equity Tier I ratio and 6% for Tier I ratio were set according to the Regulation 575/2013 and the transitional provisions for the calculation of own funds as adopted by the Bank of Greece. These limits should be satisfied on a standalone and on a consolidated basis.

	31.3.2015 (estimate)	31.12.2014* (restated)	31.12.2014 (reported)
Common Equity Tier I	13.1%	14.3%	14.3%
Tier I	13.1%	14.3%	14.3%
<b>Capital adequacy ratio</b>	<b>13.4%</b>	<b>14.6%</b>	<b>14.7%</b>

\* The change of 10 basis points in the 2014 capital adequacy ratio is due to the final calculation of the credit risk weighted assets, which became final after the publication of the 2014 Annual Financial Report.



## 21. Related-party transactions

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

	31.3.2015	31.12.2014
<b>Assets</b>		
Loans and advances to customers	32,204	32,529
<b>Liabilities</b>		
Due to customers	21,899	46,912
Debt securities in issue	1,420	2,370
Employee defined benefit obligations	397	387
<b>Total</b>	<b>23,716</b>	<b>49,669</b>
<b>Letters of guarantee and approved limits</b>	<b>10,655</b>	<b>11,917</b>

	From 1 January to	
	31.3.2015	31.3.2014
<b>Income</b>		
Interest and similar income	128	377
Fee and commission income	32	33
<b>Total</b>	<b>160</b>	<b>410</b>
<b>Expenses</b>		
Interest expense and similar charges	82	604
Fees paid to key management and close family members	748	785
Other expenses	1	1
<b>Total</b>	<b>830</b>	<b>1,390</b>

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

	31.3.2015	31.12.2014
<b>Assets</b>		
Loans and advances to customers	169,606	171,731
Other assets	575	391
<b>Total</b>	<b>170,181</b>	<b>172,122</b>
<b>Liabilities</b>		
Due to customers	19,160	7,265

	From 1 January to	
	31.3.2015	31.3.2014
<b>Income</b>		
Interest and similar income	1,419	1,282
Fee and commission income	1	1
Other income	203	201
<b>Total</b>	<b>1,623</b>	<b>1,484</b>
<b>Expenses</b>		
Interest expense and similar charges	66	25
General administrative expenses	407	1,376
Other expenses	1	395
<b>Total</b>	<b>473</b>	<b>1,796</b>



c. The Supplementary Fund of former Alpha Credit Bank's employees holds bonds of the subsidiary Alpha Credit Group Plc of €10,434, while its deposits with Alpha Bank amount to €7,190. The interest expense related to the bond

d. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on the Bank. In particular, due to its participation in the share capital increase which was completed on 6.6.2013, according to Law 3864/2010, HFSF acquired

and to the deposits amount at €247 and €20 respectively. Additionally, Alpha Bank's shares of €1,075 are included in the assets of the Supplementary Fund.

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 Bank.

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

	From 1 January to	
	31.3.2015	31.3.2014
<b>Income</b>		
Interest and similar income		178
Fee and commission income	19	
<b>Total</b>	<b>19</b>	<b>178</b>

## 22. Acquisition of the Retail Banking operations of Citibank and Diners Club Greece A.E.P.P.

On 30.09.2014, the acquisition by the Bank of Retail Banking operations of Citibank, including the company Diners Club Greece A.E.P.P. was completed, following the agreement signed on 13.6.2014 between the Bank and the Citibank International plc (hereinafter "CIP") and Citibank Overseas Investment Corporation (hereinafter "Sellers") and the receipt of required regulatory approvals.

An analysis of the above transactions is included in Note 47 of the 2014 Group's financial statements. The valuation process of the fair value of the net assets acquired through the acquisition of the retail banking operations of CIP and Diners, had

not been completed as of 31.12.2014, due to the short period of time between the completion of the transaction and the publication of the annual financial statements. Within the first quarter of 2015 the Group completed the valuation process of the net assets acquired in the context of the above mentioned transactions without any adjustment in the temporary fair values disclosed in the annual financial statements of 31.12.2014.

The following tables present the final fair values as of 30.09.2014 for the assets acquired from the acquisition of the retail banking operations of CIP and Diners respectively.

### CIP Transaction

	Fair value
<b>Net assets</b>	
<b>Assets</b>	
Cash and balances with Central Banks	20,279
Loans and advances to customers	227,466
Property, plant and equipment	458
Other intangible assets	60,079
Funding gap	680,950
Other assets	695
<b>Total Assets</b>	<b>989,927</b>
<b>Liabilities</b>	
Due to customers	927,343
Employee defined benefit obligations	2,936
Other liabilities and provisions	12,948
<b>Total Liabilities</b>	<b>943,227</b>
<b>Net assets</b>	<b>46,700</b>
Price	46,700
<b>Goodwill</b>	-

## Diners Club Greece

	Fair value
<b>Net assets</b>	
<b>Assets</b>	
Cash and balances with Central Banks	1,455
Loans and advances to customers	147,924
Other intangible assets	25,085
Other assets	181
<b>Total Assets</b>	<b>174,645</b>
<b>Liabilities</b>	
Due to banks	107,794
Employee defined benefit obligations	5,398
Deferred tax liabilities	6,522
Other liabilities and provisions	13,207
<b>Total Liabilities</b>	<b>132,921</b>
<b>Net assets</b>	<b>41,724</b>
Price	1,437
<b>Goodwill</b>	<b>40,287</b>

## 23. Corporate events

**a.** On 16.1.2015 the sale of the total number of shares of the subsidiary Alpha Insurance Ltd in Cyprus was completed. The result of the transaction, which incurred a loss of €5.3 million, was recognized in "Gains less losses on financial transactions" of 2014, as the Group reclassified the subsidiary as "Held for sale" and measured its assets and liabilities in the lower price between the carrying amount and the fair value less costs to sell.

**b.** On 23.1.2015 the Bank proceeded in the sale of the total number of shares of Cardlink SA. From the transaction a gain of €6.8 million incurred and it was recognized in "Gain less losses from financial transactions".

**c.** On 3.2.2015, the Group's subsidiary AGI-SRE Ariadni Ltd acquired the total number of shares of AGI-SRE Ariadni DOO based in Serbia for a total amount of €1.

**d.** On 6.2.2015, the Group's subsidiary AGI-Cypre Arsinoe Ltd was renamed to AGI-RRE Arsinoe Ltd.

**e.** On 16.2.2015 the Bank's Board of Directors approved the initiation of the procedures to merge and absorb Diners Club SA with the Bank, in accordance with the provision of articles 68 paragraph 2 and 78 of Codified Law 2190/1920, in combination with article 16, paragraph 18(a) and (d) (1) of Law 2515/1997 and also in accordance with article 54 of Law 4172/2013, that is still in progress.

**f.** On 17.3.2015 the Bank in accordance with the relevant loan restructuring agreement of the company SELONDA AEGE, acquired the 23.01% of its shares. The fair value of the acquired shares was determined at the amount of one Euro. The Bank intends to sell those shares in the near future.

**g.** On 27.3.2015 the merger of Alpha Bank Cyprus Ltd and Emporiki Bank Cyprus Ltd was completed through absorption of the second from the first.



## 24. Restatement of financial statements

During the current period the Group modified the way of disclosing the legal fees which, according to the loan agreements, are attributed to the loan accounts. Those expenses, which so far were included in the general administrative expenses, are hereinafter offset, for disclosure purposes, with the relevant income arising during the debit of the loan accounts, which is included in the fee and commission income. The modification of the legal fees and of the relevant income' disclosure was chosen because the substance of the transaction is better reflected in this way, due to the fact that

amounts which practically are not charged to the Bank, but to the borrower are no longer included in the expense balances and, respectively, amounts, which in fact do not constitute services provided by the Bank, are no longer included in the income balances.

As a result of the aforementioned modification, certain amounts of the Income Statement of the comparative period have been restated according to the table below, without affecting the result of each period.

### Fee and commission income

	From 1 January to			
	31.12.2014	30.9.2014	30.6.2014	31.3.2014
Published amounts	455,220	337,511	218,239	103,810
Restated amounts	399,144	294,916	189,659	91,072
<b>Restatements</b>	<b>(56,076)</b>	<b>(42,595)</b>	<b>(28,580)</b>	<b>(12,738)</b>

  

	1.10 - 31.12.2014	1.7 - 30.9.2014	1.4 - 30.6.2014	1.1 - 31.3.2014
	Published amounts	117,709	119,272	114,429
Restated amounts	104,228	105,257	98,587	91,072
<b>Restatements</b>	<b>(13,481)</b>	<b>(14,015)</b>	<b>(15,842)</b>	<b>(12,738)</b>

### General administrative expenses

	From 1 January to			
	31.12.2014	30.9.2014	30.6.2014	31.3.2014
Published amounts	(614,506)	(428,258)	(282,317)	(141,742)
Restated amounts	(558,430)	(385,663)	(253,737)	(129,004)
<b>Restatements</b>	<b>56,076</b>	<b>42,595</b>	<b>28,580</b>	<b>12,738</b>

  

	1.10 - 31.12.2014	1.7 - 30.9.2014	1.4 - 30.6.2014	1.1 - 31.3.2014
	Published amounts	(186,248)	(145,941)	(140,575)
Restated amounts	(172,767)	(131,926)	(124,733)	(129,004)
<b>Restatements</b>	<b>13,481</b>	<b>14,015</b>	<b>15,842</b>	<b>12,738</b>

## 25. Events after the balance sheet date

**a.** On 16.4.2015, the Bank's subsidiary Alpha Group Investments Ltd founded the company AEP Kefalariou A.E. for an amount of € 24 thousand.

**b.** On 30.4.2015, the Group's subsidiary AGI-RRE Participations 1 Ltd acquired the 99.996% of the shares of the company Asmita Gardens Srl based in Romania for an amount of € 1.07 million.

Athens, 28 May 2015

THE CHAIRMAN  
OF THE BOARD OF DIRECTORS

THE CHIEF EXECUTIVE  
OFFICER

THE GENERAL MANAGER AND  
CHIEF FINANCIAL OFFICER

THE ACCOUNTING AND  
TAX MANAGER

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