

PIRAEUS BANK



PIRAEUS BANK GROUP

**Consolidated Interim Condensed
Financial Information**

30 September 2013

**In Accordance with the International
Financial Reporting Standards**

The attached consolidated interim condensed financial information has been approved by the Piraeus Bank S.A. Board of Directors on November 29th, 2013 and it is available on the web site of Piraeus Bank at www.piraeusbankgroup.com

This financial information has been translated from the original interim financial information that has been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial information, the Greek language financial information will prevail over this document.

Index to the Consolidated Interim Condensed Financial Information

| Statements | Page |
|--|-------------|
| Consolidated Interim Income Statement | 2 |
| Consolidated Interim Statement of Total Comprehensive Income | 2 |
| Consolidated Interim Statement of Financial Position | 3 |
| Consolidated Interim Statement of Changes in Equity | 4 |
| Consolidated Interim Cash Flow Statement | 5 |
| Notes to the Consolidated Interim Condensed Financial Information: | |
| 1 General information about the Group | 6 |
| 2 General accounting policies, critical accounting estimates and judgements of the Group | 6 |
| 3 Basis of preparation of the consolidated interim condensed financial information | 8 |
| 4 Credit risk of loans and advances | 10 |
| 5 Fair values of financial assets and liabilities | 12 |
| 6 Capital adequacy | 14 |
| 7 Business segments | 15 |
| 8 Net trading income | 16 |
| 9 Profit/ (Loss) after income tax from discontinued operations | 16 |
| 10 Income tax | 16 |
| 11 Earnings/ (losses) per share | 17 |
| 12 Analysis of other comprehensive income | 17 |
| 13 Cash and balances with Central Banks | 18 |
| 14 Financial assets at fair value through profit or loss | 18 |
| 15 Loans and advances to customers and debt securities - receivables | 18 |
| 16 Investment securities | 19 |
| 17 Investments in subsidiaries and associate companies | 20 |
| 18 Other assets | 22 |
| 19 Balance sheet - Discontinued operations | 23 |
| 20 Due to credit institutions | 23 |
| 21 Due to customers | 23 |
| 22 Debt securities in issue | 23 |
| 23 Hybrid capital and other borrowed funds | 24 |
| 24 Contingent liabilities and commitments | 24 |
| 25 Share capital | 25 |
| 26 Other reserves and retained earnings | 26 |
| 27 Related parties transactions | 27 |
| 28 Acquisition of banking operations and completion of their purchase price allocation | 28 |
| 29 Changes in the portfolio of subsidiaries and associates | 30 |
| 30 Restatement of comparatives | 33 |
| 31 Events subsequent to the end of the interim period | 35 |

CONSOLIDATED INTERIM INCOME STATEMENT

| | Note | Period from 1 January to | | Period from 1 July to | |
|---|------|--------------------------|--------------------|-----------------------|-------------------|
| | | 30 September 2013 | 30 September 2012 | 30 September 2013 | 30 September 2012 |
| Interest and similar income | | 2,650,912 | 2,077,394 | 943,146 | 771,560 |
| Interest expense and similar charges | | (1,463,591) | (1,356,897) | (489,498) | (459,434) |
| NET INTEREST INCOME | | 1,187,321 | 720,496 | 453,648 | 312,126 |
| Fee and commission income | | 227,034 | 163,003 | 85,780 | 59,977 |
| Fee and commission expense | | (31,624) | (22,532) | (12,156) | (8,728) |
| NET FEE AND COMMISSION INCOME | | 195,410 | 140,471 | 73,624 | 51,250 |
| Dividend income | | 14,120 | 5,663 | 8,820 | 3,726 |
| Net trading income | 8 | 80,463 | 205,018 | 24,883 | (5,916) |
| Net income from financial instruments designated at fair value through profit or loss | | 6,236 | 2,858 | 1,089 | 418 |
| Results from investment securities | | 15,162 | (646) | 1,373 | (2) |
| Other operating income | | 50,276 | 14,187 | 29,856 | 19,960 |
| Negative goodwill due to acquisitions | 28 | 3,810,338 | - | - | - |
| TOTAL NET INCOME | | 5,359,325 | 1,088,047 | 593,293 | 381,561 |
| Staff costs | | (572,135) | (278,087) | (224,938) | (108,272) |
| Administrative expenses | | (388,371) | (234,092) | (151,245) | (87,063) |
| Depreciation and amortisation | | (92,765) | (78,412) | (32,501) | (26,445) |
| Gains/ (losses) from sale of assets | | 328 | (505) | (124) | (299) |
| TOTAL OPERATING EXPENSES BEFORE PROVISIONS | | (1,052,943) | (591,096) | (408,808) | (222,079) |
| PROFIT BEFORE PROVISIONS, IMPAIRMENT AND INCOME TAX | | 4,306,382 | 496,951 | 184,485 | 159,482 |
| Impairment losses on loans, debt securities and other receivables | 15 | (1,612,192) | (1,370,732) | (514,572) | (564,688) |
| Impairment on investment securities | | (32,591) | (358,074) | (884) | (428) |
| Other provisions and impairment | | (38,943) | (37,819) | (3,758) | (401) |
| Share of profit of associates | | (4,330) | 16,459 | (399) | 27,365 |
| PROFIT/ (LOSS) BEFORE INCOME TAX | | 2,618,325 | (1,253,214) | (335,128) | (378,670) |
| Income tax | 10 | 607,707 | 619,149 | 56,687 | 104,624 |
| PROFIT/ (LOSS) AFTER TAX FROM CONTINUING OPERATIONS | | 3,226,032 | (634,065) | (278,441) | (274,046) |
| Profit/ (loss) after income tax from discontinued operations | 9 | 19,106 | 13,241 | (2,039) | 10,547 |
| PROFIT/ (LOSS) AFTER TAX FOR THE PERIOD | | 3,245,138 | (620,824) | (280,480) | (263,499) |
| From continuing operations | | | | | |
| Profit/ (loss) for the period attributable to equity holders of the parent entity | | 3,231,781 | (628,712) | (277,142) | (273,533) |
| Non controlling interest | | (5,749) | (5,353) | (1,300) | (513) |
| From discontinued operations | | | | | |
| Profit/ (loss) for the period attributable to equity holders of the parent entity | | 19,106 | 13,194 | (2,039) | 10,541 |
| Non controlling interest | | (1) | 47 | - | 7 |
| Earnings/ (losses) per share attributable to equity holders of the parent entity (in euros): | | | | | |
| From continuing operations | | | | | |
| - Basic and Diluted | 11 | 1.6573 | (5.4699) | (0.0546) | (2.3794) |
| From discontinued operations | | | | | |
| - Basic and Diluted | 11 | 0.0098 | 0.1148 | (0.0004) | 0.0917 |
| CONSOLIDATED INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME | | | | | |
| | Note | Period from 1 January to | | Period from 1 July to | |
| | | 30 September 2013 | 30 September 2012 | 30 September 2013 | 30 September 2012 |
| CONTINUING OPERATIONS | | | | | |
| Profit/ (loss) after tax for the period (A) | | 3,226,032 | (634,065) | (278,441) | (274,046) |
| Other comprehensive income, net of tax: | | | | | |
| Amounts that can be reclassified in the Income Statement | | | | | |
| Net change in available for sale reserve | 12 | 55,265 | 169,647 | 34,803 | 132,613 |
| Change in currency translation reserve | 12 | 10,691 | (6,181) | 4,093 | 4,301 |
| Amounts that can not be reclassified in the Income Statement | | | | | |
| Change in actuarial gains/ (losses) of defined benefit obligations | | - | - | - | - |
| Other comprehensive income for the period, net of tax (B) | 12 | 65,956 | 163,466 | 38,896 | 136,914 |
| Total comprehensive income for the period, net of tax (A+B) | | 3,291,988 | (470,599) | (239,545) | (137,132) |
| - Attributable to equity holders of the parent entity | | 3,297,686 | (465,267) | (238,257) | (136,589) |
| - Non controlling interest | | (5,699) | (5,332) | (1,288) | (543) |
| DISCONTINUED OPERATIONS | | | | | |
| Profit/ (loss) after tax for the period (C) | | 19,106 | 13,241 | (2,039) | 10,547 |
| Amounts that can be reclassified in the Income Statement | | | | | |
| Net change in available for sale reserve | 12 | 4,072 | 4,340 | 1,765 | 4,264 |
| Change in currency translation reserve | 12 | (33) | 3,153 | (2) | 2,451 |
| Amounts that can not be reclassified in the Income Statement | | | | | |
| Change in actuarial gains/ (losses) of defined benefit obligations | | - | - | - | - |
| Other comprehensive income for the period, net of tax (D) | 12 | 4,039 | 7,493 | 1,763 | 6,715 |
| Total comprehensive income for the period, net of tax (C+D) | | 23,146 | 20,734 | (276) | 17,262 |
| - Attributable to equity holders of the parent entity | | 23,146 | 20,689 | (275) | 17,294 |
| - Non controlling interest | | (1) | 45 | (1) | (32) |

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

| | Note | 30 September 2013 | 31 December 2012 |
|---|------|-------------------|--------------------|
| ASSETS | | | |
| Cash and balances with Central Banks | 13 | 3,296,973 | 3,307,503 |
| Loans and advances to credit institutions | | 380,668 | 380,384 |
| Derivative financial instruments - assets | | 445,594 | 441,317 |
| Trading securities | 14 | 218,931 | 362,868 |
| Financial instruments at fair value through profit or loss | 14 | 14,029 | 7,833 |
| Reverse repos with customers | | 23,990 | 35,924 |
| Loans and advances to customers (net of provisions) | 15 | 61,996,948 | 44,612,686 |
| Debt securities - receivables | 15 | 15,818,145 | 8,015,997 |
| Investment securities | | | |
| - Available for sale securities | 16 | 1,820,023 | 4,836,475 |
| - Held to maturity | 16 | 63,967 | 74,006 |
| Investments in associated undertakings | | 347,059 | 301,696 |
| Intangible assets | | 309,083 | 409,755 |
| Property, plant and equipment | | 1,459,223 | 1,324,491 |
| Investment property | | 965,731 | 1,078,513 |
| Assets held for sale | | 20,160 | 15,537 |
| Deferred tax assets | 10 | 2,675,766 | 1,897,474 |
| Inventories property | | 497,920 | 332,057 |
| Other assets | 18 | 2,021,324 | 2,596,810 |
| Assets from discontinued operations | 19 | 343,254 | 377,150 |
| TOTAL ASSETS | | 92,718,790 | 70,408,477 |
| LIABILITIES | | | |
| Due to credit institutions | 20 | 25,777,207 | 32,561,322 |
| Liabilities at fair value through profit or loss | | - | 21,953 |
| Derivative financial instruments - liabilities | | 436,428 | 423,519 |
| Due to customers | 21 | 54,691,782 | 36,971,208 |
| Debt securities in issue | 22 | 364,211 | 533,702 |
| Hybrid capital and other borrowed funds | 23 | 255,989 | 324,141 |
| Retirement benefit obligations | | 191,021 | 183,238 |
| Other provisions | | 31,806 | 22,136 |
| Current income tax liabilities | | 17,768 | 12,996 |
| Deferred tax liabilities | | 39,208 | 37,215 |
| Other liabilities | | 1,100,018 | 1,035,700 |
| Liabilities from discontinued operations | 19 | 590,936 | 605,654 |
| TOTAL LIABILITIES | | 83,496,374 | 72,732,784 |
| EQUITY | | | |
| Share capital | 25 | 2,271,770 | 1,092,998 |
| Share premium | 25 | 10,008,734 | 2,953,356 |
| Less: Treasury shares | 25 | (77) | (36) |
| Other reserves | 26 | 67,444 | (4,655) |
| Amounts recognized directly in equity relating to non-current assets from discontinued operations | 26 | 13,341 | 9,301 |
| Retained earnings | 26 | (3,258,725) | (6,503,766) |
| Capital and reserves attributable to equity holders of the parent entity | | 9,102,487 | (2,452,802) |
| Non controlling interest | | 119,929 | 128,495 |
| TOTAL EQUITY | | 9,222,416 | (2,324,307) |
| TOTAL LIABILITIES AND EQUITY | | 92,718,790 | 70,408,477 |

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

| Note | Attributable to owners of the parent | | | | | | TOTAL |
|--|--------------------------------------|-------------------|-----------------|------------------|--------------------|--------------------|--------------------|
| | Share Capital | Share Premium | Treasury shares | Other reserves | Retained earnings | Minority interests | |
| Opening balance as at 1 January 2012 | 1,092,998 | 2,953,355 | (192) | (145,587) | (5,975,641) | 135,230 | (1,939,837) |
| Impact from the retrospective application of I.A.S. 19 amendment | | | | | 11,073 | 4 | 11,077 |
| Restated opening balance as at 1 January 2012 | 1,092,998 | 2,953,355 | (192) | (145,587) | (5,964,568) | 135,234 | (1,928,759) |
| Other comprehensive income, net of tax | | | | 170,940 | | 18 | 170,959 |
| Results after tax for the period 1/1/2012 - 30/9/2012 | | | | | (615,517) | (5,306) | (620,824) |
| Total recognised income for the period 1/1/2012 - 30/9/2012 | 0 | 0 | 0 | 170,940 | (615,517) | (5,288) | (449,865) |
| Prior year dividends of ordinary shares | | | | | | (250) | (250) |
| Expenses on issue of preference shares | | | | | (23) | | (23) |
| (Purchases)/ sales of treasury shares | | | (144) | | 167 | | 23 |
| Transfer between other reserves and retained earnings | | | | 7,037 | (7,037) | | 0 |
| Acquisitions, liquidation and movement in participating interest | | | | (439) | 137 | 61 | (241) |
| Balance as at 30 September 2012 | 1,092,998 | 2,953,355 | (336) | 31,951 | (6,586,841) | 129,757 | (2,379,116) |
| Opening balance as at 1 October 2012 | 1,092,998 | 2,953,355 | (336) | 31,951 | (6,586,841) | 129,757 | (2,379,116) |
| Other comprehensive income, net of tax | | | | (39,666) | | (145) | (39,812) |
| Results after tax for the period 1/10/2012-31/12/2012 | | | | | 116,877 | (3,600) | 113,277 |
| Total recognised income for the period 1/10/2012 - 31/12/2012 | 0 | 0 | 0 | (39,666) | 116,877 | (3,746) | 73,465 |
| Impact from I.A.S. 19 amendment after income tax recorded directly to Equity | | | | | (21,569) | (5) | (21,574) |
| (Purchases)/ sales of treasury shares | | | 300 | | 48 | | 348 |
| Transfer between other reserves and retained earnings | | | | 12,390 | (12,390) | | 0 |
| Acquisitions, disposals, absorptions, liquidation and movement in participating interest | | | | (28) | 108 | 2,490 | 2,570 |
| Balance as at 31 December 2012 | 1,092,998 | 2,953,355 | (36) | 4,647 | (6,503,767) | 128,496 | (2,324,307) |
| Opening balance as at 1 January 2013 | 1,092,998 | 2,953,355 | (36) | 4,647 | (6,503,767) | 128,496 | (2,324,307) |
| Other comprehensive income, net of tax | | | | 69,945 | | 50 | 69,995 |
| Results after tax for the period 1/1/2013 - 30/9/2013 | | | | | 3,250,887 | (5,750) | 3,245,138 |
| Total recognised income for the period 1/1/2013-30/9/2013 | 0 | 0 | 0 | 69,945 | 3,250,887 | (5,699) | 3,315,133 |
| Increase of share capital | 1,487,471 | 6,746,680 | | | | | 8,234,151 |
| Decrease of the nominal value of ordinary shares | (308,698) | 308,698 | | | | | 0 |
| (Purchases)/ sales of treasury shares | | | (41) | | 61 | | 20 |
| Transfer between other reserves and retained earnings | | | | 6,193 | (6,193) | | 0 |
| Expenses on Increase of share capital of subsidiary companies | | | | | (1,626) | (1) | (1,626) |
| Acquisitions, disposals, absorptions, liquidation and movement in participating interest | | | | | 1,913 | (2,866) | (954) |
| Balance as at 30 September 2013 | 2,271,770 | 10,008,734 | (77) | 80,785 | (3,258,725) | 119,929 | 9,222,416 |

CONSOLIDATED INTERIM CASH FLOW STATEMENT

| | Note | Period from 1 January to | |
|---|------|--------------------------|--------------------|
| | | 30 September 2013 | 30 September 2012 |
| <i>Cash flows from operating activities from continuing operations</i> | | | |
| Profit/ (Loss) before tax | | 2,618,325 | (1,253,214) |
| <i>Adjustments to profit/ (loss) before tax:</i> | | | |
| Add: provisions and impairment | | 1,683,727 | 1,752,394 |
| Add: depreciation and amortisation charge | | 92,765 | 78,412 |
| Add: retirement benefits | | 19,163 | 14,246 |
| (Gains)/ losses from valuation of trading securities and financial instruments at fair value through profit or loss | | (35,269) | 98,696 |
| (Gains)/ losses from investing activities | | (18,268) | (259,973) |
| Negative goodwill due to the acquisitions | 28 | <u>(3,810,338)</u> | <u>-</u> |
| <i>Cash flows from operating activities before changes in operating assets and liabilities</i> | | 550,106 | 430,561 |
| <i>Changes in operating assets and liabilities:</i> | | | |
| Net (increase)/ decrease in cash and balances with Central Banks | | 45,622 | 142,725 |
| Net (increase)/ decrease in trading securities and financial instruments at fair value through profit or loss | | 152,025 | (98,470) |
| Net (increase)/ decrease in debt securities - receivables | | (816,779) | 253,878 |
| Net (increase)/ decrease in loans and advances to credit institutions | | 9,989 | 79,587 |
| Net (increase)/ decrease in loans and advances to customers | | 3,829,301 | 970,142 |
| Net (increase)/ decrease in reverse repos with customers | | 11,934 | 55,459 |
| Net (increase)/ decrease in other assets | | 458,558 | (245,167) |
| Net increase/ (decrease) in amounts due to credit institutions | | (7,964,752) | 1,692,047 |
| Net increase/ (decrease) in liabilities at fair value through profit or loss | | (21,953) | (17,607) |
| Net increase/ (decrease) in amounts due to customers | | (138,833) | (3,895,605) |
| Net increase/ (decrease) in other liabilities | | <u>(66,014)</u> | <u>141,323</u> |
| <i>Net cash flow from operating activities before income tax payment</i> | | (3,950,797) | (491,127) |
| Income tax paid | | <u>(5,801)</u> | <u>(13,043)</u> |
| Net cash inflow/ (outflow) from continuing operating activities | | (3,956,598) | (504,170) |
| <i>Cash flows from investing activities of continuing operations</i> | | | |
| Purchases of property, plant and equipment | | (148,349) | (103,742) |
| Sales of property, plant and equipment | | 16,910 | 17,912 |
| Purchases of intangible assets | | (26,286) | (114,945) |
| Purchases of assets held for sale | | (11,987) | (5,368) |
| Sales of assets held for sale | | 7,529 | 4,437 |
| Purchases of investment securities | | (5,962,225) | (5,542,351) |
| Disposals/ maturity of investment securities | | 9,039,542 | 5,909,715 |
| Acquisition of subsidiaries excluding cash & cash equivalents acquired | 29 | 172,140 | (515) |
| Sales of subsidiaries excluding cash and balances sold | | 1,326 | (84,427) |
| Sales of associates | 29 | 4 | - |
| Acquisition and participation in share capital increases of associates | 29 | (9,764) | (844) |
| Dividends received | | <u>14,081</u> | <u>5,620</u> |
| Net cash inflow/ (outflow) from continuing investing activities | | 3,092,921 | 85,492 |
| <i>Cash flows from financing activities of continuing operations</i> | | | |
| Net proceeds from issue/ (repayment) of debt securities and other borrowed funds | | (308,850) | (808,365) |
| Increase of share capital | | 1,180,322 | - |
| Prior year dividends paid | | (16) | (252) |
| Purchases/ sales of treasury shares and preemption rights | | 19 | 23 |
| Other cashflows from financing activities | | <u>12,239</u> | <u>27,758</u> |
| Net cash inflow/ (outflow) from continuing financing activities | | 883,713 | (780,837) |
| Effect of exchange rate changes on cash and cash equivalents | | <u>(26,655)</u> | <u>(5,864)</u> |
| Net increase/ (decrease) in cash and cash equivalents of the period from continuing activities (A) | | (6,619) | (1,205,378) |
| <i>Net cash flows from discontinued operating activities</i> | | | |
| Net cash flows from discontinued operating activities | | (34,839) | (5,508) |
| Net cash flows from discontinued investing activities | | 35,504 | 17,059 |
| Net cash flows from discontinued financing activities | | - | 3 |
| Exchange difference of cash and cash equivalents | | <u>(41)</u> | <u>122</u> |
| Net increase/ (decrease) in cash and cash equivalents of the period from discontinued activities (B) | | 625 | 11,675 |
| Cash and cash equivalents at the beginning of the period (C) | | 2,473,084 | 2,681,134 |
| Cash and cash equivalents at the acquisition date of assets and liabilities of Cypriot banks' network in Greece (D) | | 11,696 | - |
| Cash and cash equivalents at the acquisition date of assets and liabilities of former ATEbank S.A. and its subsidiaries (E) | | <u>-</u> | <u>1,118,064</u> |
| Cash and cash equivalents at the end of the period (A)+(B)+(C)+(D)+(E) | | 2,478,786 | 2,605,495 |

The notes on pages 6 to 35 are an integral part of the consolidated interim condensed financial information.

1. General information about the Group

Piraeus Bank S.A. is a banking institute operating in accordance with the provisions of Law 2190/1920 on sociétés anonymes, Law 3601/2007 on credit institutions, and other relevant laws. According to article 2 of its Statute, the scope of the company is to execute, on its behalf or on behalf of third parties, any and every operation acknowledged or delegated by law to banks.

Piraeus Bank (parent company) is incorporated and domiciled in Greece. The address of its registered office is 4 Amerikis st., Athens. Piraeus Bank and its subsidiaries (hereinafter "the Group") provide services in the Southeastern Europe, Egypt, as well as London and Frankfurt. The Group employs in total 24,770 people of which 275 people, refer to discontinued operations (ATE Insurance S.A and ATE Insurance Romania S.A.).

Apart from the ATHEX Composite Index, Piraeus Bank's share is a constituent of other indices as well, such as FTSE/ATHEX (Banks, Large Cap), FTSE/ATHEX-CSE Banking Index, FTSE (Global Small Cap, Greece Small Cap, RAFI, Med 100), MSCI (Emerging Markets, EM EMEA, Greece), Euro Stoxx (All Europe, TMI) and S&P (Global BMI, Europe Developed BMI).

2. General accounting policies, critical accounting estimates and judgements of the Group

a. General accounting policies

The same accounting policies and methods of computation as those in the annual consolidated financial statements for the year ended 31 December 2012 have been followed.

The following amendments have been issued by the International Accounting Standards Board and are effective from 1/1/2013.

- **IAS 12 (Amendment), "Income Taxes" (effective for annual periods beginning on or after 1 January 2013).** Amendments to IAS 12 were issued to provide guidance namely to the measurement of deferred tax on: a) investment property measured at fair value and b) property, plant and equipment measured using the revaluation model in IAS 16. In both cases, deferred tax is required to be measured using the rebuttable presumption that the carrying amount of the underlying asset will be recovered through sale.
- **IAS 19 (Amendment), "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013).** The amendment removes the corridor mechanism and the concept of expected returns on plan assets. Actuarial gains and losses will be recognized in other comprehensive income as they occur. Plan assets will produce a credit to income based on corporate bond yields irrespective of the actual composition of assets held. The application of the revised IAS 19 is retrospective and the impact from its adoption is presented in note 31.
- **IAS 1 (Amendment), "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 July 2012).** The amendment requires entities to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. If the items are presented before tax, then the tax related to the two groups of other comprehensive income items (those that might be reclassified and those that will not be reclassified) must be shown separately. The adoption of the aforementioned amendment led to changes only in the presentation of the Consolidated Statement of Total Comprehensive Income.
- **IFRS 13, "Fair Value Measurement" (effective for annual periods beginning on or after 1 January 2013).** IFRS 13 defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements. The required disclosures due to the adoption of IFRS 13 are presented in note 5 of the consolidated interim condensed financial information.
- **IFRS 7 (Amendment), "Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities" (effective for annual periods beginning on or after 1 January 2013).** Amendments to IFRS 7 were issued in December 2011 to require additional disclosures that will enable users of financial statements to evaluate the effect of netting arrangements.
- **Other Amendments and IFRS.** IFRIC Interpretation 20, "Stripping Costs in the Production Phase of a Surface Mine" and IFRS 1 (Amendments), "Government Loans" are not applicable to the Group.

Improvements to IFRSs (May 2012)

- **IFRS 1 (Amendment), "First Time Adoption of International Financial Reporting Standards" (effective for annual periods beginning on or after 1 January 2013).** The amendment clarifies the accounting for re-application of IFRS for entities that have stopped applying IFRS in the past and choose or are required to apply IFRS again.
- **IAS 1 (Amendment), "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 January 2013).** The amendment requires notes to the financial statements when additional comparative periods are voluntarily presented.

- **IAS 16 (Amendment), "Property, Plant and Equipment" (effective for annual periods beginning on or after 1 January 2013).** The amendment provides guidance for the classification of major spare parts and servicing equipment as property, plant and equipment.
- **IAS 32 (Amendment), "Financial Instruments: Presentation" (effective for annual periods beginning on or after 1 January 2013).** The amendment clarifies that taxes arising from distributions to holders of equity instruments are accounted for in accordance with IAS 12 "Income Taxes".
- **IAS 34 (Amendment), "Interim Financial Reporting" (effective for annual periods beginning on or after 1 January 2013).** The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities to enhance consistency with IFRS 8 "Operating Segments" and to ensure that interim disclosures are aligned with annual disclosures.

b. Critical accounting estimates and judgements in the application of the accounting policies

For the preparation of consolidated financial statements, the Group proceeds to certain accounting estimates and judgements that affect the reported amounts of certain assets and liabilities within the next financial year. Accounting estimates and judgements are continually evaluated based on historical experience as well as on expectations of future events and they are the same with those accounting estimates and judgements adopted and described in the annual consolidated financial statements for the year ended 31 December 2012.

The most important areas where the Group uses accounting estimates and judgements, in applying the Group's accounting policies, are as follows:

b.1. Impairment losses on loans and other receivables

The Group examines, at every reporting period, whether trigger for impairment exists for its loans or loan portfolios. If such triggers exist, the recoverable amount of the loan portfolio is calculated and the relevant provision for this impairment is raised. The provision is recorded in the income statement. The estimates, methodology and assumptions used are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

b.2. Fair value of derivative financial instruments

The fair values of derivative financial instruments that are not quoted in active markets are determined by using valuation techniques. All models use observable data, however, areas such as credit risk (both own and counterparty), volatilities and correlations require Management's estimates. Assumptions and estimates that affect the reported fair values of financial instruments are examined regularly.

b.3. Impairment of available for sale portfolio

The available for sale portfolio is recorded at fair value and any changes in fair value are recorded in the available for sale reserve. Impairment of available for sale investments in shares and bonds exists when the decline in the fair value below cost is significant or prolonged in the case of shares or there are reasonable grounds for the issuer's inability to meet its future obligations in the case of bonds. Then, the available for sale reserve is recycled to the consolidated income statement of the period. The assessment of the decline in fair value as significant or prolonged requires judgement. Judgement is also required for the estimation of the fair value of investments that are not traded in an active market. For these investments, the fair value computation through financial models takes also into account evidence of deterioration in the financial performance of the investee, as well as industry and sector economical performance and changes in technology.

b.4. Investment property

Investment property is carried at fair value, as this is estimated by an independent valuer. Fair value is based on active market prices or is adjusted, if necessary, for any difference in the nature, location and condition of the specific investment property. If this information is not available, valuation methods are used. The fair value of investment property reflects rental income from current leases as well as assumptions about future rentals, taking into consideration current market conditions, taking into consideration current market conditions, as well as assumptions for future market conditions.

b.5. Income taxes

The Group recognizes deferred tax on temporary tax differences, taking into consideration future benefits as well as tax liabilities.

For the calculation and evaluation of the deferred tax asset recoverability, management considers the best estimates for the evolution of the Group's tax results in the foreseeable future, in combination with the nature of the temporary tax differences and tax losses and their recoverability based on the Greek tax law in force.

Namely to the Bank, the deferred tax asset of which accounts for the biggest part of the Group's deferred tax asset, management's estimates for the evolution of tax results are based on a series of assumptions, the most important of which relate to the future of the Greek economy and market.

b.6. Goodwill/ negative goodwill

The acquisition method is used by the Group to account for acquisitions. The Group, for the estimation of the fair values of identifiable assets and liabilities and contingent liabilities of the newly acquired subsidiaries and operations, uses the method of purchase price allocation (PPA), according to the requirements of IFRS 3 "Business Combination". For this purpose, the Group uses estimates to determine the fair value of the acquired net assets.

In case of goodwill, the Group proceeds to impairment test annually and whenever there is an indication of impairment, by comparing the carrying amount of the cash generating unit, including goodwill, with the respective recoverable amount. In the context of this procedure, the Group's estimates for the determination of the recoverable amount include key assumptions of the Management for the period of the estimated cash flows, the cash flows, the growth rate and the discount rate. These estimates are disclosed in the consolidated financial statements, in case that the amount of goodwill allocated to each cash generating unit is significant compared to the total goodwill, according to IAS 36.

Note 28 is relevant to the recognition of negative goodwill on the acquisition of a) the banking operations in Greece of Bank of Cyprus, Cyprus Popular Bank and Hellenic Bank, b) the selected assets and liabilities of former ATEbank S.A. and some of its subsidiaries, as well as c) the Millennium Bank Group S.A. for the period 1/1-30/9 of 2013.

3. Basis of preparation of the consolidated interim condensed financial information

The consolidated interim condensed financial information has been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and it should be read along with the Group's annual consolidated financial statements for the year ended 31 December 2012.

Consolidated interim condensed financial information attached, is expressed in thousand euros (unless otherwise stated) and roundings are performed in the nearest thousand. It shall be noted that, the figures of the consolidated interim statement of financial position as at 30/09/2013 are not comparable with the corresponding figures as at 31/12/2012, as Piraeus Bank acquired the banking operations in Greece of Bank of Cyprus, Cyprus Popular Bank and Hellenic Bank on 26/03/2013, as well as Millennium Bank Group on 19/06/2013. Furthermore, the figures of the consolidated interim income statement for the period 1/1-30/9 of 2013 are not comparable with the figures for the corresponding period of 2012 as Piraeus Bank acquired a) selected assets and liabilities of former ATEbank S.A. and some of its subsidiaries on 27/07/2012, b) Geniki Bank Group S.A. on 14/12/2012, c) the banking operations in Greece of Bank of Cyprus, Cyprus Popular Bank and Hellenic Bank on 26/03/2013 and d) Millennium Bank Group on 19/06/2013. Namely to the profit or loss for the period 1/1-30/9 of 2013, the aforementioned acquisitions mainly affected net interest income, net fee and commission income, staff costs, administrative cost, depreciation expense as well as impairment.

Piraeus Bank Group is affected by the ongoing economic variability and the increased volatility of the global financial markets and is exposed to risks that could potentially arise in other financial institutions, mainly due to the debt crisis in peripheral Eurozone countries.

The economic situation in Greece, though improving fiscally, still remains the main risk factor for the Greek banking sector in general. In case of negative developments in this area, the Bank's liquidity, the quality of its loan portfolio, its profitability, and ultimately, its capital adequacy may significantly be affected.

Greece's public debt sustainability consists an additional risk factor for the Greek banking system. Moreover, the country's economic adjustment programme continues to entail a significant execution risk. At the same time, both the risks of a deceleration in the global economic growth and of the debt crisis in other peripheral European economies are also added to the external factors of uncertainty.

The completion of the share capital increase of Piraeus Bank in June 2013 resulted in the enhancement of its capital base and the restoration of the EBA Core Tier I at a level much higher than the minimum required (9%). From the total amount raised for the share capital increase, approximately € 1.4 billion was covered by private investors and € 7 billion by the EFSF.

Despite the uncertainties and the risks existing in the Greek banking system, the following factors provide support to the economy and the Greek banking sector and shall therefore be taken into consideration:

- The completion of the recapitalisation programme of systemic banks.
- The availability of additional capital, in case this is required for the further recapitalisation of the Greek banks and for the reorganization of the banking sector (the total amount of capital to be provided to the EFSF for the support of the Greek banking system is € 50 billion).
- The financial support mechanism from the International Monetary Fund as well as from the European Union.
- The capability to raise liquidity through the Eurosystem.
- The intention of Greek Authorities to strengthen the greek economy.

Taking into consideration the above, Piraeus Bank's management estimates that the Group will continue in operational existence for the foreseeable future. Accordingly, the consolidated interim condensed financial information has been prepared on a going concern basis.

4 Credit risk of loans and advances

The Group has not changed its risk management policies during the period 1/1-30/9/2013.

Due to the acquisitions that took place during 2013 and the presentation of the relevant figures in fair values, the Group has chosen to disclose its exposure to credit risk in the Consolidated Interim Condensed Financial Information as well.

According to the above, loans and advances to customers and to credit institutions and debt securities - receivables, are summarised as follows:

| 30 September 2013 | | | | | |
|--|--|--|---|---|---|
| | Loans and advances to customers before provisions and adjustments | Individually impaired allowance for impairment of loans and advances | Collective allowance for impairment of loans and advances | Adjustments of opening balances at acquisition date | Net Loans and advances to customers after provisions and adjustments |
| A) Loans and advances neither past due or impaired | 32,261,504 | - | (192,319) | 134,335 | 32,203,520 |
| B) Loans and advances Past due but not impaired | 19,419,216 | - | (313,623) | (1,308,004) | 17,797,589 |
| C) Impaired loans and advances | 22,873,098 | (3,700,628) | (979,079) | (6,197,551) | 11,995,840 |
| Total | 74,553,818 | (3,700,628) | (1,485,021) | (7,371,221) | 61,996,948 |

| 31 December 2012 | | | | | |
|--|--|--|---|---|---|
| | Loans and advances to customers before provisions and adjustments | Individually impaired allowance for impairment of loans and advances | Collective allowance for impairment of loans and advances | Adjustments of opening balances at acquisition date | Net Loans and advances to customers after provisions and adjustments |
| A) Loans and advances neither past due or impaired | 26,956,387 | - | (68,953) | (65,218) | 26,822,216 |
| B) Loans and advances Past due but not impaired | 12,767,537 | - | (415,678) | (625,824) | 11,726,034 |
| C) Impaired loans and advances | 10,849,385 | (2,506,068) | (842,265) | (1,436,617) | 6,064,435 |
| Total | 50,573,309 | (2,506,068) | (1,326,896) | (2,127,659) | 44,612,686 |

"Adjustment for opening balances at acquisition date" relates mainly to allowance for impairment for loans of companies of former ATEbank, Geniki Bank Group and acquisition of the Greek banking operations of Cypriot Banks (Bank of Cyprus, Popular Bank of Greece, Hellenic Bank) and Millennium Bank S.A.. The aforementioned allowance for impairment has been included in the adjustment of loans and advances to customers to fair value according to the provisions of IFRS 3. It is noted that in note 15 'Loans and advances to customers and debt securities – receivables' the adjustment has decreased the balance of loans and advances to customers before provisions and it is not included in the allowance for impairment on loans and advances to customers. However for purposes of monitoring credit risk and for disclosure purposes according to IFRS 7, the aforementioned adjustment does not affect the balances of loans and advances before provisions, as the Group has not stopped monitoring the adjustment of loans nominal value as part of the provisions.

An analysis of the adjustment at the acquisition date per category of loans is provided below:

| | 30 September 2013 | 31 December 2012 |
|-----------------------------|--------------------------|-------------------------|
| Loans to individuals | (1,777,367) | (704,610) |
| Mortgages | (348,663) | (242,059) |
| Consumer/ personal loans | (1,104,909) | (275,559) |
| Credit cards | (323,795) | (186,991) |
| Corporate loans | (5,593,853) | (1,423,049) |
| Total adjustment | (7,371,221) | (2,127,659) |

| | 30 September 2013 | 31 December 2012 |
|--|--------------------------|-------------------------|
| Debt securities-receivables | 15,841,990 | 8,039,843 |
| Less: Allowance for impairment for debt securities - receivables | (23,846) | (23,846) |
| Net | 15,818,145 | 8,015,997 |

In regards to Debt securities – receivables, the Group has raised a provision for titles of equal value both as at 30/9/2013 and as at 31/12/2012.

| | 30 September 2013 | | 31 December 2012 | |
|--|---|------------------------------|---|------------------------------|
| | Loans and advances to credit institutions | Reverse repos with customers | Loans and advances to credit institutions | Reverse repos with customers |
| A) Loans and advances neither past due or impaired | 380,668 | 23,990 | 380,384 | 35,924 |
| B) Loans and advances Past due but not impaired | - | - | - | - |
| C) Impaired loans and advances | - | - | - | - |
| Total | 380,668 | 23,990 | 380,384 | 35,924 |

Piraeus Bank Group - 30 September 2013
Amounts in thousand euros (Unless otherwise stated)

The categorization of credit risk according to IFRS 7 is analyzed below in values before provisions and adjustments. Specifically:

a) Loans and advances neither past due or impaired:

Loans and advances to customers

| 30 September 2013 | Loans to individuals | | | Loans to corporate entities | Total loans and advances to customers |
|---------------------|----------------------|--------------------------|-------------------|-----------------------------|---------------------------------------|
| | Credit cards | Consumer/ personal loans | Mortgages | | |
| Grades | | | | | |
| Standard monitoring | 715,353 | 2,159,131 | 10,639,897 | 11,636,591 | 25,150,972 |
| Special monitoring | - | - | - | 7,110,532 | 7,110,532 |
| Total | 715,353 | 2,159,131 | 10,639,897 | 18,747,123 | 32,261,504 |

| 31 December 2012 | Loans to individuals | | | Loans to corporate entities | Total loans and advances to customers |
|---------------------|----------------------|--------------------------|------------------|-----------------------------|---------------------------------------|
| | Credit cards | Consumer/ personal loans | Mortgages | | |
| Grades | | | | | |
| Standard monitoring | 582,527 | 1,973,919 | 8,162,269 | 11,326,193 | 22,044,909 |
| Special monitoring | - | - | - | 4,911,478 | 4,911,478 |
| Total | 582,527 | 1,973,919 | 8,162,269 | 16,237,671 | 26,956,387 |

Loans and advances to credit institutions

| Grades | 30 September 2013 | 31 December 2012 |
|---------------------|-------------------|------------------|
| Investment grade | 3,653 | 27,615 |
| Standard monitoring | 331,620 | 350,215 |
| Special monitoring | 45,396 | 2,554 |
| Total | 380,668 | 380,384 |

Reverse repos with customers

| Grades | 30 September 2013 | 31 December 2012 |
|---------------------|-------------------|------------------|
| Standard monitoring | 23,990 | 35,924 |
| Total | 23,990 | 35,924 |

b) Loans and advances to customers past due but not impaired:

| 30 September 2013 | Loans to individuals | | | Loans to corporate entities | Total loans and advances to customers |
|------------------------|----------------------|--------------------------|------------------|-----------------------------|---------------------------------------|
| | Credit cards | Consumer/ personal loans | Mortgages | | |
| Past due 1 - 90 days | 106,033 | 987,599 | 3,136,477 | 7,134,942 | 11,365,051 |
| Past due 91 - 180 days | 30,141 | 192,674 | 578,750 | 1,361,173 | 2,162,739 |
| Past due > 180 days | - | - | 1,435,392 | 4,456,035 | 5,891,427 |
| Total | 136,174 | 1,180,272 | 5,150,619 | 12,952,150 | 19,419,216 |

| | | | | | |
|--------------------------|----|---------|-----------|-----------|------------|
| Fair value of collateral | 85 | 352,742 | 4,524,039 | 6,695,543 | 11,572,409 |
|--------------------------|----|---------|-----------|-----------|------------|

The fair value of collateral reflects the realizable value of specific collateral only (tangible, deposits, listed shares, mutual funds, counter guarantees of banks, cheques, bills of exchange, shipping documents, vested receivables from the transfer of contracts, in which personal and corporate guarantees are not included), after the application of haircuts according to the Group's credit policy.

| 31 December 2012 | Loans to individuals | | | Loans to corporate entities | Total loans and advances to customers |
|------------------------|----------------------|--------------------------|------------------|-----------------------------|---------------------------------------|
| | Credit cards | Consumer/ personal loans | Mortgages | | |
| Past due 1 - 90 days | 111,909 | 671,810 | 2,250,900 | 5,408,221 | 8,442,841 |
| Past due 91 - 180 days | 35,885 | 138,968 | 501,909 | 593,336 | 1,270,098 |
| Past due > 180 days | - | - | 846,795 | 2,207,804 | 3,054,599 |
| Total | 147,794 | 810,778 | 3,599,604 | 8,209,361 | 12,767,537 |

| | | | | | |
|--------------------------|----|---------|-----------|-----------|-----------|
| Fair value of collateral | 64 | 221,521 | 3,324,745 | 4,376,616 | 7,922,946 |
|--------------------------|----|---------|-----------|-----------|-----------|

c) Loans and advances to customers impaired:

| 30 September 2013 | Loans to individuals | | | Loans to corporate entities | Total loans and advances to customers |
|-----------------------------|----------------------|--------------------------|-----------|-----------------------------|---------------------------------------|
| | Credit cards | Consumer/ personal loans | Mortgages | | |
| Impaired loans and advances | 717,934 | 2,869,755 | 2,521,844 | 16,763,565 | 22,873,098 |
| Fair value of collateral | 14 | 352,034 | 2,068,810 | 5,860,997 | 8,281,855 |

| 31 December 2012 | Loans to individuals | | | Loans to corporate entities | Total loans and advances to customers |
|-----------------------------|----------------------|--------------------------|-----------|-----------------------------|---------------------------------------|
| | Credit cards | Consumer/ personal loans | Mortgages | | |
| Impaired loans and advances | 477,665 | 1,287,919 | 951,583 | 8,132,218 | 10,849,385 |
| Fair value of collateral | 120 | 123,096 | 740,507 | 3,192,402 | 4,056,124 |

5 Fair values of financial assets and liabilities

a) Financial assets and liabilities not held at fair value:

The following table summarises the fair values and the carrying amounts of those financial assets and liabilities not presented in the consolidated balance sheet at fair value.

| | Carrying Value | | Fair Value | |
|---|-------------------|------------------|-------------------|------------------|
| | 30 September 2013 | 31 December 2012 | 30 September 2013 | 31 December 2012 |
| Financial assets | | | | |
| Loans and advances to credit institutions | 380,668 | 380,384 | 380,668 | 380,384 |
| Loans and advances to customers (net of provisions) | 61,996,948 | 44,612,686 | 61,965,572 | 44,566,217 |
| -Loans to individuals | 22,992,347 | 16,118,688 | 22,930,212 | 16,102,893 |
| -Loans to corporate entities | 39,004,602 | 28,493,998 | 39,035,360 | 28,463,324 |
| Debt securities - receivables | 15,818,145 | 8,015,997 | 15,833,985 | 7,664,643 |
| Reverse repos with customers | 23,990 | 35,924 | 23,982 | 35,917 |
| Held to maturity investment securities | 63,967 | 74,006 | 63,899 | 74,006 |
| Financial liabilities | | | | |
| Due to credit institutions | 25,777,207 | 32,561,322 | 25,778,398 | 32,562,806 |
| Due to customers | 54,691,782 | 36,971,208 | 54,705,198 | 36,970,560 |
| Debt securities in issue | 364,211 | 533,702 | 257,085 | 389,228 |
| Hybrid capital and other borrowed funds | 255,989 | 324,141 | 137,413 | 154,826 |

The fair value for the period 1/1-30/9/2013 of loans and advances to credit institutions, loans and advances to customers (net of provisions), repurchase agreements, due to credit institutions and due to customers which are measured at amortized cost, are not materially different from the respective carrying values since they bear mainly floating interest rates and as a result being re-priced at regular time periods. Also, it shall be noted that a significant part of loans and advances to customers as well as due to customers, relates to the acquired operations during the period 1/1-30/9/2013, which were purchased at fair value as determined by the purchase price allocation (PPA) exercise.

Fair value for held to maturity items and debt securities - receivables is estimated using quoted market prices. Where this information is not available, fair value has been estimated using quoted market prices for securities with similar credit, maturity and yield characteristics, or by discounting cash flows.

The fair value of debt securities in issue is calculated based on quoted prices. Where quoted market prices are not available, the estimated fair value is based on other debt securities with similar credit, yield and maturity characteristics or by discounting cash flows.

The fair value of other borrowed funds and hybrid capital is based on quoted market prices. When quoted market prices are not reliable, the fair value is estimated by discounting cash flows with appropriate yield curves.

B) Financial assets and liabilities held at fair value

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources. Unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed shares and bonds on exchanges and exchanges traded derivatives like futures.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes OTC derivatives and bonds. Input parameters are based on yield curves or data from reliable sources (Bloomberg, Reuters).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). Level 3 includes participations of the Group categorized in the available for sale portfolio, which are not traded in an active market or for which there are not available prices from external traders in order to determine their fair value. For the determination of the fair value of the aforementioned participations, the Bank uses generally accepted valuation models and techniques such as: discounted cash flow models, estimation of options, comparable transactions, estimation of the fair value of assets (i.e. fixed assets) and net asset value. The Group, based on prior experience, adjusts if necessary, the relevant values in order to reflect the current market conditions. The estimated fair value of the corporate participations of the Group within level 3 is only taken into account for impairment test purposes, else these participations are recorded at cost.

This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

The following tables present financial assets and liabilities measured at fair value, categorized in the three levels mentioned above, reconciliation of level 3 items for the period 1/1-30/9/2013 and sensitivity analysis:

| Financial Assets & Liabilities measured at fair value | Level 1 | Level 2 | Level 3 | Total |
|---|---------|---------|--|----------------|
| Financial Assets | | | | |
| Derivative financial instruments - assets | 126 | 445,468 | - | 445,594 |
| Trading portfolio | | | | |
| -Trading bonds | 162,464 | 41,725 | - | 204,189 |
| -Trading treasury bills | 8,845 | - | - | 8,845 |
| -Shares & other variable income securities | 5,681 | 215 | - | 5,896 |
| Financial Assets at FV through PL | | | | |
| -Shares & other variable income securities | 14,029 | - | - | 14,029 |
| Available for Sale Securities | | | | |
| -Trading bonds | 420,796 | 111,325 | - | 532,121 |
| -Shares & other variable income securities | 270,596 | 10,785 | 208,959 | 490,340 |
| -Treasury bills | 701,825 | 95,737 | - | 797,562 |
| Financial Liabilities | | | | |
| -Liabilities at fair value through profit or loss | - | - | - | 0 |
| -Derivative financial instruments - liabilities | 805 | 435,623 | - | 436,428 |
| | | | Shares & Other variable Income securities | |
| Reconciliation of Level 3 Items | | | | |
| Opening balance | | | | 269,301 |
| Profit/ (loss) for the period | | | | 543 |
| Purchases and share capital increases | | | | 14,823 |
| Impairment | | | | (17,450) |
| Disposals | | | | (14,861) |
| FX differences | | | | (849) |
| Other income | | | | (111) |
| Transfers to level 3 | | | | 14,015 |
| Transfers from level 3 | | | | (56,452) |
| Total | | | | 208,960 |

“Transfers from level 3” refer to a company which was transferred to the associate companies portfolio from the available for sale portfolio in the second quarter of 2013, due to the Bank's significant influence.

During the period 1/1-30/9/2013 no significant transfers from level 1 to level 2 and vice versa have taken place. In the period 1/1-30/9/2013, corporate bonds of total amount € 77.6 million approximately, were transferred from level 2 to level 1 .

The estimation of the change in the fair value of the Group's participations in Level 3, has been approached by various methods, such as:

- the net asset value (NAV),
- the discounted future dividends taking into account estimates of the issuer and the relevant cost of capital,
- the closing prices of similar listed shares or the indices of similar listed companies,
- the adjusted equity position taking into account the value of the assets (i.e. tangible assets) and the relevant qualifications from the certified auditors' report.

Also, factors that may adjust these values such as the industry and the business environment in which companies operate, current developments and prospects, have been taken into account, while the Group based on prior experience, adjusts further where necessary, these values so as to assess the possible changes. The following table presents the sensitivity analysis of level 3:

| Sensitivity Analysis of Level 3 measurements to alternative assumptions, reflected in: | Favourable changes | Unfavourable changes |
|---|---------------------------|-----------------------------|
| Income Statement | | |
| Available for sale securities | - | (15,827) |
| Equity Statement | | |
| Available for sale securities | 6,370 | (16,645) |

6 Capital adequacy

Risk-weighted assets increased as a result of the acquisitions that took place in the first semester of 2013. At the same time regulatory capital increased due to the completion of the share capital increase and the negative goodwill recognized on acquisitions, resulting in a capital adequacy ratio of 13.6% as at 30/09/2013 compared to 9.7% as at 31/12/2012. A table presenting the calculation of capital adequacy ratio follows:

| | 30 September 2013 | 31 December 2012 |
|--|------------------------------|-----------------------------|
| Total Core Tier I capital | 7,958,833 | 3,956,953 |
| Total Tier I capital | 7,977,333 | 4,016,869 |
| Total Tier II capital | 94,398 | 188,765 |
| Regulatory capital | 8,071,731 | 4,205,634 |
| | | |
| | 30 September 2013 | 31 December 2012 |
| Total risk weighted assets (on and off-balance sheet items) | 59,173,253 | 43,175,453 |
| | | |
| Core ratio Tier I capital | 13.5% | 9.2% |
| Tier I ratio | 13.5% | 9.3% |
| Total Capital Adequacy ratio | 13.6% | 9.7% |

7 Business segments

Piraeus Bank Group has defined the following business segments:

Retail Banking - This segment includes the retail banking facilities of the Bank and its subsidiaries, which are addressed to retail customers, as well as to small - medium companies (deposits, loans, working capital, imports – exports, letters of guarantee, etc.)

Corporate Banking - This segment includes facilities related to retail banking, provided by the Bank and its subsidiaries, addressed to large and maritime companies, which due to their specific needs are serviced centrally (deposits, loans, syndicated loans, project financing, working capital, imports-exports, letters of guarantee, etc.).

Investment Banking - This segment includes activities related to investment banking facilities of the Bank and its subsidiaries (investment and advisory services, underwriting services and public listings, stock exchange services etc.).

Asset Management and Treasury – This segment includes asset management facilities for clients of the Group and on behalf of the Group (wealth management facilities, mutual funds management, treasury).

Other – Includes other facilities of the Bank and its subsidiaries that are not included in the above segments (Bank's administration, real estate activities, IT activities etc.).

According to IFRS 8, the identification of business segments results from the internal reports that are regularly reviewed by the Executive Board in order to monitor and assess each segment's performance. Significant elements are the evolution of figures and results per segment.

An analysis of the results and other financial figures per business segment of the Group is presented below:

| | Retail Banking | Corporate Banking | Investment Banking | Asset Management & Treasury | Other business segments | Eliminations | Group | Group (Continuing operations) | Discontinued operations |
|--------------------------------|----------------|-------------------|--------------------|-----------------------------|-------------------------|--------------|--------------------|-------------------------------|-------------------------|
| 1/1-30/9/2013 | | | | | | | | | |
| Net interest income | 703,100 | 504,186 | (128) | 107,960 | (145,104) | 18,678 | 1,188,692 | 1,187,321 | 1,371 |
| Net fee and commission income | 140,673 | 34,268 | 3,447 | 4,956 | 19,817 | (7,784) | 195,377 | 195,410 | (33) |
| Net income | 901,205 | 546,993 | 7,037 | 160,777 | 3,843,207 | (41,635) | 5,417,584 | 5,359,325 | 58,259 |
| Segment results | (1,408,983) | 107,796 | (2,488) | 141,665 | 3,810,450 | - | 2,648,440 | 2,622,656 | 25,785 |
| Share of results of associates | | | | | | | (4,330) | (4,330) | 0 |
| Results before tax | | | | | | | 2,644,110 | 2,618,325 | 25,785 |
| Income tax | | | | | | | 601,028 | 607,707 | (6,679) |
| Results after tax | | | | | | | 3,245,138 | 3,226,032 | 19,106 |
| Other segment items | | | | | | | | | |
| Capital expenditure | 106,947 | 6,483 | 113 | 573 | 60,956 | - | 175,072 | 174,635 | 436 |
| Depreciation and amortisation | 42,418 | 6,378 | 274 | 1,004 | 44,086 | - | 94,160 | 92,765 | 1,395 |
| Provisions and impairment | 1,189,385 | 380,600 | 13 | 83 | 113,645 | - | 1,683,727 | 1,683,727 | 0 |
| At 30 September 2013 | | | | | | | | | |
| Segment assets | 45,569,601 | 17,684,004 | 75,810 | 22,711,566 | 6,677,808 | - | 92,718,790 | 92,375,535 | 343,254 |
| Segment liabilities | 47,767,092 | 3,237,781 | 373,769 | 29,514,861 | 2,602,872 | - | 83,496,374 | 82,905,438 | 590,936 |
| 1/1-30/9/2012 | | | | | | | | | |
| Net interest income | 677,238 | 248,925 | (494) | (11,848) | (180,203) | 5,669 | 739,287 | 720,496 | 18,790 |
| Net fee and commission income | 105,223 | 20,040 | 1,903 | 3,820 | 13,496 | (3,205) | 141,277 | 140,471 | 806 |
| Net income | 834,729 | 267,404 | 8,935 | (98,886) | 145,537 | (39,131) | 1,118,588 | 1,088,047 | 30,541 |
| Segment results | (753,996) | (11,916) | (4,054) | (451,380) | (28,142) | - | (1,249,488) | (1,269,674) | 20,185 |
| Share of results of associates | | | | | | | 16,459 | 16,459 | 0 |
| Results before tax | | | | | | | (1,233,029) | (1,253,215) | 20,185 |
| Income tax | | | | | | | 612,205 | 619,149 | (6,944) |
| Results after tax | | | | | | | (620,823) | (634,065) | 13,241 |
| Other segment items | | | | | | | | | |
| Capital expenditure | 67,036 | 11,592 | 94 | 1,603 | 138,366 | - | 218,691 | 218,687 | 6 |
| Depreciation and amortisation | 37,401 | 5,751 | 290 | 724 | 35,612 | - | 79,778 | 78,412 | 1,366 |
| Provisions and impairment | 1,087,442 | 223,099 | 4,364 | 312,663 | 131,376 | - | 1,758,944 | 1,766,625 | (7,681) |
| At 31 December 2012 | | | | | | | | | |
| Segment assets | 37,310,303 | 9,235,262 | 78,497 | 16,912,222 | 6,872,193 | - | 70,408,477 | 70,031,327 | 377,150 |
| Segment liabilities | 32,924,871 | 2,656,822 | 366,317 | 33,612,463 | 3,172,311 | - | 72,732,784 | 72,127,130 | 605,654 |

Negative goodwill due to the acquisition of the Greek banking operations of the three Cypriot banks, of the acquired assets and liabilities of former ATEbank, of Geniki Bank S.A. and of Millennium Bank S.A. (note 28) is included in lines "Net Income" and "Segment Results" of other business segments. Regarding results before tax of other business segments, there is no sector that contributes more than 10%.

Capital expenditure includes additions of intangible and tangible assets that took place during the period by each business segment.

The intercompany transactions among the business segments are realised under normal commercial terms.

8 Net trading income

Net trading income amounts to € 80.5 million gain for the period 1/1-30/9/2013, arising mainly from the buyback of hybrid capital (Tier 1) and subordinated debt (Lower Tier 2).

9 Profit/ (Loss) after income tax from discontinued operations

The period 1/1-30/9/2013 includes the results of ATE Insurance S.A. and ATE Insurance Romania S.A., for which the sale process is in progress. The periods 1/1-30/9/2012 and the 3rd quarter of 2012 include the results of ATE Insurance S.A., and ATE Insurance Romania S.A., as well as the results of Marathon Banking Corporation until the date of its sale.

| | 1/1-30/9/2013 | 1/1-30/9/2012 | 1/7-30/9/2013 | 1/7-30/9/2012 |
|---|-----------------|-----------------|-----------------|----------------|
| Net interest income | 1,371 | 18,790 | 447 | 6,842 |
| Net fee and commission income | (33) | 806 | (15) | 274 |
| Dividend Income | 64 | 120 | 57 | 61 |
| Net trading income | 5,488 | 1,236 | 2,090 | 1,236 |
| Results from investment securities | - | (57) | - | (57) |
| Other operating income/ (loss) | 51,369 | 248 | 17,833 | (30) |
| Total net income | 58,259 | 21,144 | 20,412 | 8,326 |
| Staff costs | (22,729) | (9,577) | (13,983) | (5,092) |
| Administrative expenses | (8,349) | (7,093) | (2,931) | (3,675) |
| Depreciation and amortization | (1,395) | (1,366) | (473) | (596) |
| Profit/ (loss) from sale of assets | (1) | - | 1 | - |
| Total operating expenses | (32,474) | (18,037) | (17,386) | (9,363) |
| Other provisions and impairment | - | 7,681 | - | 7,681 |
| Profit before income tax | 25,785 | 10,789 | 3,026 | 6,645 |
| Income tax | (6,679) | (6,944) | (5,065) | (5,494) |
| Profit/ (loss) after income tax from discontinued operations | 19,106 | 3,845 | (2,039) | 1,151 |
| Profit/ (loss) from disposal of discontinued operations | - | 9,397 | - | 9,397 |
| Profit/ (loss) from discontinued operations | 19,106 | 13,241 | (2,039) | 10,548 |

10 Income tax

| | 1/1-30/9/2013 | 1/1-30/9/2012 |
|--------------------------------|----------------|----------------|
| Current Tax | (10,677) | (9,700) |
| Deferred tax | 620,994 | 630,010 |
| Provisions for tax differences | (2,610) | (1,161) |
| | 607,707 | 619,149 |

By virtue of Law 3943/2011 (Greek Government Gazette A' 66/31.3.2011), the corporate income tax rate of legal entities in Greece for the periods commencing from 1/1/2011 and thereon, is 20% and the withholding tax rate imposed on distributed profits of legal entities is 25%.

In accordance with the regulations of the Greek Tax Law 4110/23.1.2013, for the years from 01/01/2013 and thereon, the income tax rate for legal entities increased (from 20% to 26%) whereas the tax rate for dividends distribution decreased (from 25% to 10%) for profits distribution which will be approved from 01/01/2014 and thereon. The above change of the tax rate had a positive effect on the current period results (taxes) of approximately €0.5 billion (1st quarter of 2013), equally increasing the amount of deferred tax, recognized in financial statements.

For the subsidiaries operating abroad, the tax has been calculated according to the respective nominal tax rates that were imposed in the years of 2012 and 2013 (Bulgaria: 10%, Romania: 16%, Egypt: 20% for net income not exceeding 10.000.000 EGP and 25% for net income exceeding the above amount, Serbia: 15% for 2013 and 10% for 2012, Ukraine: 19% for 2013 and 21% for 2012, Cyprus: 12.5% for 2013 and 10% for 2012, Albania: 10% and United Kingdom: 23% from 01/04/2013 and 24% for 2012 until 31/03/2013).

The Group is subject to income taxes in the countries in which it operates. This requires estimates in determining the provision for income taxes and therefore the final income tax determination is uncertain during the fiscal year. Where the final income tax expense is different from the amounts initially recorded, differences will impact the income tax and deferred tax liabilities/assets liabilities in the period in which the tax computation is finalized.

The deferred tax, estimated from the 1st quarter of 2013 by applying the new (increased) tax rate for the Bank and its Greek subsidiary companies, is mainly due to tax losses of previous fiscal years as well as to the participation of the Bank in the PSI program in the year 2012. The Bank has recognized deferred tax for almost the total amount of its tax losses, based on the best estimates of the Management for the future evolution of the Bank's tax results which were based on the restructuring plan.

Also, it shall be noted that in accordance with the regulations of the Law 4110/23.1.2013 in the Greek Tax system, the losses of legal entities, arising from the exchange of Greek Government bonds or corporate bonds guaranteed by the Hellenic Republic, under application of the program for participation in the restructuring of Greek debt, are deductible from gross income in 30 equal annual installments commencing from the year that exchange of securities took place.

Piraeus Bank has been audited by the tax authorities and all the unaudited fiscal years until 2010 have been finalized. The audit of the Bank from respective tax authorities for the year 2010 was recently completed and a total amount of €4 million in income tax has been paid. The above amount did not affect the results of the period 1/1-30/9/2013 since a relevant provision was raised in previous years. The unaudited tax years of the subsidiaries and associates are included in note 17. In respect of the unaudited tax years, a relevant provision has been raised according to International Financial Reporting Standards (IFRS).

In accordance with the article 82 of Law 2238/94, for the year 2011 and thereafter, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (SA), that operate in Greece, are obliged to issue an Annual Tax Certificate (Tax Compliance Report) on the implementation of tax provisions on tax issues. Provided there is no qualification or other material findings result, every year will be considered as final, for tax audit purposes, eighteen months after the submission of the Tax Compliance Report to the Ministry of Finance.

For the year 2012, the tax audit of the Bank conducted by PricewaterhouseCoopers S.A. has been completed and a Tax Compliance Report with no material findings has been issued.

11 Earnings/ (losses) per share

Basic earnings/ (losses) per share is calculated by dividing the profit/ (loss) after tax attributable to ordinary shareholders of the parent entity by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the Group and held as treasury shares. There is no potential dilution on basic earnings/ (losses) per share.

| Basic and diluted earnings/ (losses) per share from continuing operations | 1/1-30/9/2013 | 1/1-30/9/2012 | 1/7-30/9/2013 | 1/7-30/9/2012 |
|--|----------------------|----------------------|----------------------|----------------------|
| Profit/ (loss) attributable to ordinary shareholders of the parent entity from continuing activities | 3,231,781 | (628,712) | (277,142) | (273,533) |
| Weighted average number of ordinary shares in issue | 1,950,086,547 | 114,941,297 | 5,072,511,342 | 114,956,387 |
| Basic and diluted earnings/ (losses) per share (in euros) from continuing operations | 1.6573 | (5.4699) | (0.0546) | (2.3794) |
| Basic and diluted earnings per share from discontinued operations | 1/1-30/9/2013 | 1/1-30/9/2012 | 1/7-30/9/2013 | 1/7-30/9/2012 |
| Profit attributable to ordinary shareholders of the parent entity from discontinued operations | 19,106 | 13,194 | (2,039) | 10,541 |
| Weighted average number of ordinary shares in issue | 1,950,086,547 | 114,941,297 | 5,072,511,342 | 114,956,387 |
| Basic and diluted earnings per share (in euros) from discontinued operations | 0.0098 | 0.1148 | (0.0004) | 0.0917 |

According to the requirements of IAS 33, the weighted average number of shares has been adjusted for the comparative period from 1/1/2012 - 30/9/2012 by a 1.0057 factor, in order to adjust earnings/ (losses) per share for the discount price of the rights issue of the share capital increase. Comparative period has been also adjusted by a factor 1/10 in order to adjust earnings/ (losses) per share for the reverse split (note 25).

12 Analysis of other comprehensive income

A. Continuing operations

| | Before-Tax amount | Tax | Net-of-Tax amount |
|---|--------------------------|-----------------|--------------------------|
| 1/1-30/9/2013 | | | |
| Amounts that can be reclassified in the Income Statement | | | |
| Change in available for sale reserve | 78,970 | (23,705) | 55,265 |
| Change in currency translation reserve | 10,691 | - | 10,691 |
| Amounts that can not be reclassified in the Income Statement | | | |
| Change in actuarial gains/ (losses) of defined benefit obligations | - | - | 0 |
| Other comprehensive income from continuing operations | 89,661 | (23,705) | 65,956 |
| 1/1-30/9/2012 | | | |
| Amounts that can be reclassified in the Income Statement | | | |
| Change in available for sale reserve | 211,248 | (41,601) | 169,647 |
| Change in currency translation reserve | (6,181) | - | (6,181) |
| Amounts that can not be reclassified in the Income Statement | | | |
| Change in actuarial gains/ (losses) of defined benefit obligations | - | - | 0 |
| Other comprehensive income from continuing operations | 205,067 | (41,601) | 163,466 |

B. Discontinued operations

| | Before-Tax amount | Tax | Net-of-Tax amount |
|---|--------------------------|------------|--------------------------|
| 1/1-30/9/2013 | | | |
| Amounts that can be reclassified in the Income Statement | | | |
| Change in available for sale reserve | 4,072 | - | 4,072 |
| Change in currency translation reserve | (33) | - | (33) |
| Amounts that can not be reclassified in the Income Statement | | | |
| Change in actuarial gains/ (losses) of defined benefit obligations | - | - | 0 |
| Other comprehensive income from discontinued operations | 4,039 | 0 | 4,039 |
| 1/1-30/9/2012 | | | |
| Amounts that can be reclassified in the Income Statement | | | |
| Change in available for sale reserve | 4,340 | - | 4,340 |
| Change in currency translation reserve | 3,153 | - | 3,153 |
| Amounts that can not be reclassified in the Income Statement | | | |
| Change in actuarial gains/ (losses) of defined benefit obligations | - | - | 0 |
| Other comprehensive income from discontinued operations | 7,493 | 0 | 7,493 |

13 Cash and balances with Central Banks

| | 30 September 2013 | 31 December 2012 |
|---|----------------------|---------------------|
| Cash in hand | 737,505 | 779,859 |
| Nostros and sight accounts with other banks | 538,275 | 481,423 |
| Balances with Central banks | 714,768 | 725,588 |
| Cheques clearing system - Central Banks | 134,414 | 103,000 |
| Blocked deposits | 801,682 | 769,779 |
| Mandatory reserves with Central Banks | 370,329 | 447,854 |
| | 3,296,973 | 3,307,503 |

Mandatory reserves with the Central Banks and blocked deposits are not available for daily banking operations by the Group.

14 Financial assets at fair value through profit or loss

| | 30 September 2013 | 31 December 2012 |
|--|----------------------|---------------------|
| Trading securities | | |
| Greek government bonds | 17,381 | 5,416 |
| Foreign government bonds | 186,808 | 323,683 |
| Corporate entities bonds | - | 95 |
| Bank bonds | - | 56 |
| Greek government treasury bills | 8,845 | 21,318 |
| Total | 213,035 | 350,569 |
| Athens stock exchange listed shares | 5,676 | 11,628 |
| Foreign stock exchanges listed shares | 5 | 6 |
| Mutual funds | 215 | 666 |
| Total | 5,896 | 12,299 |
| Total trading securities | 218,931 | 362,868 |
| Other financial assets at fair value through profit or loss | 14,029 | 7,833 |

15 Loans and advances to customers and debt securities - receivables

| | 30 September 2013 | 31 December 2012 |
|---|----------------------|---------------------|
| A) Loans and advances to customers | | |
| Mortgages | 17,963,698 | 12,471,397 |
| Consumer/ personal and other loans | 5,104,248 | 3,797,057 |
| Credit cards | 1,245,666 | 1,020,994 |
| Loans to individuals | 24,313,613 | 17,289,448 |
| Loans to corporate entities/ Public sector | 42,868,985 | 31,156,201 |
| Total loans and advances to customers | 67,182,597 | 48,445,650 |
| Less: Allowance for impairment on loans and advances to customers | (5,185,649) | (3,832,964) |
| Total loans and advances to customers (net of provisions) | 61,996,948 | 44,612,686 |

Please note that the amounts of loans have been amended by fair value adjustment, in the context of the purchase price allocation exercise of the operations acquired. The relevant adjustments incurred as at acquisition date are presented in note 4.

Movement in allowance (impairment) on loans and advances to customers

| | Mortgages | Consumer/ personal loans | Credit cards | Total loans to individuals | Loans to corporate entities/ Public sector | Total |
|---|----------------|-----------------------------|----------------|-------------------------------|---|------------------|
| Opening balance at 1/1/2012 | 126,034 | 579,989 | 153,232 | 859,255 | 2,193,144 | 3,052,399 |
| Opening balance for Egypt companies (discontinued operations for the year 2011) | 13 | 13,185 | 4,674 | 17,872 | 70,193 | 88,065 |
| Opening balance from discontinued operations | (538) | (10) | - | (547) | (6,603) | (7,150) |
| Charge for the period from continuing operations | 40,211 | 175,656 | 16,580 | 232,447 | 1,087,387 | 1,319,834 |
| Loans written-off from continuing operations | (8,190) | (32,668) | (12,700) | (53,558) | (573,072) | (626,630) |
| Foreign exchange differences from continuing operations | (7) | (2,863) | (254) | (3,123) | (5,682) | (8,805) |
| Other movements | - | - | - | - | (10,335) | (10,335) |
| Balance at 30/9/2012 | 157,524 | 733,289 | 161,533 | 1,052,345 | 2,755,032 | 3,807,377 |
| Opening balance at 1/10/2012 | 157,524 | 733,289 | 161,533 | 1,052,345 | 2,755,032 | 3,807,377 |
| Charge for the period from continuing operations | 33,362 | 57,382 | 29,757 | 120,501 | 516,534 | 637,036 |
| Writte offs of loans from continuing operations | (752) | (948) | (299) | (2,000) | (607,710) | (609,709) |
| Foreign exchange differences from continuing operations | 35 | 73 | (196) | (87) | (1,653) | (1,740) |
| Balance at 31/12/2012 | 190,168 | 789,796 | 190,795 | 1,170,760 | 2,662,203 | 3,832,963 |
| Opening balance at 1/1/2013 | 190,168 | 789,796 | 190,795 | 1,170,760 | 2,662,203 | 3,832,963 |
| Charge for the period from continuing operations | 46,059 | 151,459 | 17,398 | 214,916 | 1,324,842 | 1,539,758 |
| Writte offs of loans from continuing operations | (6,073) | (25,053) | (31,869) | (62,995) | (91,461) | (154,456) |
| Foreign exchange differences from continuing operations | 8 | (1,654) | (476) | (2,121) | (9,607) | (11,728) |
| Unwinding of interest | - | - | - | - | (20,889) | (20,889) |
| Balance at 30/9/2013 | 230,162 | 914,549 | 175,849 | 1,320,560 | 3,865,089 | 5,185,649 |

"Impairment losses on loans, debt securities and other receivables" in the Income Statement for the period 1/1-30/9/2013 includes an amount of € 68.2 million that relates to impairment losses on other receivables and an amount of € 4.2 million that relates to loans written-off directly in the income statement.

| | 30 September 2013 | 31 December 2012 |
|---|------------------------------|-----------------------------|
| B) Debt securities - receivables | | |
| Corporate entities debt securities - receivables | 4,517 | 4,740 |
| Bank debt securities - receivables | 23,846 | 23,846 |
| Greek government bonds debt securities - receivables | 1,445,173 | 1,415,002 |
| Foreign government bonds debt securities - receivables | 14,368,454 | 6,596,255 |
| Total debt securities - receivables | 15,841,990 | 8,039,843 |
| Less: Allowance for impairment on debt securities - receivables | (23,846) | (23,846) |
| Debt securities - receivables (less allowances for losses) | 15,818,145 | 8,015,997 |

Debt securities - receivables as at 30/09/2013 include Greek Government Bonds of nominal value € 1,457 million, which were issued according to the requirements of Law 3723/2008 "Enhancement of the Greek economy's liquidity". From these, debt securities with nominal value of € 782 million were transferred to Piraeus Bank in order to cover the issuance of Piraeus Bank's preference shares to the Greek State of amount € 370 million in 2009 and € 380 million in 2011. Additionally, securities of € 675 million face value were acquired by the Bank in the context of the transfer of selected assets and liabilities of former ATEbank. The book value of the aforementioned securities amounted to € 1,445 million as at 30/09/2013.

Foreign government bonds include bonds issued by the European Financial Stability Fund (EFSF) of € 7,295 million, which the Bank received under the transfer agreement of selected assets and liabilities of the former ATEbank. In the aforementioned category are also included bonds of the same issuer amounting to € 6,848 million, which the Bank received as a result of the participation of the Greek Financial Stability Fund in the share capital increase of Piraeus Bank. The book value of the above mentioned debt securities amounts to € 14,330 million as at 30/9/2013. Additionally, foreign government treasury bills owned by subsidiaries of the Group are included, the book value of which amounts to € 38 million as at 30/9/2013.

16 Investment securities

| | 30 September 2013 | 31 December 2012 |
|--|------------------------------|-----------------------------|
| Available for sale securities | | |
| Bonds and other fixed income securities | | |
| Greek government bonds | 149,281 | 70,544 |
| Foreign government bonds and EFSF bonds | 339,502 | 826,495 |
| Corporate entities bonds | 41,863 | 339,503 |
| Bank bonds | 1,475 | 96,963 |
| Greek government treasury bills | 696,011 | 2,871,679 |
| Foreign government treasury bills | 101,551 | 134,555 |
| Total (A) | 1,329,683 | 4,339,739 |
| Shares and other variable income securities | | |
| Athens stock exchange listed shares | 190,000 | 150,429 |
| Foreign stock exchanges listed shares | 25,990 | 26,008 |
| Unlisted shares | 168,041 | 237,942 |
| Mutual funds | 55,298 | 52,593 |
| Other variable income securities | 51,012 | 29,763 |
| Total (B) | 490,340 | 496,736 |
| Total available for sale securities (A) + (B) | 1,820,023 | 4,836,475 |

The decrease in Bonds, as at 30/09/2013 comparing to 31/12/2012, is mainly due to disposals and maturities. Also, the decrease in Greek government treasury bills is mainly due to maturities and disposals and due to investments in new issues.

| | 30 September 2013 | 31 December 2012 |
|-------------------------------|------------------------------|-----------------------------|
| Held to maturity | | |
| Foreign government bonds | 57,033 | 66,505 |
| Corporate entities bonds | 5,454 | 7,501 |
| Bank bonds | 1,481 | - |
| Total held to maturity | 63,967 | 74,006 |

17 Investments in subsidiaries and associate companies

The investments of Piraeus Bank Group in subsidiaries and associates from continuing and discontinued operations are analysed below:

A) Subsidiary companies (full consolidation method) from continuing operations

| s/n | Name of Company | Activity | % holding | Country | Unaudited tax years |
|-----|--|---|-----------|------------------------|---------------------|
| 1. | Tirana Bank I.B.C. S.A. | Banking activities | 98.83% | Albania | 2012 |
| 2. | Piraeus Bank Romania S.A. | Banking activities | 100.00% | Romania | 2007-2012 |
| 3. | Piraeus Bank Beograd A.D. | Banking activities | 100.00% | Serbia | 2006-2012 |
| 4. | Piraeus Bank Bulgaria A.D. | Banking activities | 99.98% | Bulgaria | 2010-2012 |
| 5. | Piraeus Bank Egypt S.A.E. | Banking activities | 98.30% | Egypt | 2003-2012 |
| 6. | JSC Piraeus Bank ICB | Banking activities | 99.99% | Ukraine | 2011-2012 |
| 7. | Piraeus Bank Cyprus LTD | Banking activities | 100.00% | Cyprus | 2007-2012 |
| 8. | Geniki Bank S.A. | Banking activities | 99.94% | Greece | 2005-2012 |
| 9. | Millennium Bank S.A. | Banking activities | 100.00% | Greece | 2007-2012 |
| 10. | Piraeus Leasing Romania S.R.L. | Finance leases | 100.00% | Romania | 2003-2012 |
| 11. | Tirana Leasing S.A. | Finance leases | 100.00% | Albania | 2012 |
| 12. | Piraeus Securities S.A. | Stock exchange operations | 100.00% | Greece | 2010-2012 |
| 13. | Piraeus Group Capital LTD | Debt securities issue | 100.00% | United Kingdom | - |
| 14. | Piraeus Leasing Bulgaria EAD | Finance leases | 100.00% | Bulgaria | 2008-2012 |
| 15. | Piraeus Group Finance P.L.C. | Debt securities issue | 100.00% | United Kingdom | 2011-2012 |
| 16. | Piraeus Factoring S.A. | Corporate factoring | 100.00% | Greece | 2010-2012 |
| 17. | Picar S.A. | City Link areas management | 100.00% | Greece | 2010-2012 |
| 18. | Bulfina S.A. | Property management | 100.00% | Bulgaria | 2008-2012 |
| 19. | General Construction and Development Co. S.A. | Property development/ holding company | 66.67% | Greece | 2010-2012 |
| 20. | Piraeus Direct Services S.A. | Call center services | 100.00% | Greece | 2010-2012 |
| 21. | Komotini Real Estate Development S.A. | Property management | 100.00% | Greece | 2010-2012 |
| 22. | Piraeus Real Estate S.A. | Construction company | 100.00% | Greece | 2011-2012 |
| 23. | ND Development S.A. | Property management | 100.00% | Greece | 2010-2012 |
| 24. | Property Horizon S.A. | Property management | 100.00% | Greece | 2010-2012 |
| 25. | ETVA Industrial Parks S.A. | Development/ management of industrial areas | 65.00% | Greece | 2010-2012 |
| 26. | Piraeus Development S.A. | Property management | 100.00% | Greece | 2010-2012 |
| 27. | Piraeus Asset Management S.A. | Mutual funds management | 100.00% | Greece | 2010-2012 |
| 28. | Piraeus Buildings S.A. | Property development | 100.00% | Greece | 2010-2012 |
| 29. | Estia Mortgage Finance PLC | SPE for securitization of mortgage loans | - | United Kingdom | - |
| 30. | Euroinvestment & Finance Public LTD | Asset management, real estate operations | 90.89% | Cyprus | 2006-2012 |
| 31. | Lakkos Mikelli Real Estate LTD | Property management | 50.66% | Cyprus | 2009-2012 |
| 32. | Philoktimatiki Public LTD | Land and property development | 53.31% | Cyprus | 2009-2012 |
| 33. | Philoktimatiki Ergoliptiki LTD | Construction company | 53.31% | Cyprus | 2008-2012 |
| 34. | New Evolution S.A. | Property, tourism & development company | 100.00% | Greece | 2010-2012 |
| 35. | EMF Investors Limited | Investment company | 100.00% | Cyprus | 2008-2012 |
| 36. | Piraeus Green Investments S.A. | Holding company | 100.00% | Greece | 2011-2012 |
| 37. | New Up Dating Development Real Estate and Tourism S.A. | Property, tourism & development company | 100.00% | Greece | 2005-2012 |
| 38. | Sunholdings Properties Company LTD | Land and property development | 26.66% | Cyprus | 2008-2012 |
| 39. | Polytropon Properties Limited | Land and property development | 39.98% | Cyprus | 2008-2012 |
| 40. | Capital Investments & Finance S.A. | Investment company | 100.00% | Liberia | - |
| 41. | Vitria Investments S.A. | Investment company | 100.00% | Panama | - |
| 42. | Piraeus Insurance Brokerage EOOD | Insurance brokerage | 99.98% | Bulgaria | 2007-2012 |
| 43. | Trieris Real Estate Management LTD | Management of Trieris Real Estate Ltd | 100.00% | British Virgin Islands | - |
| 44. | Piraeus Egypt Leasing Co. | Finance leases | 98.30% | Egypt | 2007-2012 |
| 45. | Piraeus Egypt for Securities Brokerage Co. | Stock exchange operations | 98.30% | Egypt | 2007-2012 |
| 46. | Piraeus Insurance Reinsurance Broker Romania S.R.L. | Insurance and reinsurance brokerage | 100.00% | Romania | 2009-2012 |
| 47. | Piraeus Real Estate Consultants S.R.L. | Construction company | 100.00% | Romania | 2007-2012 |
| 48. | Piraeus Leases S.A. | Finance leases | 100.00% | Greece | 2007-2012 |
| 49. | Orion Energy Photovoltaics S.A. | PV Solar projects development | 65.00% | Greece | 2007-2012 |
| 50. | Astraios Energy Photovoltaics S.A. | PV Solar projects development | 65.00% | Greece | 2007-2012 |
| 51. | Multicollection S.A. | Assessment and collection of commercial debts | 51.00% | Greece | 2009-2012 |
| 52. | Olympic Commercial & Tourist Enterprises S.A. | Operating leases- Rent-a-Car and long term rental of vehicles | 94.98% | Greece | 2009-2012 |
| 53. | Piraeus Rent Doo Beograd | Operating Leases | 100.00% | Serbia | 2007-2012 |
| 54. | Estia Mortgage Finance II PLC | SPE for securitization of mortgage loans | - | United Kingdom | - |
| 55. | Piraeus Leasing Doo Beograd | Finance leases | 100.00% | Serbia | 2007-2012 |
| 56. | Piraeus Real Estate Consultants Doo | Construction company | 100.00% | Serbia | 2008-2012 |
| 57. | Piraeus Real Estate Bulgaria EOOD | Construction company | 100.00% | Bulgaria | 2007-2012 |
| 58. | Piraeus Real Estate Egypt LLC | Property management | 100.00% | Egypt | 2007-2012 |
| 59. | Piraeus Bank Egypt Investment Company | Investment company | 98.28% | Egypt | 2007-2012 |
| 60. | Piraeus Insurance Agency S.A. | Insurance - agency | 100.00% | Greece | 2010-2012 |

Piraeus Bank Group - 30 September 2013
Amounts in thousand euros (Unless otherwise stated)

| s/n | Name of Company | Activity | % holding | Country | Unaudited tax years |
|------|---|--|-----------|------------------------|---------------------|
| 61. | Piraeus Capital Management S.A. | Venture capital fund | 100.00% | Greece | 2010-2012 |
| 62. | Piraeus Insurance Brokerage Egypt | Insurance brokerage | 96.33% | Egypt | 2008-2012 |
| 63. | Integrated Services Systems Co. | Warehouse & mail distribution management | 98.30% | Egypt | 2004-2012 |
| 64. | Axia Finance PLC | SPE for securitization of corporate loans | - | United Kingdom | - |
| 65. | Piraeus Wealth Management A.E.P.E.Y. | Wealth management | 65.00% | Greece | 2010-2012 |
| 66. | Praxis Finance PLC | SPE for securitization of consumer loans | - | United Kingdom | - |
| 67. | Axia Finance III PLC | SPE for securitization of corporate loans | - | United Kingdom | - |
| 68. | Praxis II Finance PLC | SPE for securitization of consumer loans | - | United Kingdom | - |
| 69. | Axia III APC LIMITED | SPE for securitization of corporate loans | - | United Kingdom | - |
| 70. | Praxis II APC LIMITED | SPE for securitization of consumer loans | - | United Kingdom | - |
| 71. | PROSPECT N.E.P.A. | Yachting management | 100.00% | Greece | - |
| 72. | R.E Anodus LTD | Consultancy serv. for real estate develop. and inv. | 100.00% | Cyprus | 2009-2012 |
| 73. | Pleiades Estate S.A. | Property management | 100.00% | Greece | 2010-2012 |
| 74. | Solum Limited Liability Company | Property management | 99.00% | Ukraine | 2009-2012 |
| 75. | Piraeus (Cyprus) Insurance Brokerage Ltd | Insurance brokerage | 100.00% | Cyprus | 2009-2012 |
| 76. | O.F. Investments Ltd | Investment company | 100.00% | Cyprus | 2010-2012 |
| 77. | DI.VI.PA.KA S.A. | Administrative and managerial body of the Kastoria industrial park | 57.53% | Greece | 2010-2012 |
| 78. | Piraeus Equity Partners Ltd. | Holding company | 100.00% | Cyprus | 2011-2012 |
| 79. | Piraeus Equity Advisors Ltd. | Investment advise | 100.00% | Cyprus | 2009-2012 |
| 80. | Achaia Clauss Estate S.A. | Property management | 74.76% | Greece | 2010-2012 |
| 81. | Piraeus Equity Investment Management Ltd | Investment management | 100.00% | Cyprus | 2009-2012 |
| 82. | Piraeus FI Holding Ltd | Holding company | 100.00% | British Virgin Islands | - |
| 83. | Piraeus Master GP Holding Ltd | Investment advice | 100.00% | British Virgin Islands | - |
| 84. | Piraeus Clean Energy GP Ltd | General partner of Piraeus Clean Energy LP | 100.00% | Cyprus | 2009-2012 |
| 85. | Curdart Holding Ltd | Holding company | 100.00% | Cyprus | 2009-2012 |
| 86. | Piraeus Clean Energy LP | Renewable Energy Investment Fund | 100.00% | United Kingdom | 2010-2012 |
| 87. | Piraeus Clean Energy Holdings LTD | Holding Company | 100.00% | Cyprus | 2010-2012 |
| 88. | Visa Rent A Car S.A. | Rent A Car company | 94.98% | Greece | 2010-2012 |
| 89. | Adflikton Investments LTD | Property Management | 100.00% | Cyprus | 2009-2012 |
| 90. | Cospleon Investments LTD | Property Management | 100.00% | Cyprus | 2010-2012 |
| 91. | Cutsofiar Enterprises LTD | Property Management | 100.00% | Cyprus | 2010-2012 |
| 92. | Gravieron Company LTD | Property Management | 100.00% | Cyprus | 2008-2012 |
| 93. | Kaihur Investments LTD | Property Management | 100.00% | Cyprus | 2007-2012 |
| 94. | Pertanam Enterprises LTD | Property Management | 100.00% | Cyprus | 2007-2012 |
| 95. | Rockory Enterprises LTD | Property Management | 100.00% | Cyprus | 2010-2012 |
| 96. | Topuni Investments LTD | Property Management | 100.00% | Cyprus | 2007-2012 |
| 97. | Albalate Company LTD | Property Management | 100.00% | Cyprus | 2011-2012 |
| 98. | Akimoria Enterprises LTD | Property Management | 100.00% | Cyprus | 2011-2012 |
| 99. | Alarconarco Enterprises LTD | Property Management | 100.00% | Cyprus | 2011-2012 |
| 100. | Kosmopolis A' Shopping Centers S.A. | Shopping Center's Management | 100.00% | Greece | 2010-2012 |
| 101. | Parking Kosmopolis S.A. | Parking Management | 100.00% | Greece | 2010-2012 |
| 102. | Zibeno Investments Ltd | Holding Company | 83.00% | Cyprus | 2011-2012 |
| 103. | Bulfinace E.A.D. | Property Management | 100.00% | Bulgaria | 2008-2012 |
| 104. | Zibeno I Energy S.A. | Energy generation through renewable energy resources | 83.00% | Greece | 2012 |
| 105. | Asset Management Bulgaria EOOD | Travel - rental services and property management | 100.00% | Bulgaria | 2012 |
| 106. | Arigeo Energy Holdings Ltd | Holding Company in Renewable Energy | 100.00% | Cyprus | 2012 |
| 107. | Exus Software Ltd. | IT products Retailer | 50.10% | United Kingdom | 2012 |
| 108. | Proiect Season Residence SRL | Real Estate Development | 100.00% | Romania | 2012 |
| 109. | Piraeus Jeremie Technology Catalyst Management S.A. | Management of Venture Capital Fund | 100.00% | Greece | 2012 |
| 110. | ATE Bank Romania S.A. | Banking activities | 93.27% | Romania | 2005-2012 |
| 111. | KPM Energy S.A. | energy generation and exploration through renewable energy resources | 80.00% | Greece | 2012 |
| 112. | Piraeus Asset Management Europe S.A. | Mutual funds management | 100.00% | Luxemburg | - |
| 113. | Geniki Leasing S.A. | Finance leases | 100.00% | Greece | 2008-2012 |
| 114. | Geniki Financial & Consulting Services S.A. | Financial & Consulting Services | 99.94% | Greece | 2010-2012 |
| 115. | Geniki Insurance Agency S.A. | Insurance Agency | 99.94% | Greece | 2010-2012 |
| 116. | Geniki Information S.A. | Assessment and collection of commercial debts | 99.94% | Greece | 2010-2012 |
| 117. | Solum Enterprise LLC | Property management | 99.00% | Ukraine | 2012 |
| 118. | General Business Management Investitii S.R.L. | Development of Building Projects | 100.00% | Romania | - |
| 119. | Centre of Sustainable Entrepreneurship Excelixi S.A. (former Atexcelixi S.A.) | Consulting Services - Hotel - Training & Seminars | 100.00% | Greece | 2010-2012 |
| 120. | Piraeus Bank (Cyprus) Nominees Limited | Defunct | 100.00% | Cyprus | 2012 |
| 121. | Piraeus Insurance and Reinsurance Brokerage S.A. | Insurance and reinsurance brokerage | 100.00% | Greece | 2010-2012 |
| 122. | Mille Fin S.A. | Vehicle Trading | 100.00% | Greece | 2010-2012 |
| 123. | Millennium A.E.D.A.K. | Mutual funds management | 100.00% | Greece | 2010-2012 |
| 124. | Kion Mortgage Finance Plc | SPE for securitization of mortgage loans | - | United Kingdom | - |
| 125. | Kion Mortgage Finance No.3 Plc | SPE for securitization of mortgage loans | - | United Kingdom | - |
| 126. | Kion CLO Finance No.1 Plc | SPE for securitization of mortgage loans | - | United Kingdom | - |
| 127. | Re Anodus Two Ltd | Holding and Investment Company | 99.09% | Cyprus | - |

Piraeus Bank Group - 30 September 2013
Amounts in thousand euros (Unless otherwise stated)

| s/n | Name of Company | Activity | % holding | Country | Unaudited tax years |
|------|----------------------------|------------------------------------|-----------|----------|---------------------|
| 128. | Sinitem Llc | Sale and Purchase of Real Estate | 98.99% | Ukraine | - |
| 129. | Beta Asset Management Eood | Rent and Management of Real Estate | 99.98% | Bulgaria | - |

Companies numbered 29, 54, 64, 66-70 and 124-126 are special purpose vehicles for securitization of loans and issuance of debt securities. Companies numbered 38 and 39 although presenting less than 50% holding percentage, are included in the Group's subsidiaries' portfolio due to existence of control.

Also, as at 30/9/2013 the companies numbered 28, 40, 41, 51, 56 and 125-126 were under liquidation.

The subsidiaries that are excluded from the consolidation are as follows: a) "Asbestos Mines S.A.", b) "Hellenic Industry of Aluminum", c) "Oblivio Co. Ltd", d) "ELSY S.A.", e) "Blue Wings Ltd", f) "Piraeus Bank's Congress Centre", g) "Piraeus Bank Group Cultural Foundation", h) "Procas Holding Ltd", i) "Torborg Maritime Inc.", j) "Isham Marine Corp.", k) "Cybele Management Company", l) "Alegre Shipping Ltd.", m) "Maximus Chartering Co." and n) "Lantana Navigation Corp.". The companies numbered (a)-(d) are fully depreciated, under liquidation or dissolution status. The financial data of the companies (e)-(g) are included in the financial statements of the parent company Piraeus Bank S.A. and consequently, in the consolidated financial statements. The company numbered (h) has not started operating yet. The companies numbered (i)-(n) have been inactivated and they will be set under dissolution. The consolidation of the above mentioned companies does not affect the financial position and result of the Group.

B) Associate companies (equity accounting method) from continuing operations

| s/n | Name of Company | Activity | % holding | Country | Unaudited tax years |
|-----|--|---|-----------|------------------------|---------------------|
| 1. | Crete Scient. & Tech. Park Manag. & Dev. Co. S.A. | Scientific and technology park management | 30.45% | Greece | 2010-2012 |
| 2. | Evros' Development Company S.A. | European community programs management | 30.00% | Greece | 2010-2012 |
| 3. | Project on Line S.A. | Information technology & software | 40.00% | Greece | 2010-2012 |
| 4. | Alexandria for Development & Investment | Investment company | 21.63% | Egypt | 2008-2012 |
| 5. | Nile Shoes Company | Footwear seller- manufacturer | 38.67% | Egypt | 2003-2012 |
| 6. | APE Commercial Property Real Estate Tourist and Development S.A. | Holding Company | 27.80% | Greece | 2010-2012 |
| 7. | APE Fixed Assets Real Estate Tourist and Development S.A. | Real estate, development/ tourist services | 27.80% | Greece | 2010-2012 |
| 8. | Trieris Real Estate LTD | Property management | 22.94% | British Virgin Islands | - |
| 9. | European Reliance Gen. Insurance Co. S.A. | General and life insurance and reinsurance | 30.23% | Greece | 2010-2012 |
| 10. | APE Investment Property S.A. | Real estate, development/ tourist services | 27.20% | Greece | 2010-2012 |
| 11. | Sciens International Investments & Holding S.A. | Holding company | 28.10% | Greece | 2010-2012 |
| 12. | Trastor Real Estate Investment Company | Real estate investment property | 33.80% | Greece | 2006-2012 |
| 13. | Euroterra S.A. | Property management | 39.22% | Greece | 2010-2012 |
| 14. | Rebikat S.A. | Property management | 40.00% | Greece | 2010-2012 |
| 15. | Abies S.A. | Property management | 40.00% | Greece | 2010-2012 |
| 16. | ACT Services S.A. | Accounting and tax consulting | 49.00% | Greece | 2011-2012 |
| 17. | Exodus S.A. | Information technology & software | 49.90% | Greece | 2010-2012 |
| 18. | Good Works Energy Photovoltaics S.A. | Construction & operation PV solar projects | 33.15% | Greece | 2006-2012 |
| 19. | Entropia Ktimatiki S.A. | Property Management | 33.30% | Greece | 2010-2012 |
| 20. | Piraeus - TANEO Capital Fund | Close end Venture capital fund | 50.01% | Greece | - |
| 21. | AIK Banka | Banking activities | 20.86% | Serbia | 2006-2012 |
| 22. | Teiresias S.A. | Inter banking company. Development, operation and management of information systems | 23.53% | Greece | 2010-2012 |
| 23. | PJ Tech Catalyst Fund | Close end Venture capital fund | 30.00% | Greece | - |
| 24. | Pyrrichos S.A. | Property management | 50.76% | Greece | 2010-2012 |
| 25. | Hellenic Seaways Maritime S.A. | Maritime transport - Coastal shipping | 23.42% | Greece | 2007-2012 |

The company numbered 20 is included in the associate companies' portfolio, due to the fact that Piraeus Bank Group exercises significant influence on the investment committee of the fund, which takes the investment decisions. The company numbered 18 is under liquidation as at 30/9/2013. The company numbered 24 is included in the associate companies' portfolio since the Group has significant influence and not control.

The changes in the portfolio of subsidiaries and associates are included in note 29.

The associate company "Evrytania S.A. Agricultural Development Company" has been excluded from the consolidation since it is under idle status.

C) Subsidiaries from discontinued operations

Piraeus Bank Group subsidiary companies ATE Insurance S.A and ATE Insurance Romania S.A., that are included in discontinued operations, are analyzed below.

| s/n | Name of Company | Activity | % holding | Country | Unaudited tax years |
|-----|----------------------------|-----------|-----------|---------|---------------------|
| 1. | ATE Insurance S.A. | Insurance | 100.00% | Greece | 2008-2012 |
| 2. | ATE Insurance Romania S.A. | Insurance | 99.47% | Romania | 2007-2012 |

18 Other Assets

The decrease in "Other Assets" is mainly due to the contribution by the Hellenic Financial Stability Fund of the due difference of approximately € 0.8 bn that arose from the transfer of selected assets and liabilities of former ATEbank, which had not been paid. The finalization of the perimeter of the transferred items was completed in January 2013 and the payment of the above difference was made during the 1st Quarter of 2013 with bonds of equal value issued by the EFSF, that were classified as "Debt securities – receivables" (note 15).

19 Balance sheet - Discontinued operations

The assets and liabilities as at 30/9/2013 and 31/12/2012 concern the companies ATE Insurance S.A and ATE Insurance Romania S.A.:

| | 30 September 2013 | 31 December 2012 |
|---|----------------------|---------------------|
| ASSETS | | |
| Cash and balances with Central Banks | 774 | 1,305 |
| Loans and advances to credit institutions | 1,173 | 17 |
| Trading securities | 9,038 | 5,058 |
| Available for sale securities | 85,674 | 109,980 |
| Held to maturity | 21,830 | 29,376 |
| Intangible assets | 988 | 889 |
| Property, plant and equipment | 53,270 | 54,342 |
| Investment property | 2,246 | 2,246 |
| Deferred tax assets | 54,666 | 50,843 |
| Other assets | 113,598 | 123,094 |
| Total Assets | 343,254 | 377,150 |
| LIABILITIES | | |
| Retirement benefit obligations | 14,015 | 4,090 |
| Other provisions | 522,538 | 560,386 |
| Current income tax liabilities | - | 50 |
| Deferred tax liabilities | 17 | 15 |
| Other liabilities | 54,367 | 41,114 |
| Total Liabilities | 590,936 | 605,654 |

20 Due to credit institutions

"Due to credit institutions" includes refinancing operations through repo transactions within the eurosystem amounting to € 14.7 billion (31/12/2012: € 31.6 billion). It is noted that the Bank regained access to the funding through ECB in mid-January 2013. The decrease in the refinancing raised from the eurosystem in the period 1/1-30/9/2013, is mainly due to the improvement of the Group's liquidity through customer deposits as well as due to interbank repo transactions.

21 Due to customers

| | 30 September 2013 | 31 December 2012 |
|--|----------------------|---------------------|
| Current and sight deposits | 8,569,733 | 6,061,609 |
| Savings accounts | 12,345,866 | 10,714,775 |
| Term deposits | 33,075,313 | 19,850,104 |
| Other accounts (cheques, remittances and blocked deposits) | 685,649 | 340,771 |
| Repurchase agreements | 15,222 | 3,949 |
| | 54,691,782 | 36,971,208 |

The increase in "Due to customers" is mainly due to the acquisition of customer deposits of the Greek banking operations of Bank of Cyprus, Cyprus Popular Bank, Hellenic Bank and Millennium Bank, and also is due to the increase of the customers' deposits.

22 Debt securities in issue

| | 30 September 2013 | 31 December 2012 |
|---|----------------------|---------------------|
| ETBA bonds (A) | 811 | 965 |
| Euro Medium Term Note | | |
| € 60 m. floating rate notes due 2015 | 60,000 | 60,000 |
| € 25.5 m. fixed rate notes due 2013 | - | 14,555 |
| Accrued interest and other expenses | 450 | 613 |
| Total (B) | 60,450 | 75,168 |
| Securitisation of mortgage loans | | |
| € 750 m. floating rate notes due 2040 | 59,407 | 71,266 |
| € 1,250 m. floating rate notes due 2054 | 152,347 | 215,915 |
| € 600 m. floating rate notes due 2051 | 91,196 | - |
| Total (C) | 302,951 | 287,181 |
| Bonds convertible to shares (D) | | 170,388 |
| Total debt securities in issue (A)+(B)+(C)+(D) | 364,211 | 533,702 |

In the context of the participation of Societe Generale in the share capital increase of Piraeus Bank, the convertible bonds of € 170 million were converted into Piraeus Bank shares in the second quarter of 2013, according to their issue terms.

Issuance under the Euro Medium Term Note program is undertaken through Piraeus Group Finance PLC, a subsidiary of Piraeus Bank Group bearing the guarantee of Piraeus Bank, or directly through Piraeus Bank.

It should be noted that the first and third securitisation of corporate loans in the amount of € 1,750 million and € 2,352 million respectively as well as the first and second consumer loan backed securitisation of € 725 million and € 558 million respectively, continue to be retained by Piraeus Bank.

In May 2013 and in June 2013 Piraeus Bank issued two one - year senior bonds, in the total amount of € 4,576.5 million. Both bonds were issued with unconditional and irrevocable guarantee of the Hellenic Republic, under Art. 2 of Law 3723/2008, through Piraeus Bank's EMTN programme. The bonds pay a floating rate coupon of 3M Euribor plus 1200 bps. Both bonds have been retained by Piraeus Bank.

On 30/9/2013, in the "Debt securities in issue" category are included bonds issued under the securitization of mortgage loans of amount € 600 million, that came from Millennium Bank that was acquired during the 2nd quarter of 2013.

23 Hybrid capital and other borrowed funds

| | 30 September 2013 | 31 December 2012 |
|--|----------------------|---------------------|
| Hybrid capital (Tier I) | | |
| € 200 m. floating rate notes due 2034 | 18,500 | 59,916 |
| | 18,500 | 59,916 |
| Subordinated debt (Tier II) | | |
| € 400 m. floating rate notes due 2016 | 236,490 | 263,136 |
| Accrued interest and other expenses | 999 | 1,089 |
| | 237,489 | 264,225 |
| Total hybrid capital and other borrowed funds | 255,989 | 324,141 |

The Bank is not in default of any payments of principal and interest of the subordinated debt. In the third quarter of 2012, it has been decided that the interest return on hybrid capital will not be paid, taking into account the special terms and conditions that rule out the related payments.

On 13 May 2013 Piraeus Bank announced a Tender Offer to purchase existing securities for cash. The Tender Offer referred to subordinated (€ 262 million) and hybrid (€ 59 million). On 28 May Piraeus Bank announced that it accepted offers of € 26.2 mio subordinated securities and € 39.5 million of hybrid securities.

24 Contingent liabilities and commitments

A) Legal procedures

According to the opinion of the legal affairs division of the Bank and its subsidiaries, the legal proceedings outstanding against the Group as at 30/9/2013 are not expected to have any significant impact on the financial statements of the Group. The Group's provision for outstanding litigations amounts to € 11.5 million from continuing operations and € 2.2 million from discontinued operations.

B) Credit commitments

As at 30/9/2013 the Group had undertaken the following commitments:

| | 30 September 2013 | 31 December 2012 |
|------------------------------|----------------------|---------------------|
| Letters of guarantee | 3,244,059 | 3,109,938 |
| Letters of credit | 49,468 | 44,229 |
| Commitments to extent credit | 1,468,709 | 1,229,350 |
| | 4,762,235 | 4,383,517 |

C) Assets pledged

| | 30 September 2013 | 31 December 2012 |
|---|----------------------|---------------------|
| Cash and balances with central banks | 802,116 | 770,285 |
| Trading securities | 40,386 | 100,352 |
| Investment securities | 904,667 | 962,680 |
| Loans and advances to customers and debt securities - receivables | 10,796,536 | 16,421,644 |
| | 12,543,706 | 18,254,962 |

Apart from the above mentioned assets, the Group pledges debt securities own issue amounting to € 16,483 million as at 30/09/2013 (31/12/2012: € 11,579 million). The amount of € 16,483 million includes € 9,992 million which refers to securities that had been issued with the unconditional guarantee of the Hellenic Republic, € 5,241 million that refers to securities issued under the securitization of mortgage, consumer and corporate loans of the Bank and an amount of € 1,251 million that refers to Bank's issuance of covered bonds.

D) Operating lease commitments

| | | |
|---|---------------------|--------------------|
| The future minimum lease payments under non-cancellable operating leases are analysed as follows: | 30 September | 31 December |
| | 2013 | 2012 |
| Up to 1 year | 87,308 | 65,312 |
| From 1 to 5 years | 338,072 | 255,639 |
| More than 5 years | 590,151 | 447,632 |
| | <u>1,015,531</u> | <u>768,584</u> |

Operating lease commitments increase is mainly due to the acquisition of the Greek banking operations of Cypriot Banks (Bank of Cyprus, Cyprus Popular Bank, Hellenic Bank) and due to the acquisition of Millennium Bank.

25 Share capital

| | Share Capital | Share Premium | Treasury Shares | Total |
|--|------------------|-------------------|--------------------|-------------------|
| Opening balance at 1 January 2012 | 1,092,998 | 2,953,355 | (192) | 4,046,161 |
| The effect from sales and purchases of treasury shares | - | - | 156 | 156 |
| Balance at 31 December 2012 | 1,092,998 | 2,953,355 | (36) | 4,046,317 |
| Opening balance at 1 January 2013 | 1,092,998 | 2,953,355 | (36) | 4,046,317 |
| Increase of share capital | 1,487,471 | 6,746,680 | - | 8,234,151 |
| Decrease of the nominal value of ordinary shares | (308,698) | 308,698 | - | 0 |
| The effect from sales and purchases of treasury shares | - | - | (41) | (41) |
| Balance at 30 September 2013 | 2,271,770 | 10,008,734 | (77) | 12,280,427 |

Changes to the number of Bank's shares are analysed in the table below:

| | Number of shares | | Net number of shares |
|--|----------------------|--------------------|----------------------------|
| | Issued shares | Treasury shares | |
| Opening balance at 1 January 2012 | 2,487,561,364 | (408,788) | 2,487,152,576 |
| Purchases of treasury shares | - | (3,635,454) | (3,635,454) |
| Sales of treasury shares | - | 3,960,654 | 3,960,654 |
| Balance at 31 December 2012 | 2,487,561,364 | (83,588) | 2,487,477,776 |
| Opening balance at 1 January 2013 | 2,487,561,364 | (83,588) | 2,487,477,776 |
| Adjustment (decrease) in the number of ordinary shares due to reverse split (10:1) | (1,028,993,907) | 75,229 | (1,028,918,678) |
| Adjusted opening balance at 1 January 2013 | 1,458,567,457 | (8,359) | 1,458,559,098 |
| Increase of share capital | 4,958,235,294 | - | 4,958,235,294 |
| Purchases of treasury shares | - | (540,287) | (540,287) |
| Sales of treasury shares | - | 553,479 | 553,479 |
| Treasury shares due to participation in share capital increase | - | (53,520) | (53,520) |
| Balance at 30 September 2013 | 6,416,802,751 | (48,687) | 6,416,754,064 |

On 1/1/2013 the Bank's share capital amounted to € 1,092,997,968.18, divided into 1,143,326,564 ordinary voting registered shares, each with a nominal value of € 0.30 and (a) 77,568,134 preferred non voting shares, each with a nominal value of € 4.77 and (b) 1,266,666,666 preferred non voting shares, each with a nominal value of € 0.30.

The Extraordinary General Meeting of Shareholders which was held on 31/1/2013 resolved the issue of contingent convertible securities up to the total amount of 2 billion euro through waiver of pre-emption rights of existing shareholders of ordinary registered shares, in accordance with the provisions of the Law 3864/2010, as amended, and the Ministers' Council Act No 38/9.11.2012 (Government Gazette A' 223/2012). These contingent convertible securities would be covered by the Hellenic Financial Stability Fund (HFSF) according to the above provisions. The participation of private sector investors in the aforementioned share capital increase exceeded the minimum amount required (by law 3864/2010) and, therefore, the Bank did not proceed to the issuing of a contingent convertible bond loan to the Hellenic Financial Stability Fund (HFSF).

Pursuant to the resolutions of the 2nd Iterative Extraordinary General Meeting of its common shareholders held on 23/4/2013, as approved by virtue of a decision of the Preference Shareholder's Extraordinary General Meeting dated 23/5/2013 and further specified by virtue of its Board resolution dated 29/5/2013, Piraeus Bank implemented the following:

a) Increase of each share's nominal value from € 0.30 to € 3.00 along with a reduction of the number of the Bank's common shares from 1,143,326,564 to 114,332,657 common shares (reverse split with 10 old shares for every new share) and share capital increase for the amount of €1.80 for the purpose of achieving integer number of shares, effected through capitalisation of reserves as specified in article 4 of par. 4a of Codified Law 2190/1920,

b) the formation of a special reserve as per par. 4a of article 4 of Codified Law 2190/1920 amounting to €308,698,173.90 whereby the share capital was equally reduced through reduction of the nominal value of each common share from €3.00 to €0.30. The aforementioned amount was included in Share premium reserve.

As a result, the share capital of the Bank amounted on 3/6/2013 to € 784,299,796.08 divided to 114,332,657 ordinary voting registered shares, each with a nominal value of € 0.30 and (a) 77,568,134 preferred non voting shares, each with a nominal value of € 4.77 and (b) 1,266,666,666 preferred non voting shares, each with a nominal value of € 0.30.

c) Increase of the share capital of the Bank through the issuance of new ordinary shares in order to raise funds up to € 8.429 bn partly by cash payment and by contribution in kind by the Hellenic Financial Stability Fund (HFSF). Specifically, funds of a total amount of € 8,428,999,999.80 have been raised, increasing the share capital by € 1,487,470,588.20 and 4,958,235,294 new ordinary registered shares, of € 0.30 nominal value each, have been issued in total. The Share premium reserve increased by € 6,746,680,370.97 after the reduction of the expenses related to the share capital increase and the respective deferred tax. It is noted that the expenses on share capital increase at 30/9/2013 amounted to € 263,309,514.37 before tax and € 194,849,040.63 after tax.

After the completion of the capital increase, and as at 30/9/2013, the share capital of the Bank amounts to € 2,271,770,384.28 divided to 5,072,567,951 ordinary voting registered shares, each with a nominal value of € 0.30 and (a) 77,568,134 preferred non voting shares, each with a nominal value of € 4.77 and (b) 1,266,666,666 preferred non voting shares, each with a nominal value of € 0.30.

It is noted that, pursuant to L. 3864/2010 and the Ministerial Cabinet Act (MCA) 38/2012 combined with MCA 6/2013, the Hellenic Financial Stability Fund issued 849,195,130 warrants to the private sector investors.

The First Iterative Ordinary General Meeting of Shareholders, held on 15/7/2013, decided not to distribute dividend for the fiscal year 2012, according to the established provisions (article 1 of Law 3723/2008 as in force, combined with the article 4 of Law 4063/2012) for the credit institutions participating in the Economy reinforcement plan.

According to article 28, Law 3756/2009 (Gov. Gazette A' 53/31.3.2009) the acquisition of treasury shares is not permitted for so long as the Bank participates in the reinforcement programmes, provided by the Law 3723/2008 (Gov. Gazette A' 250/9.12.2008). Furthermore, pursuant to par. 1 art. 16C of law 3864/2010 the acquisition of treasury shares by the Bank is not permitted for so long as the HFSF is a shareholder of the Bank. Treasury shares transactions are carried out by the Group subsidiary Piraeus Securities S.A. through its activities which are derived from its role as a market maker.

26 Other reserves and retained earnings

| | 30 September 2013 | 31 December 2012 |
|---|------------------------------|-----------------------------|
| Legal reserve | 114,073 | 107,639 |
| Extraordinary reserve | 13,940 | 13,940 |
| Available for sale reserve | 97,407 | 42,196 |
| Currency translation reserve | (171,641) | (182,335) |
| Other reserves | 13,664 | 13,905 |
| Amounts recognized directly in equity relating to non-current assets from discontinued operations | 13,341 | 9,301 |
| Total other reserves | 80,785 | 4,646 |
| Retained earnings | (3,258,725) | (6,503,766) |
| Total other reserves and retained earnings | (3,177,940) | (6,499,120) |

In the "Amounts recognized directly in equity relating to non-current assets from discontinued operations" category the "Available for sale reserve" and the "Currency translation reserve" from discontinued operations are included.

| | 30 September 2013 | 31 December 2012 |
|---|------------------------------|-----------------------------|
| Other reserves movement | | |
| Opening balance for the period | 4,646 | (145,587) |
| Movement of available for sale reserve | 55,211 | 110,120 |
| Formation of legal reserve | 6,434 | 3,490 |
| Formation of other reserves | (241) | 15,937 |
| Absorbed companies reserve | - | (467) |
| Foreign exchange differences and other adjustments | 10,694 | (2,676) |
| Amounts recognized directly in equity relating to non-current assets from discontinued operations | 4,040 | 23,831 |
| Closing balance for the period | 80,785 | 4,646 |
| Available for sale reserve movement | | |
| Opening balance for the period | 42,196 | (67,923) |
| Opening balance for Egypt companies | - | (4,999) |
| Opening balance for discontinued operations (Marathon Banking Corporation) | - | 708 |
| Gains from the valuation of bonds and Greek Government Treasury Bills | 32,558 | 476,605 |
| Gains from the valuation of shares and mutual funds | 59,015 | 86,845 |
| Recycling to income statement of shares and mutual funds impairment | 2,177 | 8,939 |
| Deferred income taxes | (23,704) | (32,052) |
| Recycling of the accumulated fair value adjustment of disposed securities | (14,981) | (442,731) |
| Foreign exchange differences and adjustments | 147 | 16,804 |
| Closing balance for the period | 97,408 | 42,196 |

Piraeus Bank Group - 30 September 2013
Amounts in thousand euros (Unless otherwise stated)

| | 30 September 2013 | 31 December 2012 |
|---|----------------------|---------------------|
| Retained earnings movement | | |
| Opening balance | (6,503,766) | (5,975,641) |
| Impact from the retrospective application of I.A.S. 19 amendment | - | 11,073 |
| Restated opening balance | (6,503,766) | (5,964,568) |
| Impact from I.A.S. 19 amendment after income tax recorded directly to Equity | - | (21,569) |
| Profit/ (loss) after tax attributable to the owners of the parent entity | 3,250,887 | (498,640) |
| Profit from sales of treasury shares | 61 | 215 |
| Share capital increase expenses | - | (23) |
| Transfer between other reserves and retained earnings | (6,193) | (19,427) |
| Acquisitions, disposals, absorption, liquidation and movement in participating interest | 1,913 | 245 |
| Expenses on increase of share capital of subsidiary companies | (1,626) | - |
| Closing balance for the period | (3,258,724) | (6,503,766) |

27 Related parties transactions

Related parties include: a) Members of the Bank Board of Directors and key management personnel of the Bank, b) Close family and financially dependants (husbands, wives, children etc) of Board of Directors members and key management personnel, c) Companies having transactions with Piraeus Bank Group, if the total cumulative participating interest (of members of Board of Directors, key management personnel and their dependants/ close family) exceeds cumulatively 20% and d) HFSF. The transactions with related parties are analysed as follows:

| | 30 September 2013 | 31 December 2012 |
|----------|----------------------|---------------------|
| Loans | 146,590 | 82,297 |
| Deposits | 27,851 | 14,999 |

Letters of guarantee and letters of credit to the above related parties as at 30/9/2013 are € 5.6 million (31/12/2012: € 1.3 million). The total income that relates to the related parties as at 30/9/2013 is € 2.7 million (1/1-30/9/2012: € 2 million). The total expense that relates to the prementioned related parties for the period is € 0.6 million (1/1-30/9/2012: € 0.7 million).

Loans and letters of guarantee issued to related parties represent an insignificant part of total loans and letters of guarantee issued by the Group, respectively. Loans and letters of guarantee have been issued to related parties in the normal course of business, within the approved credit policies and Group procedures, adequately collateralised. Loans to related parties are performing and no provision has been raised for their balances.

| Directors' remuneration | 1/1-30/9/2013 | 1/1-30/9/2012 |
|---|---------------|---------------|
| Wages, salaries, employer's share of social contributions and charges | 5,667 | 3,398 |
| Provisions for compensation and retirement programs | 583 | 1,866 |

The increase in "Wages, salaries, employers' share of social contributions and charges" is mainly due to the addition of new members.

The aggregate provisions for benefit plans to Members of the Board of Directors and key management personnel amount to € 22.3 million from € 21.0 million as at 31/12/2012. It is noted that the aforementioned provisions as at 31/12/2012 have been restated from € 19.7 million to € 21.0 million as a result of the retrospective implementation of IAS 19 (Amendment) "Employee Benefits". The full amount of the above provisions has been included in the retirement benefit obligations.

| | Associates | |
|--------------------------------|----------------------|---------------------|
| | 30 September 2013 | 31 December 2012 |
| Deposits and other liabilities | 30,461 | 35,343 |
| Loans and other receivables | 235,071 | 193,637 |
| | 1/1-30/9/2013 | 1/1-30/9/2012 |
| Total expense | (15,641) | (15,381) |
| Total income | 8,366 | 7,701 |

28 Acquisition of banking operations and completion of their purchase price allocation

a) Acquisition of the Greek banking operations of Cypriot Banks (Bank of Cyprus, Cyprus Popular Bank, Hellenic Bank)

On 26/3/2013, Piraeus Bank Group acquired the Greek banking operations of Bank of Cyprus, Cyprus Popular Bank (CPB) and Hellenic Bank, for a total consideration of € 524 million, through a special process, under the aegis of European Union, which determined the perimeter of the transferred operation, the terms and the consideration. The Greek Banking operations include the staff, the branch network, the loans and the deposits of the aforementioned Cypriot banks, including the loans and the deposits of their subsidiaries in Greece (leasing, factoring and Investment Bank of Greece – IBG). It is noted that in the 2nd quarter of 2013, Piraeus Bank Group acquired additional operations (custody services, settlement services for the transactions of the Cypriot branch network in Greece, etc.), without affecting the acquired assets and liabilities of the aforementioned banks.

The Bank's management, for the scope of the purchase price allocation, encountered the above acquisitions as a single transaction, due to their peculiarities and special characteristics.

For the allocation of the acquisition cost, the Group applied the rules of IFRS 3 "Business Combinations", adjusting the assets, liabilities and contingent liabilities of the acquired Greek banking operations at their fair values. It is noted that the loans and advances to customers have been valued at their fair values according to IAS 39 by independent international audit firm.

The allocation of acquisition cost was completed in the 1st quarter of 2013 and therefore the total fair values of assets and liabilities acquired, are presented in the table below:

(amounts in thousand €)

| | <u>Total Fair Values</u> |
|--|--------------------------|
| Assets | |
| Loans and advances to customers | 18,517,475 |
| Intangible assets | 14,414 |
| Property, plant and equipment | 108,988 |
| Other assets | 289,965 |
| Total Assets | 18,930,842 |
| Liabilities | |
| Due to customers | 14,968,929 |
| Retirement benefit obligation | 23,310 |
| Other liabilities | 911 |
| Total Liabilities | 14,993,150 |
| Shareholders Equity | 3,937,692 |
| Total liabilities and shareholders equity | 18,930,842 |
| Cost of acquisition | 524,000 |
| Net assets acquired | 100% |
| Negative goodwill | 3,413,692 |

The amount of negative goodwill was recognized in the income statement of the period 1/1-30/9/2013. The amount of negative goodwill is related to the special circumstances prevailing as at the transaction date, in combination with the IFRS valuation techniques regarding the fair values of financial instruments, according to which market data must be highly used and entity related data should be avoided as much as possible.

The table below presents the total net income, the expenses and the profit before tax of the Greek operations of three Cypriot banks that resulted after the acquisition date, as well as the respective amounts which would have resulted for the Group if their acquisition had occurred on 1/1/2013. It is noted that, as the transfer of the loans and the deposits of the Greek banking operations of the three Cypriot banks was carried out at the closure of 15/3/2013, the results related to the above loans and deposits were accounted from 16/3/2013.

| | Results of the period 1/1- 30/9/2013 | Post acquisition results |
|-------------------------------|--|-----------------------------|
| Total net income | 399,465 | 303,787 |
| Total expenses and provisions | (585,966) | (267,196) |
| Profit before tax | (186,502) | 36,590 |

b) Finalisation of the purchase price allocation exercise of Geniki Bank S.A.

During the first quarter of 2013, the purchase price allocation exercise of Geniki Bank S.A. was completed, according to the provisions of IFRS 3 "Business Combinations". The final fair values of the assets acquired and the liabilities assumed, as well as the resulting negative goodwill, are presented as follows:

Piraeus Bank Group - 30 September 2013
Amounts in thousand euros (Unless otherwise stated)

| | Geniki Bank Group |
|--|--------------------------|
| (amounts in € '000) | |
| Assets | |
| Loans and advances to credit institutions | 410,287 |
| Loans and advances to customers | 1,928,894 |
| Available for sale securities | 109,407 |
| Property, plant and equipment | 71,766 |
| Other assets | 335,006 |
| Total Assets | 2,855,359 |
| Liabilities | |
| Due to credit institutions | 404,187 |
| Due to customers | 2,049,295 |
| Other liabilities | 42,704 |
| Total Liabilities | 2,496,186 |
| Shareholders Equity | 359,173 |
| Total liabilities and shareholders equity | 2,855,359 |
| Cost of acquisition | 1,000 |
| Net assets acquired | 99.08% |
| Negative goodwill | 354,856 |

Consequently, the additional negative goodwill from the acquisition of Geniki Bank S.A., compared to the negative goodwill that was provisionally recognised in the annual consolidated financial statements as at 31/12/2012 amounts to approximately € 3.9 million. This difference was recognised in the results for the period 1/1 - 30/9/2013.

c) Completion of the purchase price allocation of former ATEbank S.A.

Piraeus Bank Group applied the rules of IFRS 3 "Business Combinations" and completed within 12 months from the acquisition date the allocation of the acquisition cost of former ATEbank S.A. to the assets and liabilities acquired. It is noted that loans and advances to customers have been valued by independent international audit firm and that properties have been valued by independent valuers.

The total fair values of the assets and liabilities acquired, are presented in the table below:

| | Former ATEbank S.A. fair values |
|---|--|
| (amounts in € '000) | |
| Assets | |
| Loans and advances to credit institutions | 259,974 |
| Loans and advances to customers and debt securities - receivables | 11,202,819 |
| Available for sale securities | 1,133,380 |
| Funding gap | 7,479,715 |
| Property, plant and equipment | 554,657 |
| Other assets | 1,160,926 |
| Total assets | 21,791,471 |
| Liabilities | |
| Due to credit institutions | 6,497,762 |
| Due to customers | 14,870,979 |
| Other liabilities | 243,385 |
| Total liabilities | 21,612,126 |
| Shareholders' equity | 179,345 |
| Total liabilities and shareholders' equity | 21,791,471 |
| Total consideration | 95,000 |
| Net assets acquired | 100% |
| Negative goodwill | 84,345 |

The negative goodwill of € 84.4 million has been recognized in "Negative goodwill due to acquisitions" in the consolidated income statement for the period 1/1-30/9/2013. The aforementioned negative goodwill is due to the significant benefits derived from the acquisition of selective assets and liabilities of former ATEbank S.A., which included a performing portfolio with high interest rate yields.

The table below presents the total fair values of the assets and liabilities of ATEbank's subsidiaries that were acquired under the above mentioned acquisition:

| (amounts in € '000) | |
|---|----------------|
| Assets | |
| Loans and advances to credit institutions | 121,876 |
| Loans and advances to customers and debt securities - receivables | 165,314 |
| Available for sale securities | 111,512 |
| Property, plant and equipment | 84,914 |
| Other assets | 507,902 |
| Total assets | 991,518 |
| Liabilities | |
| Due to credit institutions | 221,668 |
| Due to customers | 102,878 |
| Other liabilities | 653,796 |
| Total liabilities | 978,342 |
| Shareholders' equity | 13,176 |
| Total liabilities and shareholders' equity | 991,518 |

The goodwill that resulted on the acquisition of former ATEbank's subsidiaries, of total amount € 3.5 million, was fully impaired in the consolidated profit and loss of year 2012.

d) Acquisition of Millennium Bank S.A.

On 19/6/2013, Piraeus Bank Group completed the acquisition of the 100% of Millennium BCP's subsidiary in Greece Millennium Bank S.A., for a total consideration of € 1 million. In the context of this acquisition, the Group acquired the companies Mille Fin S.A. (percentage 100%), Millennium A.E.D.A.K. (percentage 100%) and the special purpose entities Kion Mortgage Finance Plc, Kion Mortgage Finance No.3 Plc and Kion CLO Finance No.1 Plc, which are here on subsidiaries of Piraeus Bank Group.

For the allocation of the acquisition cost, the Group applied the rules of IFRS 3 "Business Combinations", adjusting the assets, liabilities and contingent liabilities of the acquired Millennium Bank S.A. and its subsidiaries at their fair values. It is noted that the loans and advances to customers have been valued by independent international audit firm and the properties have been valued by independent valuer.

The allocation of acquisition cost was completed in the 1st semester of 2013 and therefore the total fair values of assets and liabilities acquired, are presented in the table below:

| (amounts in € '000) | Millennium Bank Group |
|---|----------------------------------|
| Assets | |
| Cash and balances with Central Banks | 152,487 |
| Loans and advances to credit institutions | 52,349 |
| Loans and advances to customers | 3,967,544 |
| Property, plant and equipment | 30,170 |
| Deferred tax assets | 142,325 |
| Other assets | 255,953 |
| Total assets | 4,600,828 |
| Liabilities | |
| Due to credit institutions | 1,180,637 |
| Due to customers | 2,890,478 |
| Other liabilities | 220,340 |
| Total liabilities | 4,291,454 |
| Shareholders' equity | 309,374 |
| Total liabilities and shareholders' equity | 4,600,828 |
| Total consideration | 1,000 |
| Net assets acquired | 100% |
| Negative goodwill | 308,374 |

The negative goodwill of € 308.4 million has been recognized in "Negative goodwill due to acquisitions" in the consolidated income statement for the period 1/1-30/9/2013. The aforementioned negative goodwill is due to the significant benefits derived from the acquisition of Millennium Bank S.A. and the purchase consideration as compared to its net asset position, as a result of the new strategy adopted at an earlier period, during which Greek prospects were highly uncertain, by a number of foreign banks including Millennium BCP, for the mitigation of their exposure to investment risk related to banking operations in Greece.

The table below presents the post acquisition total net income, the post acquisition total expenses and provisions and the post acquisition profit before tax of Millennium Bank S.A. Group, as well as the respective amounts which would have resulted for Piraeus Bank Group had their acquisition occurred on 1/1/2013.

| | 1/1 - 30/9/2013 | 20/6 - 30/9/2013 |
|-------------------------------|------------------|------------------|
| Total net income | 36,363 | 17,529 |
| Total expenses and provisions | (234,920) | (108,773) |
| Profit before tax | (198,557) | (91,244) |

29 Changes in the portfolio of subsidiaries and associates

In the period from 1/1/2013 to 30/9/2013 the following changes took place in the Group's portfolio of direct and indirect subsidiaries and associates and held for sale companies:

a) Gain of control or significant influence:

Following the finalization of the acquired perimeter of the selected balance sheet items of under special liquidation Agricultural Bank of Greece S.A. dated 24/1/2013, 100% of ATEXCELIXI S.A. was acquired and as a result, it is included in the subsidiaries' portfolio of Piraeus Bank S.A.

On 4/4/2013, Piraeus Bank S.A. acquired 793,510 shares of the company Hellenic Seaways Maritime S.A. As a result, its shareholding percentage in the company amounts to 21.02% and the latter is included in the associates' portfolio.

b) Establishments:

On 8/2/2013, Piraeus Leasing Romania SRL and Piraeus Real Estate Consultants SRL, 100% Group's subsidiaries, established General Business Management Investitii SRL, 100% Group's subsidiary, fully covering its share capital with the amount of € 45.72. As a result, Piraeus Real Estate Consultants SRL and Piraeus Leasing Romania SRL own 90% and 10% of the company's share capital respectively.

Piraeus Bank Cyprus Ltd, 100% subsidiary of Piraeus Bank S.A., established the 100% subsidiary company, Piraeus Bank (Cyprus) Nominees Limited.

On 22/7/2013, Piraeus Bank Bulgaria A.D., subsidiary of Piraeus Bank S.A., paid the share capital, of € 2.56 thousand, of its 100% newly established subsidiary, Beta Asset Management EOOD. As a result, the Group's shareholding percentage in the company amounts to 99.98%.

On 16/8/2013, Solum Enterprise LLC, Group's subsidiary, established its 100% subsidiary company, Sinitem LLC, with the amount of € 9.38. As a result, the Group's shareholding percentage in the company amounts to 99.00%.

On 30/9/2013, Piraeus Bank S.A. established its 99.09% subsidiary company, R.E. Anodus Two Ltd, with the amount of € 10.10 thousand.

c) Participation in the share capital increases / decreases - Changes of participation:

On 14/1/2013, Piraeus Bank S.A. fully covered the share capital increase of its 100% subsidiary Piraeus Equity Partners Ltd, with the amount of € 2.00 million, without altering its shareholding percentage.

On 24/1/2013, PJ Tech Catalyst Fund, 30% Group's associate company, increased its assets with the amount of € 330.00 thousand. As a result, Piraeus Equity Partners Ltd, 100% subsidiary of Piraeus Bank S.A., covered its shareholding ratio with the amount of € 99.00 thousand, without altering its shareholding percentage.

On 7/3/2013, Geniki Bank S.A., 99.08% subsidiary of Piraeus Bank S.A., decreased its share capital by the amount of € 83.03 million by decreasing the nominal value from € 5.80 per share to € 1.00 per share.

On 8/3/2013, ATE Insurance S.A., 100% direct subsidiary of Piraeus Bank S.A., concluded its share capital increase with the amount of € 172.06 million. Piraeus Bank S.A. fully covered the aforementioned increase without altering its shareholding percentage in the company, which is included in the Held for Sale portfolio.

On 28/3/2013, Piraeus Bank Beograd A.D., 100% subsidiary of Piraeus Bank S.A., increased its share capital with the amount of € 9.94 million through the conversion of subordinated debt. Piraeus Bank S.A. fully covered the increase, without altering its shareholding percentage.

On 29/3/2013, Piraeus-TANEO Capital Fund, 50.01% associate of Piraeus Bank S.A., increased its assets with the amount of € 187.5 thousand. Piraeus Bank S.A. covered its shareholding ratio with the amount of € 93.77 thousand, without altering its shareholding percentage.

From 1/4/2013 to 30/6/2013, Piraeus Bank S.A. paid the amount of € 795.21 thousand for the acquisition of additional 0.20% of Geniki Bank S.A., increasing its shareholding percentage in the company to 99.94%.

On 4/4/2013, Piraeus Bank S.A. disposed 0.20% of its associated company, Exodus S.A., for the amount of € 4.14 thousand. As a result, the shareholding percentage of Piraeus Bank S.A. in the company decreased to 49.90%.

On 8/4/2013, Geniki Bank S.A., completed its share capital increase through the conversion of Bond Loan of € 350.03 million and the issue of 51,024,781 new shares which were acquired by Piraeus Bank S.A. As a result, the shareholding percentage of Piraeus Bank S.A. in the company increased by 0.66%, amounting to 99.74%.

On 11/4/2013, Piraeus Equity Partners Ltd, 100% subsidiary of Piraeus Bank S.A., fully covered the share capital increase of its 100% subsidiary Piraeus FI Holding Ltd, with the amount of € 181.25 thousand, without altering its shareholding percentage in the company.

On 22/4/2013, Piraeus Bank S.A. paid the amount of € 130 thousand for the acquisition of additional 0.29% of Achaia Clauss Estate S.A. As a result, the shareholding percentage of Piraeus Bank S.A. in the company amounts to 74.76%.

On 24/5/2013, PJ Tech Catalyst Fund, 30% Group's associate company, increased its assets by the amount of € 300.00 thousand. As a result, Piraeus Equity Partners Ltd, 100% subsidiary of Piraeus Bank S.A., covered its shareholding ratio with the amount of € 90.00 thousand, without altering its shareholding percentage.

On 31/5/2013, Geniki Bank S.A., 100% subsidiary of Piraeus Bank S.A., fully covered the share capital increase of its 100% subsidiary Geniki Leasing S.A., with the amount of € 43.51 million, without altering its shareholding percentage in the company.

In May 2013, Piraeus FI Holding LTD, 100% Group's subsidiary, fully covered the share capital increase of its 100% subsidiary Piraeus Clean Energy LP, with the amount of € 181.25 thousand, without altering its shareholding percentage in the company.

On 7/6/2013, Piraeus-TANEO Capital Fund, 50.01% associate of Piraeus Bank S.A., increased its assets by the amount of € 2.50 million. As a result, Piraeus Bank S.A. covered its shareholding ratio with the amount of € 1.25 million, without altering its shareholding percentage.

On 13/6/2013, APE Fixed Assets Real Estate Tourist and Development S.A., 27.8% associate of Piraeus Bank S.A., increased its share capital with the amount of € 350 thousand. Piraeus Bank S.A. covered its shareholding ratio with the amount of € 97.31 thousand, without altering its shareholding percentage in the company.

APE Investment Property S.A., 27.20% associate of Piraeus Bank S.A., increased its share capital with the amount of € 15.00 million. As a result, on 27/7/2013, Piraeus Bank S.A. covered its shareholding ratio with the amount of € 4.08 million, without altering its shareholding percentage.

On 4/7/2013, Piraeus Bank S.A. acquired in total additional 1,862,692 shares of the associate company Hellenic Seaways Maritime S.A., with the amount of € 3.00 million, increasing its shareholding percentage to 23.42% from 21.02%.

In July 2013, Piraeus Bank S.A. paid the total amount of € 0.37 thousand for the acquisition of additional 54 shares of its subsidiary, Geniki Bank S.A.

On 11/7/2013 and 26/7/2013, Piraeus – TANEQ Capital Fund, 50.01% associate of Piraeus Bank S.A., increased its assets by the amount of € 1.84 million. Piraeus Bank S.A. covered its shareholding ratio with the amount of € 0.92 million, without altering its shareholding percentage.

On 31/7/2013, AIK Banka, associate of Piraeus Bank S.A., increased its share capital, common and preferred, with the capitalization of previous years' retained earnings of amount of Din 350.08 million and Din 51.21 million respectively. As a result, the company issued 184,255 new common shares and 26,954 new preference shares. The shareholding percentage of Piraeus Bank S.A. in the company's common share capital (20.35%) and preferred share capital (25.00%) did not alter.

On 14/8/2013, Piraeus Egypt Leasing Co., Group's subsidiary, acquired 1% of the company Integrated Services Systems Co., with the amount of € 1.08 thousand. As a result, the Group's shareholding percentage in the company, increased to 98.29% from 97.31%.

On 19/8/2013, Piraeus Bank S.A., paid the amount of € 4.8 thousand for the acquisition of additional 1,601 shares of the associate company Teiresias S.A. As a result, the Group's shareholding percentage in the company, increased to 23.53% from 23.00%.

On 23/8/2013, General Construction and Development Co S.A., 66.67% subsidiary of Piraeus Bank S.A., decreased its share capital by the amount of € 27.98 million by decreasing the nominal value of share, for the netting of losses. Furthermore, the company increased its share capital with the amount of € 0.55 million. On 23/8/2013, Piraeus Bank S.A. covered its shareholding ratio in the increase of share capital with the amount of € 0.37 million, without altering its shareholding percentage in the company.

Tirana Bank I.B.C., subsidiary of Piraeus Bank S.A., increased its share capital with the amount of € 25 million. On 27/8/2013, Piraeus Bank S.A. fully covered the share capital increase, increasing its shareholding percentage in the company to 98.83% from 98.48%.

During the 3rd quarter of 2013, Piraeus Equity Partners Ltd, 100% subsidiary of Piraeus Bank S.A., fully covered the share capital increases of its 100% subsidiary, Piraeus FI Holding Ltd, with the total amount of € 377.50 thousand, without altering its shareholding percentage in the company.

During the 3rd quarter of 2013, PJ Tech Catalyst Fund, 30% Group's associate company, increased its assets by the amount of € 436.88 thousand. As a result, Piraeus Equity Partners Ltd, 100% subsidiary of Piraeus Bank S.A., covered its shareholding ratio with the total amount of € 131.06 thousand, without altering its shareholding percentage.

During the 3rd quarter of 2013, Piraeus FI Holding Ltd, 100% Group's subsidiary, fully covered the share capital increase of its 100% subsidiary Piraeus Clean Energy LP, with the total amount of € 362.50 thousand, without altering its shareholding percentage in the company.

Net inflow from shareholding percentage increase in subsidiaries and from acquisition of subsidiaries amounts to € 172 million and is presented below:

| Acquisition of subsidiaries excluding cash and cash equivalents acquired | 30/09/2013 | 30/09/2012 |
|---|-------------------|-------------------|
| Shareholding percentage increase in subsidiaries of the Group | 927 | 453 |
| Acquisition of subsidiaries | 1,000 | 62 |
| Less: Cash and cash equivalents acquired | (174,067) | - |
| | (172,140) | 515 |

d) Liquidation and disposal:

In March 2013, Imperial Stockbrokers LTD, Imperial Eurobrokers LTD, Euroinvestment Mutual Funds LTD and Bull Fund LTD, 100% subsidiaries of Group, were dissolved.

On 8/3/2013, ETVA Industrial Parks S.A., 65% subsidiary of Piraeus Bank S.A., set its 51% participation Good Works Energy Photovoltaics S.A. under liquidation. Good Works Energy Photovoltaics S.A. is included in the portfolio of Group's associates.

On 17/9/2013, Piraeus Bank Egypt S.A.E., Integrated Services Systems Co. and Piraeus Egypt Leasing Co., subsidiary companies of Group, transferred 100% of the company, Piraeus – Egypt Asset Management Co., with the amount of € 435.08 thousand.

e) Further changes – Transfers:

On 20/5/2013, ATExcelixi S.A., 100% subsidiary of Piraeus Bank S.A., was renamed to Centre of Sustainable Entrepreneurship Excelixi S.A.

On 21/6/2013, Piraeus Asset Management S.A. and ABG Mutual Funds Management Company S.A., 100% subsidiaries of Piraeus Bank S.A., were merged through the absorption of the latter from the first, without altering the Group's shareholding percentage (100%).

On 1/8/2013, Geniki Bank S.A., subsidiary of Piraeus Bank S.A., transferred 100% of the company Geniki Leasing S.A. to Piraeus Leases S.A., 100% subsidiary of Piraeus Bank S.A., with the amount of € 904.27 thousand.

30 Restatement of comparatives

The Balance sheet accounts as at 31/12/2012 and the Income Statement accounts for the period 1/1-30/9/2012 have been restated as a result of the retrospective implementation of IAS 19 (Amendment) "Employee Benefits".

The restatements and the restated amounts of Piraeus Bank Group in the interim income statement, the interim statement of total comprehensive income and the statement of financial position are presented below.

RESTATEMENTS OF CONSOLIDATED INTERIM INCOME STATEMENT

| | 1/1-30/9/2012 | | | 1/7-30/9/2012 | | |
|--|--------------------|--|--------------------|-------------------|--|------------------|
| | Published amounts | Restatements due to amendment of I.A.S. 19 | Restated Amounts | Published amounts | Restatements due to amendment of I.A.S. 19 | Restated Amounts |
| Consolidated income statement | | | | | | |
| Total net income | 1,088,047 | 0 | 1,088,047 | 381,561 | 0 | 381,561 |
| Staff costs | (278,293) | 206 | (278,087) | (108,526) | 253 | (108,272) |
| Administrative expenses | (234,092) | - | (234,092) | (87,063) | - | (87,063) |
| Depreciation and amortization | (78,412) | - | (78,412) | (26,445) | - | (26,445) |
| Gains/ (losses) from sale of assets | (505) | - | (505) | (299) | - | (299) |
| Total operating expenses before provisions | (591,302) | 206 | (591,096) | (222,332) | 253 | (222,079) |
| PROFIT BEFORE PROVISIONS, IMPAIRMENT AND INCOME TAX | 496,745 | 206 | 496,951 | 159,229 | 253 | 159,482 |
| Impairment losses on loans, debt securities and other receivables | (1,370,732) | - | (1,370,732) | (564,688) | - | (564,688) |
| Impairment on investment securities | (358,074) | - | (358,074) | (428) | - | (428) |
| Other provisions and impairment | (37,819) | - | (37,819) | (401) | - | (401) |
| Share of profit of associates | 16,459 | - | 16,459 | 27,365 | - | 27,365 |
| Profit/ (loss) before income tax | (1,253,421) | 206 | (1,253,214) | (378,924) | 253 | (378,670) |
| Income tax | 619,191 | (41) | 619,149 | 104,675 | (50) | 104,624 |
| Profit/ (loss) after income tax | (634,230) | 165 | (634,065) | (274,249) | 203 | (274,046) |
| Profit after income tax from discontinued operations | 13,242 | (1) | 13,241 | 10,548 | (1) | 10,547 |
| PROFIT/ (LOSS) AFTER TAX FOR THE PERIOD | (620,988) | 164 | (620,824) | (263,701) | 202 | (263,499) |
| From continuing operations | | | | | | |
| Profit/ (loss) for the period attributable to equity holders of the parent entity | (628,879) | 167 | (628,712) | (273,736) | 203 | (273,533) |
| Non controlling interest | (5,351) | (2) | (5,353) | (513) | (0) | (513) |
| From discontinued operations | | | | | | |
| Profit for the period attributable to equity holders of the parent entity | 13,195 | (1) | 13,194 | 10,542 | (1) | 10,541 |
| Non controlling interest | 47 | 0 | 47 | 7 | 0 | 7 |
| From continuing operations | | | | | | |
| Earnings/ (losses) per share attributable to equity holders of the parent entity: | | | | | | |
| - Basic and Diluted | (5.4713) | 0.0015 | (5.4699) | (2.3812) | 0.0018 | (2.3794) |
| From discontinued operations | | | | | | |
| Earnings per share attributable to equity holders of the parent entity: | | | | | | |
| - Basic and Diluted | 0.1148 | (0.0000) | 0.1148 | 0.0917 | (0.0000) | 0.0917 |
| DISCONTINUED OPERATIONS | | | | | | |
| | 1/1-30/9/2012 | | | 1/7-30/9/2012 | | |
| | Published amounts | Restatements due to amendment of I.A.S. 19 | Restated Amounts | Published amounts | Restatements due to amendment of I.A.S. 19 | Restated Amounts |
| Total net income | 21,144 | 0 | 21,144 | 8,326 | 0 | 8,326 |
| Staff costs | (9,576) | (1) | (9,577) | (5,091) | (1) | (5,092) |
| Administrative expenses | (7,093) | - | (7,093) | (3,675) | - | (3,675) |
| Depreciation and amortization | (1,366) | - | (1,366) | (596) | - | (596) |
| Total operating expenses before provisions | (18,036) | (1) | (18,037) | (9,362) | (1) | (9,363) |
| Other provisions and impairment | 7,681 | - | 7,681 | 7,681 | - | 7,681 |
| Profit/ (loss) before income tax | 10,790 | (1) | 10,789 | 6,645 | (1) | 6,645 |
| Income tax | (6,944) | - | (6,944) | (5,494) | - | (5,494) |
| Profit/ (loss) after income tax | 3,845 | (1) | 3,845 | 1,152 | (1) | 1,151 |
| Profit after income tax from discontinued operations | 9,397 | - | 9,397 | 9,397 | - | 9,397 |
| PROFIT/ (LOSS) AFTER TAX FOR THE PERIOD | 13,242 | (1) | 13,241 | 10,548 | (1) | 10,547 |

Piraeus Bank Group - 30 September 2013
Amounts in thousand euros (Unless otherwise stated)

RESTATEMENTS OF CONSOLIDATED INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME

| | 1/1-30/9/2012 | | | 1/7-30/9/2012 | | |
|---|-------------------|--|------------------|-------------------|--|------------------|
| | Published amounts | Restatements due to amendment of I.A.S. 19 | Restated Amounts | Published amounts | Restatements due to amendment of I.A.S. 19 | Restated Amounts |
| CONTINUING OPERATIONS | | | | | | |
| Profit/ (loss) after tax for the period (A) | (634,230) | 165 | (634,065) | (274,249) | 203 | (274,046) |
| Other comprehensive income, net of tax: | | | | | | |
| Amounts that can be reclassified in the Income Statement | | | | | | |
| Net change in available for sale reserve | 169,647 | - | 169,647 | 132,613 | - | 132,613 |
| Change in currency translation reserve | (6,181) | - | (6,181) | 4,301 | - | 4,301 |
| Amounts that can not be reclassified in the Income Statement | | | | | | |
| Change in actuarial gains/ (losses) of defined benefit obligations | - | - | - | - | - | - |
| Other comprehensive income for the period, net of tax (B) | 163,466 | 0 | 163,466 | 136,914 | 0 | 136,914 |
| Total comprehensive income for the period, net of tax (A+B) | (470,764) | 165 | (470,599) | (137,335) | 203 | (137,132) |
| - Attributable to equity holders of the parent entity | (465,434) | 167 | (465,267) | (136,792) | 203 | (136,589) |
| - Non controlling interest | (5,330) | (2) | (5,332) | (543) | - | (543) |
| DISCONTINUED OPERATIONS | | | | | | |
| Profit after tax for the period (C) | 13,242 | (1) | 13,241 | 10,548 | (1) | 10,547 |
| Amounts that can be reclassified in the Income Statement | | | | | | |
| Net change in available for sale reserve | 4,340 | - | 4,340 | 4,264 | - | 4,264 |
| Change in currency translation reserve | 3,153 | - | 3,153 | 2,451 | - | 2,451 |
| Amounts that can not be reclassified in the Income Statement | | | | | | |
| Change in actuarial gains/ (losses) of defined benefit obligations | - | - | - | - | - | - |
| Other comprehensive income for the period, net of tax (D) | 7,493 | 0 | 7,493 | 6,715 | 0 | 6,715 |
| Total comprehensive income for the period, net of tax (C+D) | 20,735 | (1) | 20,734 | 17,263 | (1) | 17,262 |
| - Attributable to equity holders of the parent entity | 20,690 | (1) | 20,689 | 17,295 | (1) | 17,294 |
| - Non controlling interest | 45 | - | 45 | (32) | - | (32) |

RESTATEMENTS OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | 31 December 2012 | | |
|---|--------------------|--|--------------------|
| | Published amounts | Restatements due to amendment of I.A.S. 19 | Restated Amounts |
| ASSETS | | | |
| Deferred tax assets | 1,895,124 | 2,350 | 1,897,474 |
| Assets from discontinued operations | 377,184 | (34) | 377,150 |
| Other assets | 68,133,853 | - | 68,133,853 |
| TOTAL ASSETS | 70,406,161 | 2,316 | 70,408,477 |
| LIABILITIES | | | |
| Retirement benefit obligations | 172,065 | 11,173 | 183,238 |
| Deferred tax liabilities | 37,100 | 115 | 37,215 |
| Liabilities from discontinued operations | 605,824 | (170) | 605,654 |
| Other liabilities | 71,906,677 | - | 71,906,677 |
| TOTAL LIABILITIES | 72,721,666 | 11,118 | 72,732,784 |
| EQUITY | | | |
| Share capital | 1,092,998 | - | 1,092,998 |
| Share premium | 2,953,356 | - | 2,953,356 |
| Less: Treasury shares | (36) | - | (36) |
| Other reserves | (4,655) | - | (4,655) |
| Amounts recognized directly in equity relating to non-current assets from discontinued operations | 9,301 | - | 9,301 |
| Retained earnings | (6,494,933) | (8,833) | (6,503,766) |
| Capital and reserves attributable to equity holders of the parent entity | (2,443,969) | (8,833) | (2,452,802) |
| Non controlling interest | 128,464 | 31 | 128,495 |
| TOTAL EQUITY | (2,315,505) | (8,802) | (2,324,307) |
| TOTAL LIABILITIES AND EQUITY | 70,406,161 | 2,316 | 70,408,477 |

31 Events subsequent to the end of the interim period

Following the participation of Banco Comercial Portugues, S.A., through its wholly owned subsidiary BCP Investment B.V. in the last share capital increase of Piraeus Bank in June 2013, BCP announced on October 30 2013, that it sold, through an accelerated placement, its entire holding of shares and warrants in Piraeus Bank (235,294,117 shares and warrants of equal number).

Athens, November 29th, 2013

CHAIRMAN
OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR
& C.E.O.

CHIEF FINANCIAL
OFFICER

DEPUTY
CHIEF FINANCIAL
OFFICER

MICHALIS G. SALLAS

STAVROS M. LEKKAKOS

GEORGE I. POULOPOULOS

KONSTANTINOS S. PASCHALIS