

PIRAEUS BANK



PIRAEUS BANK GROUP

**Consolidated Interim Condensed
Financial Information**

30 September 2015

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 October 31st 2015 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.

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CONSOLIDATED INTERIM INCOME STATEMENT	Note	Period from 1 January to		Period from 1 July to	
		30 September 2015	30 September 2014	30 September 2015	30 September 2014
Interest and similar income		2,292,007	2,578,877	750,964	843,951
Interest expense and similar charges		(857,108)	(1,106,855)	(280,474)	(341,742)
NET INTEREST INCOME		1,434,899	1,472,023	470,490	502,209
Fee and commission income		264,027	267,677	84,763	93,703
Fee and commission expense		(30,825)	(27,500)	(11,540)	(9,386)
NET FEE AND COMMISSION INCOME		233,202	240,177	73,223	84,316
Dividend income		7,332	14,625	720	269
Net income from financial instruments designated at fair value through profit or loss		69,275	(65,101)	53,572	(21,413)
Results from investment securities		(4,740)	74,021	1,289	(2,270)
Other operating income		77,187	205,364	51,361	19,283
TOTAL NET INCOME		1,817,155	1,941,108	650,655	582,395
Staff costs		(508,361)	(523,196)	(166,084)	(167,409)
Administrative expenses		(408,876)	(420,871)	(130,729)	(151,555)
Depreciation and amortisation		(88,273)	(118,242)	(30,501)	(32,420)
TOTAL OPERATING EXPENSES BEFORE PROVISIONS		(1,005,510)	(1,062,309)	(327,314)	(351,385)
PROFIT BEFORE PROVISIONS, IMPAIRMENT AND INCOME TAX		811,645	878,799	323,341	231,010
Impairment losses on loans	12	(2,120,719)	(3,235,716)	(252,637)	(2,242,244)
Impairment losses on other receivables		(73,510)	(81,535)	(16,397)	(13,852)
Other provisions and impairment		(16,486)	(25,624)	(3,580)	(1,035)
Share of profit of associates		(13,490)	11,048	5,746	7,166
PROFIT/ (LOSS) BEFORE INCOME TAX		(1,412,560)	(2,453,028)	56,472	(2,018,956)
Income tax	8	776,123	817,572	438,485	461,588
PROFIT/ (LOSS) AFTER TAX FROM CONTINUING OPERATIONS		(636,437)	(1,635,456)	494,957	(1,557,368)
Profit/ (loss) after income tax from discontinued operations	7	11,139	(2,252)	4,727	2,172
PROFIT/ (LOSS) AFTER TAX		(625,298)	(1,637,709)	499,684	(1,555,196)
From continuing operations					
Profit/ (loss) attributable to equity holders of the parent entity		(635,377)	(1,636,090)	494,642	(1,557,526)
Non controlling interest		(1,060)	634	315	159
From discontinued operations					
Profit/ (loss) attributable to equity holders of the parent entity		11,122	(2,162)	4,761	2,181
Non controlling interest		17	(91)	(34)	(9)
Earnings/ (losses) per share attributable to equity holders of the parent entity (in €):					
From continuing operations					
- Basic and Diluted	9	(0.1042)	(0.2836)	0.0811	(0.2552)
From discontinued operations					
- Basic and Diluted	9	0.0018	(0.0004)	0.0008	0.0004

CONSOLIDATED INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME	Note	Period from 1 January to		Period from 1 July to	
		30 September 2015	30 September 2014	30 September 2015	30 September 2014
CONTINUING OPERATIONS					
Profit/ (loss) after tax (A)		(636,437)	(1,635,456)	494,957	(1,557,368)
Other comprehensive income, net of tax:					
Amounts that can be reclassified in the Income Statement					
Change in available for sale reserve	10	15,684	(84,759)	94,641	(46,065)
Change in currency translation reserve	10	(9,316)	(6,404)	1,724	(21,954)
Amounts that cannot be reclassified in the Income Statement					
Change in reserve of defined benefit obligations	10	8,459	282	96	-
Other comprehensive income, net of tax (B)	10	14,828	(90,881)	96,461	(68,019)
Total comprehensive income, net of tax (A+B)		(621,609)	(1,726,337)	591,418	(1,625,386)
- Attributable to equity holders of the parent entity		(620,606)	(1,727,018)	591,099	(1,625,544)
- Non controlling interest		(1,004)	681	319	158
DISCONTINUED OPERATIONS					
Profit/ (loss) after tax (C)		11,139	(2,252)	4,727	2,172
Other comprehensive income, net of tax:					
Amounts that can be reclassified in the Income Statement					
Change in available for sale reserve	10	(118)	2,455	(2,995)	(579)
Change in currency translation reserve	10	8,834	8,652	225	26,533
Amounts that cannot be reclassified in the Income Statement					
Change in reserve of defined benefit obligations	10	(282)	-	(713)	-
Other comprehensive income, net of tax (D)	10	8,435	11,107	(3,483)	25,954
Total comprehensive income, net of tax (C+D)		19,573	8,855	1,244	28,126
- Attributable to equity holders of the parent entity		19,421	8,842	1,297	28,027
- Non controlling interest		152	13	(54)	99

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION	Note	30 September 2015	31 December 2014
ASSETS			
Cash and balances with Central Banks		3,359,222	3,837,541
Loans and advances to credit institutions		175,587	297,109
Financial assets at fair value through profit or loss	11	296,283	299,562
Derivative financial instruments - assets		458,465	508,928
Reverse repos with customers		1,410	64,299
Loans and advances to customers (net of provisions)	12	51,935,284	57,143,022
Available for sale securities	13	2,823,403	2,533,587
Debt securities - receivables	14	14,310,574	14,400,421
Held to maturity		23,338	27,180
Assets held for sale		39,750	38,022
Inventories property		895,216	844,994
Investment property		1,010,155	989,504
Investments in associated undertakings		285,707	298,672
Property, plant and equipment		1,534,673	1,435,942
Intangible assets		324,522	313,072
Deferred tax assets	8	4,819,537	4,018,745
Other assets		2,074,574	1,934,171
Assets from discontinued operations	7	1,542,336	304,925
TOTAL ASSETS		85,910,038	89,289,696
LIABILITIES			
Due to credit institutions	16	36,494,639	23,690,330
Due to customers	17	38,074,991	54,732,834
Liabilities at fair value through profit or loss		-	1,853
Derivative financial instruments - liabilities		452,002	544,026
Debt securities in issue	18	478,597	661,350
Current income tax liabilities		43,121	32,566
Deferred tax liabilities		34,379	37,772
Retirement benefit obligations		211,545	211,944
Other provisions		50,488	42,733
Other liabilities		1,618,835	1,275,911
Hybrid capital and other borrowed funds	19	227,388	232,381
Liabilities from discontinued operations	7	1,500,361	503,753
TOTAL LIABILITIES		79,186,347	81,967,454
EQUITY			
Share capital	21	1,830,594	1,830,594
Share premium	21	11,393,315	11,393,315
Less: Treasury shares	21	(595)	-
Other reserves	22	(109,491)	(111,240)
Amounts recognized directly in equity relating to non-current assets from discontinued operations	22	32,815	18,787
Retained earnings	22	(6,539,482)	(5,921,295)
Capital and reserves attributable to equity holders of the parent entity		6,607,155	7,210,161
Non controlling interest		116,536	112,081
TOTAL EQUITY		6,723,691	7,322,242
TOTAL LIABILITIES AND EQUITY		85,910,038	89,289,696

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY	Note	Attributable to owners of the parent					Non controlling interest	TOTAL
		Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings		
Opening balance as at 1 January 2014		2,271,770	10,008,734	(113)	100,709	(3,957,192)	118,990	8,542,898
Other comprehensive income, net of tax	10				(79,924)		150	(79,774)
Results after tax for the period 1/1/2014 - 30/9/2014	22					(1,638,252)	543	(1,637,709)
Total recognized income for the period 1/1/2014 - 30/9/2014		0	0	0	(79,924)	(1,638,252)	693	(1,717,483)
Increase of share capital	21	308,824	1,384,581					1,693,405
Repurchase of preferred shares	21	(750,000)						(750,000)
(Purchases)/ sales of treasury shares	21, 22			110		(55)		55
Transfer between other reserves and retained earnings	22				6,075	(6,075)		0
Absorptions and movements in participating interest	22					(168)	168	0
Balance as at 30 September 2014		1,830,594	11,393,314	(4)	26,860	(5,601,742)	119,852	7,768,876
Opening balance as at 1 October 2014		1,830,594	11,393,314	(4)	26,860	(5,601,742)	119,852	7,768,876
Other comprehensive income, net of tax					(111,574)		45	(111,529)
Results after tax for the period 1/10/2014-31/12/2014	22					(326,836)	(7,451)	(334,286)
Total recognized income for the period 1/10/2014 - 31/12/2014		0	0	0	(111,574)	(326,836)	(7,405)	(445,815)
Prior year dividends							(162)	(162)
(Purchases)/ sales of treasury shares	21, 22			3		3		6
Transfer between other reserves and retained earnings	22				(7,739)	7,739		0
Acquisitions, disposals, absorptions, liquidation and movement in participating interest	22					(460)	(202)	(662)
Balance as at 31 December 2014		1,830,594	11,393,314	(1)	(92,453)	(5,921,295)	112,082	7,322,242
Opening balance as at 1 January 2015		1,830,594	11,393,314	(1)	(92,453)	(5,921,295)	112,082	7,322,242
Other comprehensive income, net of tax	10				23,070		192	23,262
Results after tax for the period 1/1/2015 - 30/9/2015	22					(624,255)	(1,043)	(625,298)
Total recognized income for the period 1/1/2015-30/9/2015		0	0	0	23,070	(624,255)	(851)	(602,036)
(Purchases)/ sales of treasury shares	21, 22			(595)		1,131		535
Transfer between other reserves and retained earnings	22				541	(541)		0
Acquisitions, disposals and movement in participating interest	22				(7,834)	5,478	5,306	2,949
Balance as at 30 September 2015		1,830,594	11,393,314	(596)	(76,677)	(6,539,482)	116,537	6,723,691

CONSOLIDATED INTERIM CASH FLOW STATEMENT	Period from 1 January to	
	30 September 2015	30 September 2014
<i>Cash flows from operating activities from continuing operations</i>		
Profit/ (Loss) before tax	(1,412,560)	(2,453,028)
<i>Adjustments to profit/ loss before tax:</i>		
Add: provisions and impairment	2,210,715	3,342,875
Add: depreciation and amortisation charge	88,273	118,242
Add: retirement benefits	10,800	10,914
(Gains)/ losses from valuation of financial instruments at fair value through profit or loss	(46,980)	(124,646)
(Gains)/ losses from investing activities	16,356	(82,481)
Cash flows from operating activities before changes in operating assets and liabilities	866,605	811,876
<i>Changes in operating assets and liabilities:</i>		
Net (increase)/ decrease in cash and balances with Central Banks	(300,372)	(187,948)
Net (increase)/ decrease in financial instruments at fair value through profit or loss	13,360	(59,660)
Net (increase)/ decrease in debt securities - receivables	(36,639)	1,250,421
Net (increase)/ decrease in loans and advances to credit institutions	(6,595)	(61,737)
Net (increase)/ decrease in loans and advances to customers	2,672,039	3,058,025
Net (increase)/ decrease in reverse repos with customers	62,889	(197,492)
Net (increase)/ decrease in other assets	19,637	(91,924)
Net increase/ (decrease) in amounts due to credit institutions	12,730,993	(6,163,790)
Net increase/ (decrease) in liabilities at fair value through profit or loss	(1,853)	(549)
Net increase/ (decrease) in amounts due to customers	(16,306,162)	422,660
Net increase/ (decrease) in other liabilities	341,088	195,703
Net cash flow from operating activities before income tax payment	54,990	(1,024,414)
Income tax paid	(14,623)	(11,089)
Net cash inflow/ (outflow) from continuing operating activities	40,366	(1,035,503)
<i>Cash flows from investing activities of continuing operations</i>		
Purchases of property, plant and equipment	(174,373)	(212,225)
Sales of property, plant and equipment	23,615	52,356
Purchases of intangible assets	(40,927)	(23,247)
Purchases of assets held for sale	(10,162)	(5,239)
Sales of assets held for sale	9,023	4,944
Purchases of investment securities	(6,787,021)	(4,568,180)
Disposals/ maturity of investment securities	6,456,011	4,622,120
Acquisition of subsidiaries excluding cash & cash equivalents acquired	(44,893)	-
Sales of associates	32,563	-
Establishments, acquisition and participation in share capital increases of associates	(58,528)	(1,132)
Dividends received	7,328	10,823
Net cash inflow/ (outflow) from continuing investing activities	(587,364)	(119,781)
<i>Cash flows from financing activities of continuing operations</i>		
Net proceeds from issue/ (repayment) of debt securities and other borrowed funds	(191,302)	404,744
Increase of share capital	-	1,673,519
Repurchase of preferred shares	-	(750,000)
Purchases/ sales of treasury shares and preemption rights	535	55
Other cash flows from financing activities	16,755	15,310
Net cash inflow/ (outflow) from continuing financing activities	(174,012)	1,343,628
Effect of exchange rate changes on cash and cash equivalents	10,958	61,411
Net increase/ (decrease) in cash and cash equivalents from continuing activities (A)	(710,051)	249,756
Net cash flows from discontinued operating activities	176,029	(44,755)
Net cash flows from discontinued investing activities	(94,227)	-12,281
Net cash flows from discontinued financing activities	-	-
Exchange difference of cash and cash equivalents	(2,153)	(1,086)
Net increase/ (decrease) in cash and cash equivalents from discontinued activities (B)	79,649	(58,122)
Cash and cash equivalents at the beginning of the period (C)	2,664,133	1,888,466
Cash and cash equivalents at the acquisition date of assets and liabilities of Panellinia Bank (D)	3,291	-
Cash and cash equivalents at the end of the period (A)+(B)+(C)+(D)	2,037,022	2,080,100

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 4261/2014 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 Western Europe. The Group employs in total 21,784 people of which 1,099 people, refer to discontinued operations (ATE Insurance S.A., ATE Insurance Romania S.A., Piraeus Bank Egypt S.A.E., Piraeus Egypt Leasing Co and Piraeus Bank Egypt Investment Company).

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

2 General accounting policies, critical accounting estimates and judgements

a. General accounting policies

The same accounting principles and calculation methods have been used as in the annual financial statements of the Group as of 31st December 2014.

The following interpretation and the improvements in IFRSs have been issued by the IASB, have been endorsed by the European Union and they are effective from 1/1/2015.

- **IFRIC 21 "Levies" (effective for annual periods beginning on or after 1 January 2015).** The interpretation sets out the accounting treatment for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is described in the relevant legislation that triggers the payment of the levy. This amendment does not have a significant influence in interim condensed financial information for the period 1/1-30/9/2015.

Improvements to IFRSs 2011 - 2013 (December 2013)

- **IFRS 3 (Amendment), "Business Combinations" (effective for annual periods beginning on or after 1 January 2015).** The amendment clarifies that joint arrangements as well as joint ventures are outside the scope of IFRS 3.
- **IFRS 13 (Amendment), "Fair Value Measurement" (effective for annual periods beginning on or after 1 January 2015).** The amendment clarifies that the exception in IFRS 13 for measuring the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts within the scope of IAS 39.

- **IAS 40 (Amendment), “Investment Property” (effective for annual periods beginning on or after 1 January 2015).** The amendment refers to the interaction of IFRS 3 and IAS 40 with respect to the classification of an asset as investment property, clarifying that the two standards are not mutually exclusive.

These improvements do not significantly affect the interim condensed financial information for the period 1/1-30/9/2015.

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

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The most important areas where the Group uses accounting estimates and judgements, in applying its 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 losses.

b.2. Fair value of derivative financial instruments

The fair value of derivative financial instruments that are traded over the counter (OTC), with banking or corporate counterparties, is determined by using commonly accepted valuation models. These valuation models use observable data. Where this is not possible, estimates and assumptions are required by Management concerning the parameters that affect the fair value of derivatives. These assumptions and estimates are assessed regularly and when market conditions change significantly.

The fair value for derivative financial instruments includes adjustments for the credit risk in a bilateral derivative transaction (CVA/DVA). The calculation of credit adjustments take into account the future expected credit exposure, which is estimated using simulation techniques for the derivatives' future fair values, in combination with the currently in force netting agreements and collateral held (as per the ISDA-CSA contracts in force).

In addition, the calculation of credit adjustments is also based on loss given default (LGD) rates as well probability of default (PD) curves, as these are derived from the purchase prices of the Credit Default Swap Market. In case that the aforementioned prices are not available from the CDS market, or the available market prices are not reliable due to very low liquidity, the relevant calculation is based on proxy credit curves and LGD rates, approved by the Bank's management.

Fair value models are applied consistently from one accounting period to the other, ensuring comparability and consistency of information over time.

b.3. Impairment of available for sale portfolio and associate companies

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 is accounted for 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 income statement.

Significant or prolonged decline of the fair value is defined as: (a) the decline in fair value below the cost of the investment for more than 40% or (b) the twelve month period decline in fair value for more than 25% of acquisition cost.

Judgement is 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.

Associate companies

The Group tests for impairment the investments in associate companies, comparing the recoverable amount of the investment (the higher of the value in use and the fair value less cost to sell) with its carrying amount.

In these cases, a similar methodology is used with that described above, for the shares of the available for sale portfolio, while taking into account the present value of the estimated future cash flows expected to be generated by the associate company. The amount of the permanent impairment of the investment, which may arise from the assessment, is recorded to the income statement.

b.4. Investment property

Investment property is measured at fair value, which is determined in cooperation with valuers.

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.

For investment property of a value that is not considered as individually significant, the fair value may be determined by applying the aforementioned valuation methods or by extrapolating the results of the valuations, to groups of investment property, with similar characteristics.

b.5. Defined benefits obligation

The determination of the present value of defined benefits obligation is based on actuarial analysis conducted by independent actuaries at the end of each year. The basic estimates and assumptions made in the context of the actuarial analysis are the discount rate, the pay increase rate as well as the inflation rate. The determination of the appropriate discount rate takes into

account the rates of high quality corporate bonds, of the same currency and of similar maturities to that of the defined benefits obligation.

b.6. Provisions and contingent liabilities

The Group recognises provisions when there is a present legal or constructive obligation which has been caused by events that took place in the past, and it is almost certain that an outflow of resources which can be measured reliably would be required for its settlement. On the contrary, in case that the probability for settling the obligation through an outflow of resources is remote or the amount of the outflow cannot be measured reliably, no provision is recognised but the relevant event is disclosed in the financial statements.

At each reporting date, the Group proceeds to significant estimates and assumptions concerning the assessment of the probability for the settlement of the obligation, the ability to estimate reliably the amount of the outflow required for the settlement of the aforementioned obligation as well as the timing of such settlement.

Specifically, for the material cases where the settlement of the obligation is estimated to take place at a significantly later time as compared to the reporting date, so that the effect from the time value of money is material, the relevant provision is calculated as the present value of the outflows that are expected to be required for the settlement of the obligations. The estimation of the discount rate takes into account the current market conditions for the time value of money, as well as the risks associated with the obligation. Furthermore, the discount rate used does not take into account any taxes.

Furthermore, in case of pending litigations, the Group has adopted an analytical assessment at each reporting date, by taking into consideration the best estimates of the Legal Division of the Bank and its subsidiaries or even independent legal advisors where the amount under assessment is material.

b.7. Recoverability of Deferred Tax Assets

The Group recognizes deferred tax on temporary tax differences in accordance with the regulations of tax law which distinguishes revenues on those subject to tax and non-taxable, assessing 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.

The Management's estimates for the future tax results of the Group, taking into account the Restructuring Plan approved as of 23 July 2014, by the European Commission (Directorate-General for Competition), are based on the assumptions related to the Greek economy prospect, as well as on other actions or amendments already implemented, improving the evolution of the future profitability.

Moreover, the Group examines the nature of the temporary differences and tax losses, as well as the ability for their recovery, in accordance with the tax regulations related to their offsetting with profits generated in future periods (e.g. five years), or with other specific tax regulations, as for example the regulations set by the Greek tax legislation which allow the optional conversion of deferred tax assets on specific temporary differences, into final and settled claims against the Greek Government, under certain terms and conditions.

b.8. Goodwill/negative goodwill

The acquisition method is used by the Group to account for the acquisitions. The Group, for the estimation of the fair values of identifiable assets and liabilities and contingent liabilities of the newly acquired 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 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. Reference to goodwill is made in note 24 of the consolidated interim condensed financial information.

b.9. Greek public sector

Piraeus Bank’s management makes significant estimates and assumptions regarding the progress of the Greek economy. The economic situation in Greece creates uncertainties that may affect the creditworthiness of the Greek public sector. Reference to the Management’s estimates concerning the economic developments is made in note 3.

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

Basis of preparation

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 annual financial statements of the Group for the year ended 31 December 2014.

The attached consolidated interim condensed financial information is expressed in thousand euros (unless otherwise stated) and roundings are performed in the nearest thousand.

Going concern basis

The consolidated interim condensed financial information has been prepared on a going concern basis, even though there are significant uncertainties until the completion of the recapitalization of the Greek banking system, which may cause significant doubt about the Group’s ability to continue its business activity. Piraeus Bank’s Management estimates that the Group will continue in operational existence for the foreseeable future:

Macroeconomic environment

The volatile macroeconomic and financial environment in Greece, in combination with the political developments, remains the main risk factor for the Greek banking sector. The intensified political and economic uncertainty in the 1st half 2015 peaked on June 28,

2015 with the imposition of capital controls and bank holiday in the country. Capital controls include, among others, a weekly limit on all cash withdrawals (€ 420) per customer and restrictions on capital transfers and payments abroad, affecting mainly dealings with foreign suppliers and creditors. The bank holiday lasted for 3 weeks, with the banks reopening on 20 July 2015 and capital control measures began gradually to relax. Capital controls, although harsh in nature, are expected to have rather limited and short-term negative effects in the economy due to the following factors:

- a) Significant increase of banknotes in circulation in the Greek economy, that took place in the period end November 2014 to end June 2015
- b) Ability to conduct electronic transactions without restrictions through alternative channels and networks within the country, which was given from the first moment of the imposition of capital controls, reducing significantly the impact for the transacting parties and the economy
- c) The majority of companies (especially the larger ones trading internationally) were prepared for the possibility of capital controls and, as a consequence, their operation was not disrupted as much as it was initially expected
- d) Limited impact on tourism. The initial concerns about a significant impact on tourism have not materialised as revenues from tourism and tourist arrivals for the period July-August 2015 increased by 5.5% YoY and 3.6% YoY respectively. The developments show that Greece will have a record year in the tourist arrivals and the relevant revenues in 2015.

On 8 July 2015, Greece made an official request for stability support – in the form of a loan facility – to the European Stability Mechanism (ESM) to be used for meeting debt obligations and to ensure stability of its financial system. A separate request for financial assistance was sent to the IMF on 23 July 2015. The Greek authorities passed a set of legislation on 15th and 22nd July 2015, as well as on 14th August 2015. On 19th of August 2015, the European Commission signed a Memorandum of Understanding (MoU) with Greece following approval by the ESM Board of Governors for further stability support accompanied by a third economic adjustment program. Moreover, the Greek authorities signed a Financial Assistance Facility Agreement with the ESM to specify the financial terms of the loan. The total amount of the loans from the ESM is up to € 86 billion. (Duration: August 2015-August 2018). The disbursement of funds is linked to progress in delivery of policy conditions, in accordance with the MoU.

A first disbursement of funds under the program in the amount of € 13 billion was made available on 20 August 2015 to allow the Greek state to cover financing needs, make overdue payments, as well as repay a short-term bridge loan of € 7.16 billion that was disbursed under the European Financial Stabilisation Mechanism on 20 July 2015. Moreover on 20th of August 2015, an additional amount of € 10 billion was made available immediately in a segregated account at the ESM for potential bank recapitalization and resolution costs.

The aforementioned uncertainties concerning the course of the Greek economy, which may have a negative impact on the capital adequacy and the liquidity of the banking sector, are mitigated by the fact that a new € 86 billion economic adjustment program is in place for the country, securing its financing needs for the next 3 years. Furthermore, the new program passed with great majority in the parliament (c.74%), thus enhancing substantially the probability of its swift implementation. Piraeus Bank's management closely monitors the developments and assesses periodically the impact that any negative developments in these areas might have in its operations.

Capital adequacy

According to the Eurogroup statement on the ESM program for Greece on August 14, 2015, the total € 86 billion envelope includes a buffer of up to € 25 billion for the banking sector, in order to address potential bank recapitalization needs and resolution costs. The first sub-tranche of € 10 billion was made available in a segregated account at the ESM, as part of the € 23 billion instalment of

the program paid on 20th of August 2015. The MoU required a Comprehensive Assessment (“CA” i.e. Asset Quality Review and Stress Tests) which was carried out by ECB/ SSM to quantify possible capital shortfalls, which were included in the above mentioned buffer, after the legal framework is applied (i.e. transposition of the Bank Recovery and Resolution Directive).

In this context, on the 23rd of July 2015, the "Bank Recovery and Resolution Directive" (BRRD) of the European Union (2014/59/EU) was incorporated in the Greek Law (Law 4335/2015). This law was enacted in light of the negotiations for a new financial support program with the participation of the European Stability Mechanism. The BRRD constitutes part of the Single Rulebook applied in the market of financial services of the European Union and establishes a uniform framework for the recovery of financial institutions through bail-in. The articles of Law 4335/2015 regarding the bail-in exercise of depositors will become enforceable on the 1st of January 2016.

The announcement of the outcome of the CA by the relevant European regulatory authorities (ECB/ SSM), was made on 31st October 2015. However, there is uncertainty regarding the structure of the recapitalization, which might affect the Bank's current shareholding structure and its liabilities to the bondholders, as well as the ability to cover the amount of the recapitalisation. Reference concerning the outcome of the CA is made in note 28 of the consolidated interim condensed financial information.

Liquidity

During the first nine months of 2015, the Greek banking system had to raise liquidity from the emergency liquidity assistance (ELA) mechanism to cover the short term financing needs resulting from a) the decision of the ECB to suspend acceptance of securities issued or guaranteed by the Greek government for Main Refinancing Operations, b) the minimized access to international repo markets as well as c) the significant reduction of domestic deposits due to the prevailing uncertainty.

From December 2014 until August 2015, domestic market deposits (private and public sector) reduced by € 44 billion, amounting to € 129 billion. The exposure of all Greek banks in the Eurosystem increased from € 45 billion at the end of November 2014 (no contribution from the Emergency Liquidity Assistance existed) to € 121 billion at the end of September 2015, of which about € 82 billion was covered by the Emergency Liquidity Assistance (ELA). The provision of liquidity support by the ELA is granted to adequately capitalized credit institutions that have acceptable assets as collateral, and is assessed on a regular basis by the ECB. Following the banks reopening on 20 July 2015, given the capital control measures, customer deposits present stabilization with a slightly growing trend, while Eurosystem funding was reduced to € 121 billion at end of September 2015, as compared to € 125 billion on 31st July, 2015.

On September 30, 2015, the Bank returned Pillar III special bonds (L.3273/2008) to the Greek State of a total nominal value of € 2.24 billion maturing on April 22, 2016. These special bonds were given to the Bank against the concession to the State of credit claims as a collateral, under a lending agreement between the two counterparties. As a result, the pledge of loans with nominal value of approximately € 3 billion was lifted, thus becoming available collaterals for raising liquidity through the ELA mechanism.

Piraeus Bank's management, after taking into account the introduction of the new economic adjustment program, as well as the liquidity provided by the Eurosystem to the Greek banking system, expects to be able to cover its short-term financing needs.

4 Fair values of assets and liabilities

a) Assets and liabilities not measured at fair value

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

Assets	Carrying Value		Fair Value	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Loans and advances to credit institutions	175,587	297,109	175,587	297,109
Loans and advances to customers (net of provisions)	51,935,284	57,143,022	50,389,447	56,297,826
Debt securities - receivables	14,310,574	14,400,421	14,645,940	14,767,831
Reverse repos with customers	1,410	64,299	1,410	64,299
Held to maturity investment securities	23,338	27,180	23,062	27,180

Liabilities	Carrying Value		Fair Value	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Due to credit institutions	36,494,639	23,690,330	36,494,639	23,690,330
Due to customers	38,074,991	54,732,834	38,074,991	54,732,834
Debt securities in issue	478,597	661,350	231,269	532,149
Hybrid capital and other borrowed funds	227,388	232,381	30,489	193,378

The fair values as at 30/9/2015 of loans and advances to credit institutions, reverse repos with customers, 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 are very short term in duration and priced at current market rates. These rates are often repriced and due to their short duration they are discounted with the risk free rate.

The fair value of loans and advances to customers has been calculated using a discounted cash flow model, taking into account yield curves and any adjustments for credit risk.

Fair value for investment securities and debt securities – receivables is estimated using quoted market prices. Where this information is not available, fair value has been estimated using the prices of 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 hybrid capital and other borrowed funds 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) Assets and liabilities measured at fair value

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. The Group considers relevant and observable market prices in its valuations where possible. 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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed shares and bonds on exchanges as well as exchange traded derivatives like futures.

Level 2

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. This level includes OTC derivatives and bonds. Input parameters are based on yield curves or data from reliable sources (Bloomberg, Reuters).

Level 3

The valuation of assets and liabilities is carried out by introducing variables that are not based on observable market data. Level 3 inputs are unobservable inputs for the asset or liability. Level 3 includes shares categorized in the available for sale portfolio and derivative financial instruments. Shares and derivative financial instruments within level 3 are not traded in an active market or there are no available prices from external traders in order to determine their fair value.

Shares categorized in the available for sale portfolio

The valuation is carried out with variables that are not based on observable market data (unobservable inputs). For the determination of the fair value of the aforementioned shares, 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 fair value of the Group's shares in level 3 is only taken into account in case that there is evidence of impairment, else these shares are recorded at cost.

Derivative financial instruments

The embedded derivative of the convertible bond issued by Marfin Investment Group ("MIG"), is included in level 3 of derivative financial assets. The aforementioned derivative is accounted at fair value. The fair value of the embedded derivative is determined according to valuation techniques following basic parameters a) the relevant share price, b) the volatility of the relevant share price, c) the interest rates and d) the credit spreads.

The following table presents financial assets and liabilities measured at fair value, categorized in the three levels mentioned above:

Assets & Liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Assets				
Derivative financial instruments - assets	-	451,269	7,195	458,465
Financial instruments at fair value through profit or loss				
- Trading bonds	91,116	184,626	-	275,742
- Trading treasury bills	17,222	-	-	17,222
- Shares & other variable income securities	3,319	-	-	3,319
Available for Sale Securities				
- Bonds	517,434	148,374	-	665,808
- Shares & other variable income securities	135,840	2,603	184,970	323,413
- Treasury bills	1,772,598	61,585	-	1,834,183
Liabilities				
Derivative financial instruments - liabilities	-	452,002	-	452,002

The Group examines transfers between fair value hierarchy levels at the end of each reporting period.

For assets and liabilities valued at fair value on 30/9/2015, no transfer from level 1 to level 2 and vice versa occurred in the period 1/1-30/9/2015.

The following table presents the movement of derivative financial instruments-assets and shares of the available for sale portfolio within level 3:

Reconciliation of level 3 items	Derivative financial instruments - assets	Available for sale shares & other variable income securities
Opening balance 1/1/2015	18,488	184,772
Opening balance of new companies	-	483
Opening balance of discontinued companies	-	(3,663)
Profit/ (loss) for the period	(11,293)	(12)
Impairment	-	(2,336)
Shares purchases	-	5,107
Settlements	-	(16)
Foreign exchange differences	-	634
Total 30/9/2015	7,195	184,970

The following table presents the sensitivity analysis of level 3 available for sale securities and derivative financial instruments - assets :

Sensitivity analysis of level 3 hierarchy: (amounts in € million)	Favourable changes	Unfavourable changes
Income Statement		
Available for sale shares & other variable income securities	-	(28)
Derivative financial instruments - assets	7	(7)
Equity		
Available for sale shares & other variable income securities	19	(4)

The estimation of the change in the value of the shares of available-for-sale portfolio within 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 fair 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.

5 Offsetting of financial assets and liabilities

According to the provisions of IFRS 7, the impact or the possible impact of enforceable master netting agreements for financial instruments to the statement of financial position of the Group should be disclosed. More specifically, the disclosures should include the following:

- i. The financial assets and liabilities, which are offset in accordance with the criteria of IAS 32 and the net amount that is presented in the statement of financial position of the Group, when there is a legally enforceable right and the intention to settle the net amounts or simultaneously collect the receivable and settle the obligation.
- ii. The transactions which appertain to International Swaps and Derivatives Association (ISDA) contracts and similar master netting agreements irrespectively of whether these are offset or not in the statement of financial position.

The Group has not offset any financial assets or liabilities on 30/9/2015 and 31/12/2014, given that the netting criteria mentioned in the first case (i) are not fulfilled.

The following tables, present the recognized on 30/9/2015 and 31/12/2014 financial instruments, for which ISDA and similar master netting agreements (case (ii)) exist, as well as the net effect on the statement of financial position of the Group from the exercise of netting rights ("net amount"). These tables include mainly the following financial instruments: a) interest rate swap contracts (IRSs) and cross currency interest rate swap contracts, for which there are ISDA contracts and b) interbank repos covered by Global Master Repurchase Agreement (GMRA).

30/09/2015	Related amounts not offset in the Statement of Financial Position					
	Recognized financial assets (amounts to be offset)	Financial liabilities (amounts offset)	Net amount of financial assets	Financial instruments collateral received	Cash collateral received	Net amount
Financial Assets						
Derivative financial instruments	450,681	-	450,681	-	-	450,681
Repurchase agreements	13,218	-	13,218	-	-	13,218
Total	463,898	0	463,898	0	0	463,898

30/09/2015	Related amounts not offset in the Statement of Financial Position					
	Recognized financial liabilities (amounts to be offset)	Financial assets (amounts offset)	Net amount of financial assets	Financial instruments collateral pledged	Cash collateral pledged	Net amount
Financial Liabilities						
Derivative financial instruments	437,850	-	437,850	-	437,850	-
Repurchase agreements	552,755	-	552,755	-	-	552,755
Total	990,605	0	990,605	0	437,850	552,755

31/12/2014	Related amounts not offset in the Statement of Financial Position					
	Recognized financial assets (amounts to be offset)	Financial liabilities (amounts offset)	Net amount of financial assets	Financial instruments collateral received	Cash collateral received	Net amount
Financial Assets						
Derivative financial instruments	488,454	-	488,454	-	-	488,454
Total	488,454	0	488,454	0	0	488,454

31/12/2014	Related amounts not offset in the Statement of Financial Position					
	Recognized financial liabilities (amounts to be offset)	Financial assets (amounts offset)	Net amount of financial assets	Financial instruments collateral pledged	Cash collateral pledged	Net amount
Financial Liabilities						
Derivative financial instruments	542,818	-	542,818	-	542,818	-
Repurchase agreements	8,627,546	-	8,627,546	-	1,660	8,625,887
Total	9,170,364	0	9,170,364	0	544,477	8,625,887

6 Business segments

Piraeus Bank Group has defined the following business segments:

Retail Banking - This segment includes the retail banking operations 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 operations 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 segments – Other segments include 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:

1/1-30/9/2015	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Group
Net interest income	1,119,838	477,950	294	96,042	(259,225)	1,434,899
Net fee and commission income	193,261	26,892	2,587	8,402	2,062	233,202
Other income	50,049	973	1,015	64,349	32,667	149,054
Net Income	1,363,148	505,815	3,895	168,793	(224,496)	1,817,155
Depreciation and amortisation	(32,696)	(2,463)	(261)	(2,093)	(50,761)	(88,273)
Other operating expenses	(744,259)	(68,113)	(7,693)	(43,183)	(53,989)	(917,237)
Results before provisions, impairment and income tax	586,193	435,239	(4,059)	123,517	(329,245)	811,645
Impairment losses on loans	(1,409,495)	(711,191)	(33)	-	-	(2,120,719)
Impairment on other receivables	(15,701)	(556)	-	-	(57,253)	(73,510)
Other provisions and impairment	(4,810)	(2,423)	(28)	-	(9,226)	(16,486)
Share of profit of associates	-	-	-	-	(13,490)	(13,490)
Results before tax	(843,813)	(278,930)	(4,120)	123,517	(409,214)	(1,412,560)
Income tax						776,123
Results after tax from continuing operations						(636,437)
Results after income tax from discontinued operations						11,139
Results after tax for the period						(625,298)
As at 30 September 2015						
Total assets	42,700,137	13,234,705	38,382	18,266,156	11,670,658	85,910,038
Total liabilities	37,357,119	1,569,723	34,409	36,731,787	3,493,309	79,186,347
Capital expenditure	115,678	7,561	213	1,300	93,255	218,008

1/1-30/9/2014	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Group
Net interest income	1,002,660	549,510	582	82,604	(163,333)	1,472,023
Net fee and commission income	184,375	38,176	6,289	9,505	1,831	240,177
Other income	24,419	188,076	2,282	(50,298)	64,430	228,909
Net Income	1,211,455	775,762	9,152	41,811	(97,072)	1,941,108
Depreciation and amortisation	(65,851)	(3,846)	(285)	(393)	(47,867)	(118,242)
Other operating expenses	(794,978)	(74,469)	(7,591)	(39,355)	(27,675)	(944,067)
Results before provisions, impairment and income tax	350,627	697,447	1,276	2,064	(172,614)	878,799
Impairment losses on loans	(2,701,033)	(532,201)	(2,482)	-	-	(3,235,716)
Impairment on other receivables	(19,399)	(6,623)	-	-	(55,513)	(81,535)
Other provisions and impairment	(2,102)	(1,065)	-	-	(22,457)	(25,624)
Share of profit of associates	-	-	-	-	11,048	11,048
Results before tax	(2,371,907)	157,558	(1,206)	2,064	(239,536)	(2,453,028)
Income tax						817,572
Results after tax from continuing operations						(1,635,456)
Results after income tax from discontinued operations						(2,252)
Results after tax for the period						(1,637,709)
As at 31 December 2014						
Total assets	45,906,984	14,001,730	43,403	18,838,195	10,499,383	89,289,696
Total liabilities	49,893,731	2,469,649	59,440	26,063,068	3,481,565	81,967,454
As at 30 September 2014						
Capital expenditure	123,075	9,298	103	39,732	66,232	238,441

In the tables above, interest income is analyzed into business segments net of interest expense, as the Bank's management relies primarily on net interest revenues to assess the performance of each segment.

Capital expenditure includes additions of intangible and tangible assets that took place during the periods by each business segment. The intercompany transactions among the business segments are realised under normal commercial terms.

Assets of business segments «Retail Banking» and «Corporate Banking» include the following loans, that are managed by the Bank's Recovery Business Unit (RBU) that was established during 2014.

30/09/2015	Balance before allowances and adjustments	Accumulate allowances and adjustments	Balance net of allowances and adjustments
Corporate	18,971,356	(9,146,101)	9,825,255
Mortgages	4,868,102	(1,309,567)	3,558,535
Consumer	3,430,993	(2,306,508)	1,124,485
Total	27,270,451	(12,762,175)	14,508,275

31/12/2014	Balance before allowances and adjustments	Accumulate allowances and adjustments	Balance net of allowances and adjustments
Corporate	17,516,163	(8,380,185)	9,135,978
Mortgages	4,585,295	(1,030,602)	3,554,693
Consumer	3,373,641	(2,131,069)	1,242,572
Total	25,475,099	(11,541,856)	13,933,243

Total liabilities include deposits of customers of RBU of amount € 452,242 thousands (31/12/2014:€ 430,828 thousands).

7 Profit/ (loss) and balance sheet from discontinued operations

Both periods 1/1-30/9/2015 and 1/1-30/9/2014 include the results of ATE Insurance S.A., ATE Insurance Romania S.A. and Piraeus Bank Egypt S.A.E. group of companies. Relative reference to the sale procedure of ATE Insurance S.A. and Piraeus Bank Egypt S.A.E. group of companies is made in note 15C.

	1/1-30/9/2015	1/1-30/9/2014
Net interest income	29,001	17,227
Net fee and commission income	7,155	6,383
Dividend Income	308	178
Net income from financial instruments designated at fair value through profit or loss	1,088	2,461
Results from investment securities	266	303
Other operating income	24,158	23,512
Total net income	61,977	50,065
Staff costs	(27,469)	(23,792)
Administrative expenses	(15,590)	(12,547)
Depreciation and amortization	(5,617)	(5,235)
Total operating expenses before provisions	(48,675)	(41,573)
Other provisions and impairment	(2,881)	(4,394)
Share of profit of associates	(162)	316
Profit/ (loss) before income tax	10,260	4,414
Income tax	879	(6,667)
Profit/ (loss) after income tax from discontinued operations	11,139	(2,252)

The following assets and liabilities as at 30/9/2015 relate to the companies ATE Insurance S.A., ATE Insurance Romania S.A. and Piraeus Bank Egypt S.A.E. group of companies. The respective assets and liabilities as at 31/12/2014 relate to the companies ATE Insurance S.A. and ATE Insurance Romania S.A.:

	30 September 2015	31 December 2014
ASSETS		
Cash and balances with Central Banks	252,968	304
Loans and advances to credit institutions	84,688	4,086
Financial instruments at fair value through profit or loss	6,930	5,687
Loans and advances to customers	534,033	-
Available for sale securities	225,819	65,243
Held to maturity	23,022	21,971
Debt securities - receivables	146,778	-
Investments in associated undertakings	244	-
Investment property	1,848	1,848
Assets held for sale	11,539	-
Property, plant and equipment	63,912	42,981
Intangible assets	6,040	800
Deferred tax assets	69,398	63,922
Other assets	115,117	98,083
Total Assets	1,542,336	304,925
LIABILITIES		
Due to credit institutions	11,133	-
Due to customers	964,313	-
Deferred tax liabilities	30	22
Current income tax liabilities	3,600	4,302
Retirement benefit obligations	11,798	5,595
Other provisions	467,890	473,266
Other liabilities	41,598	20,570
Total Liabilities	1,500,361	503,753

8 Income tax

	1/1-30/9/2015	1/1-30/9/2014
Current Tax	(23,774)	(23,594)
Deferred tax	799,908	843,849
Provisions for tax differences	(10)	(2,683)
Total	776,123	817,572

In accordance with the provisions of the enacted Greek Tax Law (L.4172/2013), as amended by Law 4334/2015 (Gazette A'80/16-07-2015) and being in effect today, the income tax rate for Greek legal entities increased from 26% to 29% from the tax year 2015 and thereon. Withholding tax for dividends distribution which will be approved from 1/1/2014 and thereon is set at 10%. The above change of the tax rate had a positive effect on the current period results (taxes) of approximately € 0.5 billion on the 3rd quarter of 2015, 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 2014 and 2015 (Bulgaria: 10%, Romania: 16%, Egypt: 25% and for net income exceeding 1.000.000 EGP an additional 5% whereas for 2015 the tax rate decreases from 25% to 22.5% for all taxable income, Serbia: 15%, Ukraine: 18%, Cyprus: 12.5%, Albania: 15% and United Kingdom: 20% since 1/4/2015, 21% from 1/4/2014 until 31/3/2015 and 23% until 31/3/2014).

The income tax revenue for the period from 1/1 - 30/9/2015 amounting to € 776,1 million, was mainly affected from the recalculation of the deferred tax assets, by applying the new (increased) tax rate from the 3rd quarter of 2015 for the Bank and its Greek subsidiaries, as mentioned above, from the deferred tax relating to the amounts recognized for tax purposes of this period, as well as to the additional provisions for loan impairments recorded to the financial statements according to the International Financial Reporting Standards, in relation to the respective amounts recognized for tax purposes.

The Bank and the Group have recognized deferred tax based on the best estimations of the Management, as regards their tax results in the foreseeable future.

Piraeus Bank has been audited by the tax authorities and all the unaudited fiscal years until 2010 have been finalized.

For the fiscal years 2011 until 2013 the tax audit for the Bank and all Greek Societe Anonyme Companies conducted by the same statutory auditor that issues the audit opinion on the statutory financial statements, who must issue a "Tax Compliance Report". This report is submitted to the Ministry of Finance, which has subsequently the right to implement tax audits to a sample of companies within a period of eighteen months, from the date when the "Tax Compliance Report" is submitted to the Ministry of Finance.

For fiscal years 2014 onwards, all Greek Societe Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements must additionally obtain an "Annual Tax Certificate" as provided by article 65A of Law 4174/2013. The Tax Administration retains its right to proceed with a tax audit, within the applicable statute of limitations in accordance with article 36 of Law 4174/2013.

In accordance with the article 82 par.5 of Law 2238/94, the tax audit of the Bank, conducted by PricewaterhouseCoopers S.A. for the fiscal years of 2011 and 2012, has been completed and a non qualified Tax Compliance Report has been issued. For tax audit purposes the above mentioned fiscal years have been finalized.

The tax audit for the fiscal year 2013 has been completed and a relevant "Tax Compliance Report" has been issued and submitted to the Ministry of Finance. For the fiscal year 2013, Piraeus Bank has received a Tax Compliance report with an emphasis of matters on the applicable provisions of Greek Tax Law regarding the acquisition of assets and liabilities of Greek branches of credit institutions domiciled in other countries members of the European Union, according to which the above mentioned transactions are not subject to tax.

Namely to the subsidiaries and associates of Piraeus Bank Group that are incorporated in Greece and which must be audited according to the applicable law in force, the tax audit of these entities for the year 2013 has been completed and the relevant Tax Compliance Report has been issued.

For the fiscal year 2014, the tax audit of the Bank conducted by PricewaterhouseCoopers S.A. has been completed and a non qualified Tax Compliance Report has been issued.

The unaudited tax years of the Group's subsidiaries and associates, are included in note 15 of the Consolidated Financial Statements and therefore their tax liabilities for these years have not been finalized.

The Extraordinary General Meeting of the Bank's Shareholders, on December 19th 2014, approved the Bank's opting into the special regime enacted by article 27A of the Law 4172/2013, regarding the voluntary conversion of deferred tax assets arising from temporary differences into final and settled claims against the Greek State and authorized the Board of Directors of the Bank in any case to proceed with all actions required for the implementation of the above mentioned Law provisions. The draft legislation, submitted to the Greek Parliament on October 30th 2015, sets the rules regarding the deferred tax assets of financial institutions, which fall under the clauses of article 27A of law 4172/2013 and can be converted into final and settled claims against the Greek State. Reference is made in note 28 of the consolidated interim financial information.

As at 30/9/2015, deferred tax assets of the Group meeting the provisions of Law, rise up to € 4.1 billion, of which € 1.4 billion regards the remaining unamortized amount of debit difference from the participation on the Private Sector Involvement program PSI and € 2.7 billion regards on the differences on International Financial Reporting Standards accumulated provisions for loan impairments, and tax provisions respectively.

9 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	1/1-30/9/2015	1/1-30/9/2014	1/7-30/9/2015	1/7-30/9/2014
Profit/ (loss) attributable to ordinary shareholders of the parent entity from continuing activities	(635,377)	(1,636,090)	494,642	(1,557,526)
Weighted average number of ordinary shares in issue	6,100,338,312	5,768,287,122	6,098,367,088	6,101,968,350
Basic and diluted earnings/ (losses) per share (in €) from continuing operations	(0.1042)	(0.2836)	0.0811	(0.2552)

Basic and diluted earnings/ (losses) per share from discontinued operations	1/1-30/9/2015	1/1-30/9/2014	1/7-30/9/2015	1/7-30/9/2014
Profit/ (loss) attributable to ordinary shareholders of the parent entity from discontinued activities	11,122	(2,162)	4,761	2,181
Weighted average number of ordinary shares in issue	6,100,338,312	5,768,287,122	6,098,367,088	6,101,968,350
Basic and diluted earnings/ (losses) per share (in €) from discontinued operations	0.0018	(0.0004)	0.0008	0.0004

10 Analysis of other comprehensive income

A. Continuing operations

1/1-30/9/2015	Before-Tax amount	Tax	Net-of-Tax amount
Amounts that can be reclassified in the Income Statement			
Change in available for sale reserve	19,750	(4,066)	15,684
Change in currency translation reserve	(9,316)	-	(9,316)
Amounts that cannot be reclassified in the Income Statement			
Change in reserve of defined benefit obligations	110	8,350	8,459
Other comprehensive income from continuing operations	10,544	4,284	14,828

1/1-30/9/2014	Before-Tax amount	Tax	Net-of-Tax amount
Amounts that can be reclassified in the Income Statement			
Change in available for sale reserve	(115,823)	31,064	(84,759)
Change in currency translation reserve	(6,404)	-	(6,404)
Amounts that cannot be reclassified in the Income Statement			
Change in reserve of defined benefit obligations	404	(122)	282
Other comprehensive income from continuing operations	(121,823)	30,942	(90,881)

B. Discontinued operations

1/1-30/9/2015	Before-Tax amount	Tax	Net-of-Tax amount
Amounts that can be reclassified in the Income Statement			
Change in available for sale reserve	(118)	-	(118)
Change in currency translation reserve	8,834	-	8,834
Amounts that cannot be reclassified in the Income Statement			
Change in reserve of defined benefit obligations	(20)	(262)	(282)
Other comprehensive income from discontinued operations	8,696	(262)	8,435

1/1-30/9/2014	Before-Tax amount	Tax	Net-of-Tax amount
Amounts that can be reclassified in the Income Statement			
Change in available for sale reserve	2,455	-	2,455
Change in currency translation reserve	8,652	-	8,652
Amounts that cannot be reclassified in the Income Statement			
Change in reserve of defined benefit obligations	-	-	-
Other comprehensive income from discontinued operations	11,107	0	11,107

11 Financial assets at fair value through profit or loss

	30 September 2015	31 December 2014
Greek government bonds	91,116	110,151
Foreign government bonds	184,626	174,584
Corporate entities bonds	-	23
Foreign government treasury bills	17,222	13,498
Total of bonds and other fixed income securities (A)	292,964	298,255
Athens stock exchange listed shares	3,307	915
Foreign stock exchanges listed shares	11	8
Mutual funds	1	384
Total of shares and other variable income securities (B)	3,319	1,307
Total financial assets at fair value through profit or loss (A) + (B)	296,283	299,562

12 Loans and advances to customers

	30 September 2015	31 December 2014
Mortgages	16,583,193	16,983,421
Consumer/ personal and other loans	4,417,390	4,815,884
Credit cards	1,067,609	1,139,086
Loans to individuals	22,068,192	22,938,392
Loans to corporate entities and Public sector	38,594,896	42,035,727
Total loans and advances to customers (before allowances for losses)	60,663,088	64,974,118
Less: Allowance for impairment on loans and advances to customers	(8,727,804)	(7,831,096)
Total loans and advances to customers (net of provisions)	51,935,284	57,143,022

It is noted that the allowance for impairment of loans of the Group of former ATEbank, the Greek banking operations of Cypriot Banks in Greece (Bank of Cyprus, Cyprus Popular Bank, Hellenic Bank), Millennium Bank SA, Geniki Bank SA and Panellinia Bank SA at their acquisition date by Piraeus Group, has decreased the gross balance of loans in the table above, as under IFRS 3 it has been included in the adjustment of loans to fair value during the cost allocation process. However, for purposes of credit risk monitoring in accordance with IFRS 7, the aforementioned adjustment is part of the provision.

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

	Mortgages	Consumer/ personal and other loans	Credit cards	Total loans to individuals	Loans to corporate entities and Public sector	Total
Opening balance at 1/1/2014	308,904	1,033,401	273,677	1,615,982	4,092,791	5,708,773
Charge for the period	387,740	156,879	67,595	612,215	2,625,801	3,238,016
-From continuing operations	387,742	156,616	68,144	612,502	2,623,214	3,235,716
-From discontinued operations	(2)	263	(549)	(288)	2,587	2,299
Loans written-off	(4,469)	(207,973)	(30,397)	(242,839)	(215,287)	(458,126)
-From continuing operations	(4,469)	(207,932)	(26,624)	(239,026)	(215,287)	(454,313)
-From discontinued operations	-	(41)	(3,773)	(3,813)	-	(3,813)
Foreign exchange differences and other movements	932	4,724	215	5,871	(89,582)	(83,711)
-From continuing operations	932	4,213	(121)	5,025	(95,201)	(90,176)
-From discontinued operations	-	511	335	847	5,619	6,465
Balance at 30/9/2014	693,108	987,032	311,089	1,991,229	6,413,723	8,404,952
Opening balance at 1/10/2014	693,108	987,032	311,089	1,991,229	6,413,723	8,404,952
Charge for the period	134,482	61,907	(33,062)	163,328	355,527	518,855
-From continuing operations	134,482	59,177	(33,066)	160,592	356,268	516,860
-From discontinued operations	-	2,730	5	2,735	(741)	1,995
Loans written-off	(17,934)	(28,583)	(6,791)	(53,308)	(608,714)	(662,022)
-From continuing operations	(17,934)	(28,581)	(6,524)	(53,039)	(608,714)	(661,753)
-From discontinued operations	-	(2)	(267)	(269)	-	(269)
Foreign exchange differences and other movements	(65,482)	(58,638)	(9,011)	(133,131)	(297,556)	(430,687)
-From continuing operations	(65,482)	(59,166)	(9,298)	(133,947)	(300,453)	(434,400)
-From discontinued operations	0	529	287	816	2,897	3,713
Balance at 31/12/2014	744,173	961,718	262,225	1,968,118	5,862,980	7,831,098
Opening balance at 1/1/2015	744,173	961,718	262,225	1,968,118	5,862,980	7,831,098
Opening balance of discontinued operations	(2)	(11,585)	(111)	(11,699)	(85,286)	(96,984)
Charge for the period	331,418	210,488	57,641	599,547	1,521,171	2,120,719
Loans written-off	(28,269)	(145,451)	(30,756)	(204,476)	(434,451)	(638,927)
Foreign exchange differences and other movements	(41,333)	(11,589)	(10,922)	(63,844)	(424,255)	(488,100)
Balance at 30/9/2015	1,005,987	1,003,582	278,077	2,287,646	6,440,159	8,727,805

13 Available for sale securities

	30 September 2015	31 December 2014
Greek government bonds	354,747	310,799
Foreign government bonds	305,639	272,335
Corporate entities bonds	66	782
Bank bonds	5,356	228
Greek government treasury bills	1,772,598	1,526,530
Foreign government treasury bills	61,585	102,521
Total bonds and other fixed income securities (A)	2,499,990	2,213,195
Athens stock exchange listed shares	60,789	49,530
Foreign stock exchange listed shares	11,814	24,938
Unlisted shares	160,622	166,205
Mutual funds	75,940	49,495
Other variable income securities	14,248	30,223
Total shares and other variable income securities (B)	323,413	320,392
Total available for sale securities (A) + (B)	2,823,403	2,533,587

14 Debt securities - receivables

	30 September 2015	31 December 2014
Corporate entities debt securities - receivables	5,356	5,152
Bank debt securities - receivables	23,846	23,846
Foreign government bonds debt securities - receivables and EFSF bonds	14,305,218	14,395,269
Total debt securities - receivables	14,334,420	14,424,266
Less: Allowance for impairment on debt securities - receivables	(23,846)	(23,846)
Total debt securities - receivables (less allowances for losses)	14,310,574	14,400,421

15 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	2014
2.	Piraeus Bank Romania S.A.	Banking activities	100.00%	Romania	2007-2014
3.	Piraeus Bank Beograd A.D.	Banking activities	100.00%	Serbia	2013-2014
4.	Piraeus Bank Bulgaria A.D.	Banking activities	99.98%	Bulgaria	2010-2014
5.	JSC Piraeus Bank ICB	Banking activities	99.99%	Ukraine	2011-2014
6.	Piraeus Bank Cyprus LTD	Banking activities	100.00%	Cyprus	2007-2014
7.	Piraeus Leasing Romania S.R.L.	Finance leases	100.00%	Romania	2003-2014
8.	Tirana Leasing S.A.	Finance leases	100.00%	Albania	2012-2014
9.	Piraeus Securities S.A.	Stock exchange operations	100.00%	Greece	2010,2013-2014
10.	Piraeus Group Capital LTD	Debt securities issue	100.00%	United Kingdom	-
11.	Piraeus Leasing Bulgaria EAD	Finance leases	100.00%	Bulgaria	2008-2014
12.	Piraeus Group Finance P.L.C.	Debt securities issue	100.00%	United Kingdom	2014
13.	Piraeus Factoring S.A.	Corporate factoring	100.00%	Greece	2010,2013-2014
14.	Picar S.A.	City Link areas management	100.00%	Greece	2010,2013-2014
15.	Bulfina S.A.	Property management	100.00%	Bulgaria	2008-2014
16.	General Construction and Development Co. S.A.	Property development/ holding company	66.66%	Greece	2010,2013-2014
17.	Piraeus Direct Services S.A.	Call center services	100.00%	Greece	2010,2013-2014
18.	Komotini Real Estate Development S.A.	Property management	100.00%	Greece	2010,2013-2014
19.	Piraeus Real Estate S.A.	Construction company	100.00%	Greece	2013-2014
20.	ND Development S.A.	Property management	100.00%	Greece	2010,2013-2014
21.	Property Horizon S.A.	Property management	100.00%	Greece	2010,2013-2014
22.	ETVA Industrial Parks S.A.	Development/ management of industrial areas	65.00%	Greece	2010,2013-2014
23.	Piraeus Development S.A.	Property management	100.00%	Greece	2010,2013-2014
24.	Piraeus Asset Management S.A.	Mutual funds management	100.00%	Greece	2010,2013-2014
25.	Piraeus Buildings S.A.	Property development	100.00%	Greece	2010-2014
26.	Estia Mortgage Finance PLC	SPE for securitization of mortgage loans	-	United Kingdom	-
27.	Euroinvestment & Finance Public LTD	Asset management, real estate operations	90.89%	Cyprus	2006-2014
28.	Lakkos Mikelli Real Estate LTD	Property management	50.66%	Cyprus	2009-2014
29.	Philoktimatiki Public LTD	Land and property development	53.31%	Cyprus	2009-2014

s/n	Name of Company	Activity	% Holding	Country	Unaudited tax years
30.	Philoktimatiki Ergoliptiki LTD	Construction company	53.31%	Cyprus	2008-2014
31.	IMITHEA S.A.	Organization, operation and management of hospital units	100.00%	Greece	2010,2013-2014
32.	EMF Investors Limited	Investment company	100.00%	Cyprus	2008-2014
33.	Piraeus Green Investments S.A.	Holding company	100.00%	Greece	2013-2014
34.	New Up Dating Development Real Estate and Tourism S.A.	Property, tourism & development company	100.00%	Greece	2008-2010, 2013-2014
35.	Sunholdings Properties Company LTD	Land and property development	26.66%	Cyprus	2008-2014
36.	Polytropon Properties Limited	Land and property development	39.98%	Cyprus	2008-2014
37.	Capital Investments & Finance S.A.	Investment company	100.00%	Liberia	-
38.	Vitria Investments S.A.	Investment company	100.00%	Panama	-
39.	Piraeus Insurance Brokerage EOOD	Insurance brokerage	99.98%	Bulgaria	2007-2014
40.	Trieris Real Estate Management LTD	Management of Trieris Real Estate Ltd	100.00%	British Virgin Islands	-
41.	Piraeus Insurance Reinsurance Broker Romania S.R.L.	Insurance and reinsurance brokerage	100.00%	Romania	2009-2014
42.	Piraeus Real Estate Consultants S.R.L.	Construction company	100.00%	Romania	2007-2014
43.	Piraeus Leases S.A.	Finance leases	100.00%	Greece	2013-2014
44.	Multicollection S.A.	Assessment and collection of commercial debts	51.00%	Greece	2009-2014
45.	Olympic Commercial & Tourist Enterprises S.A.	Operating leases- Rent-a-Car and long term rental of vehicles	94.00%	Greece	2009-2010, 2013-2014
46.	Piraeus Rent Doo Beograd	Operating Leases	100.00%	Serbia	2007-2014
47.	Estia Mortgage Finance II PLC	SPE for securitization of mortgage loans	-	United Kingdom	-
48.	Piraeus Leasing Doo Beograd	Finance leases	100.00%	Serbia	2007-2014
49.	Piraeus Real Estate Bulgaria EOOD	Construction company	100.00%	Bulgaria	2007-2014
50.	Piraeus Real Estate Egypt LLC	Property management	100.00%	Egypt	2007-2014
51.	Piraeus Insurance Agency S.A.	Insurance - agency	100.00%	Greece	2010,2013-2014
52.	Piraeus Capital Management S.A.	Venture capital fund	100.00%	Greece	2010,2013-2014
53.	Axia Finance PLC	SPE for securitization of corporate loans	-	United Kingdom	-
54.	Praxis I Finance PLC	SPE for securitization of consumer loans	-	United Kingdom	-
55.	Axia Finance III PLC	SPE for securitization of corporate loans	-	United Kingdom	-
56.	Praxis II Finance PLC	SPE for securitization of consumer loans	-	United Kingdom	-
57.	Axia III APC LIMITED	SPE for securitization of corporate loans	-	United Kingdom	-
58.	Praxis II APC LIMITED	SPE for securitization of consumer loans	-	United Kingdom	-
59.	PROSPECT N.E.P.A.	Yachting management	100.00%	Greece	-
60.	R.E Anodus LTD	Consultancy services for real estate development and investments	100.00%	Cyprus	2009-2014
61.	Pleiades Estate S.A.	Property management	100.00%	Greece	2010,2013-2014
62.	Solum Limited Liability Company	Property management	99.00%	Ukraine	2009-2014
63.	Piraeus (Cyprus) Insurance Brokerage Ltd	Insurance brokerage	100.00%	Cyprus	2009-2014

s/n	Name of Company	Activity	% Holding	Country	Unaudited tax years
64.	O.F. Investments Ltd	Investment company	100.00%	Cyprus	2010-2014
65.	DI.VI.PA.KA S.A.	Administrative and managerial body of the Kastoria industrial park	57.53%	Greece	2010,2013-2014
66.	Piraeus Equity Partners Ltd.	Holding company	100.00%	Cyprus	2011-2014
67.	Piraeus Equity Advisors Ltd.	Investment advise	100.00%	Cyprus	2009-2014
68.	Achaia Clauss Estate S.A.	Property management	75.27%	Greece	2010,2013-2014
69.	Piraeus Equity Investment Management Ltd	Investment management	100.00%	Cyprus	2009-2014
70.	Piraeus FI Holding Ltd	Holding company	100.00%	British Virgin Islands	-
71.	Piraeus Master GP Holding Ltd	Investment advice	100.00%	British Virgin Islands	-
72.	Piraeus Clean Energy GP Ltd	General partner of Piraeus Clean Energy LP	100.00%	Cyprus	2009-2014
73.	Curdart Holding Ltd	Holding company	100.00%	Cyprus	2009-2014
74.	Piraeus Clean Energy LP	Renewable Energy Investment Fund	100.00%	United Kingdom	2010-2014
75.	Piraeus Clean Energy Holdings LTD	Holding Company	100.00%	Cyprus	2010-2014
76.	Visa Rent A Car S.A.	Rent A Car company	94.00%	Greece	2010,2013-2014
77.	Adflikton Investments LTD	Property management	100.00%	Cyprus	2009-2014
78.	Costpleo Investments LTD	Property management	100.00%	Cyprus	2010-2014
79.	Cutsofiar Enterprises LTD	Property management	100.00%	Cyprus	2010-2014
80.	Gravieron Company LTD	Property management	100.00%	Cyprus	2008-2014
81.	Kaihur Investments LTD	Property management	100.00%	Cyprus	2007-2014
82.	Pertanam Enterprises LTD	Property management	100.00%	Cyprus	2007-2014
83.	Rockory Enterprises LTD	Property management	100.00%	Cyprus	2010-2014
84.	Alarconaco Enterprises LTD	Property management	100.00%	Cyprus	2011-2014
85.	Kosmopolis A' Shopping Centers S.A.	Shopping center's management	100.00%	Greece	2010,2013-2014
86.	Zibeno Investments Ltd	Holding Company	83.00%	Cyprus	2011-2014
87.	Bulfinace E.A.D.	Property Management	100.00%	Bulgaria	2008-2014
88.	Zibeno I Energy S.A.	Energy generation through renewable energy resources	83.00%	Greece	2013-2014
89.	Asset Management Bulgaria EOOD	Travel - rental services and property management	100.00%	Bulgaria	2012-2014
90.	Arigeo Energy Holdings Ltd	Holding company in renewable energy	100.00%	Cyprus	2012-2014
91.	Proiect Season Residence SRL	Real estate development	100.00%	Romania	2012-2014
92.	Piraeus Jeremie Technology Catalyst Management S.A.	Management of venture capital fund	100.00%	Greece	2013-2014
93.	KPM Energy S.A.	Energy generation and exploitation through renewable energy resources	80.00%	Greece	2013-2014
94.	Piraeus Asset Management Europe S.A.	Mutual funds management	100.00%	Luxemburg	-

s/n	Name of Company	Activity	% Holding	Country	Unaudited tax years
95.	Geniki Financial & Consulting Services S.A.	Financial & consulting Services	100.00%	Greece	2010-2014
96.	Special Financial Solutions S.A.	Advising, consultancy, organizational and training services	100.00%	Greece	2010-2014
97.	Geniki Information S.A.	Assessment and collection of commercial debts	100.00%	Greece	2010-2014
98.	Solum Enterprise LLC	Property management	99.00%	Ukraine	2012-2014
99.	General Business Management Investitii S.R.L.	Development of building projects	100.00%	Romania	2013-2014
100.	Centre of Sustainable Entrepreneurship Excelixi S.A.	Consulting Services - Hotel - Training & Seminars	100.00%	Greece	2010,2013-2014
101.	Piraeus Insurance and Reinsurance Brokerage S.A.	Insurance and reinsurance brokerage	100.00%	Greece	2010,2013-2014
102.	Mille Fin S.A.	Vehicle Trading	100.00%	Greece	2010,2013-2014
103.	Special Business Services S.A.	Advising, consultancy, organizational and training services	100.00%	Greece	2010,2013-2014
104.	Kion Mortgage Finance Plc	SPE for securitization of mortgage loans	-	United Kingdom	-
105.	Kion Mortgage Finance No.3 Plc	SPE for securitization of mortgage loans	-	United Kingdom	-
106.	Kion CLO Finance No.1 Plc	SPE for securitization of mortgage loans	-	United Kingdom	-
107.	Re Anodus Two Ltd	Holding and investment company	99.09%	Cyprus	2013-2014
108.	Sinitem Llc	Sale and purchase of real estate	98.01%	Ukraine	2013-2014
109.	Beta Asset Management Eood	Rent and management of real estate	99.98%	Bulgaria	2013-2014
110.	Linklife Food & Entertainment Hall S.A.	Operation of food and entertainment Halls	100.00%	Greece	2014
111.	R.E. Anodus SRL	Real Estate development	99.09%	Romania	2013-2014
112.	Entropia Ktimatiki S.A.	Property management	66.70%	Greece	2010-2014
113.	Tellurion Ltd	Holding company	100.00%	Cyprus	2013-2014
114.	Tellurion Two Ltd	Holding company	99.09%	Cyprus	2013-2014
115.	Akinita Ukraine LLC	Real estate development	99.09%	Ukraine	2014
116.	Daphne Real Estate Consultancy SRL	Real estate development	99.09%	Romania	2014
117.	Rhesus Development Projects SRL	Real estate development	99.09%	Romania	2014
118.	Varna Asset Management EOOD	Real estate development	99.98%	Bulgaria	2014
119.	Piraeus Real Estate Tirana Sh.P.K.	Real estate development	100.00%	Albania	2014
120.	Priam Business Consultancy SRL	Real estate development	99.18%	Romania	2014
121.	Marathon 1 Greenvale Rd LLC	Real estate development	99.95%	U.S.A.	2012-2014
122.	Holding Spectacles S.A.	Holding company	100.00%	Greece	2011-2014
123.	Cielo Conculancy Sh.p.k.	Holding and investment company	99.09%	Albania	2014
124.	Edificio Enterprise Sh.p.k.	Holding and investment company	99.09%	Albania	2014
125.	Tierra Projects Sh.p.k.	Holding and investment company	99.09%	Albania	2014
126.	Trastor Real Estate Investment Company	Real estate investment property	91.71%	Greece	2010,2013-2014
127.	Piraeus ACT Services S.A.	Accounting and tax consulting	100.00%	Greece	2013-2014

s/n	Name of Company	Activity	% Holding	Country	Unaudited tax years
128.	A.C.T. B.A.S. S.A.	Counseling services for payroll and labour affairs	100.00%	Greece	2011-2014
129.	ETVA Fund Management S.A.	Management of venture capital mutual funds	65.00%	Greece	-
130.	ETVA Development S.A.	Investment and development activities, in accordance with the principles of sustainable development	65.00%	Greece	-
131.	Rembo S.A.	Real estate investment company	91.71%	Greece	2010,2013-2014
132.	Cyprus Leasing S.A.	Finance leases	100.00%	Greece	2008-2010, 2013-2014
133.	Alecsandri Estates SRL	Real Estate Development	74.32%	Romania	2009-2014
134.	Gama Asset Management EOOD	Real Estate Development	99.98%	Bulgaria	-

Companies numbered 26, 47, 53-58 and 104-106 are special purpose vehicles for securitization of loans and issuance of debt securities. Companies numbered 35 and 36 although presenting less than 50% holding percentage, are included in the Group's subsidiaries' portfolio due to existence of control.

Also, as at 30/9/2015 the companies numbered 25, 37, 38, 44, 105-106 and 122 were under liquidation. The financial figures and results of the companies numbered 105 and 106 are included in the Financial Statements of the Bank. The financial results of the company numbered 132 are included in the Financial Statements of the Bank for the period 1/1-31/7/2015.

The subsidiaries that are excluded from the consolidation are as follows: a) "Asbestos Mines S.A.", b) "Hellenic Industry of Aluminum", c) "ELSYF S.A.", d) "Blue Wings Ltd", e) "Piraeus Bank's Congress Centre" and its subsidiary "The Museum Ltd", f) "Piraeus Bank Group Cultural Foundation", g) "Procas Holding Ltd", h) "Phoebe Investments SRL", i) "Core investments Project SRL", j) "Amaryllis Investments Consultancy SRL", k) "Torborg Maritime Inc.", l) "Isham Marine Corp.", m) "Cybele Management Company", n) "Alegre Shipping Ltd", o) "Maximus Chartering Co.", p) "Lantana Navigation Corp.", q) "Pallas Shipping SA", r) "Zephyros Marine INC", s) "Bayamo Shipping Co.", t) "Sybil Navigation Co.", u) "Axia III Holdings Ltd.", v) "Praxis II Holdings Ltd." and w) "Kion Holdings Ltd". The companies numbered (a)-(c) are fully depreciated, under liquidation status. The company numbered (d) is under idle status. The companies numbered (g)-(j) have not started operating yet. The companies numbered (k) and (l) have been inactivated and will be set under dissolution. The companies numbered (m)-(t) have been dissolved and set under liquidation. The financial figures and results of the companies numbered (u)-(w) are consolidated through the companies in which they participate. 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	2010-2014
2.	Evros' Development Company S.A.	European community programs management	30.00%	Greece	2010-2014
3.	Project on Line S.A.	Information technology & software	40.00%	Greece	2010-2014
4.	APE Commercial Property Real Estate Tourist and Development S.A.	Holding company	27.80%	Greece	2010,2013-2014
5.	APE Fixed Assets Real Estate Tourist and Development S.A.	Real estate, development/ tourist services	27.80%	Greece	2010,2013-2014
6.	Trieris Real Estate LTD	Property management	22.94%	British Virgin Islands	-

s/n	Name of Company	Activity	% Holding	Country	Unaudited tax years
7.	European Reliance Gen. Insurance Co. S.A.	General and life insurance and reinsurance	28.65%	Greece	2013-2014
8.	APE Investment Property S.A.	Real estate, development/ tourist services	27.20%	Greece	2010,2013-2014
9.	Sciens International Investments & Holding S.A.	Holding company	28.10%	Greece	2010,2013-2014
10.	Euroterra S.A.	Property management	39.22%	Greece	2010-2014
11.	Rebikat S.A.	Property management	40.00%	Greece	2010-2014
12.	Abies S.A.	Property management	40.00%	Greece	2010-2014
13.	Exodus S.A.	Information technology & software	49.90%	Greece	2010,2013-2014
14.	Piraeus - TANEQ Capital Fund	Close end Venture capital fund	50.01%	Greece	-
15.	Teiresias S.A.	Inter banking company. development, operation and management of information systems	23.53%	Greece	2010,2013-2014
16.	PJ Tech Catalyst Fund	Close end Venture capital fund	30.00%	Greece	-
17.	Pyrrichos S.A.	Property management	50.77%	Greece	2010,2012-2014
18.	Hellenic Seaways Maritime S.A.	Maritime transport - Coastal shipping	39.61%	Greece	2009-2011, 2013-2014
19.	Euroak S.A. Real Estate	Real estate investment	32.81%	Greece	2010-2014
20.	Gaia S.A.	Software services	30.00%	Greece	-
21.	Olganos Real Estate S.A.	Property management/electricity production from hydropower stations	32.27%	Greece	2014
22.	Exus Software Ltd.	IT products retailer	49.90%	United Kingdom	-
23.	Marfin Investment Group Holdings S.A.	Holding company	28.50%	Greece	2013-2014
24.	Litus Advisory S.A.	Consulting in the fields of European Programmes, Communication Strategy and International Affairs	50.00%	Belgium	-
25.	Selonda Aquaculture S.A.	Fish farming	33.16%	Greece	2008-2014

The company numbered 14 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 companies numbered 17 and 24 are 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 25.

The associate company "Evrytania S.A. Agricultural Development Company" has been excluded from the consolidation under the equity method of accounting, since it is under idle status. The consolidation of this company does not affect the financial position and results of the Group.

C) Subsidiaries from discontinued operations

Piraeus Bank Group subsidiary companies ATE Insurance S.A., ATE Insurance Romania S.A. and Piraeus Bank Egypt S.A.E. group of companies, 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	2008-2010, 2013-2014
2.	ATE Insurance Romania S.A.	Insurance	99.47%	Romania	2007-2014
3.	Piraeus Bank Egypt S.A.E.	Banking activities	98.49%	Egypt	2005-2014
4.	Piraeus Egypt Leasing Co.	Finance leases	98.42%	Egypt	2007-2014
5.	Piraeus Bank Egypt Investment Company	Investment company	98.45%	Egypt	2007-2014

Piraeus Bank has reached an agreement on August 2014 for the sale of 100% of ATE Insurance S.A. to ERGO Insurance Group, a subsidiary of Munich Re. The total consideration amounts to € 90.1 million in cash and is subject to customary net asset value adjustments upon closing. The transaction has not been completed yet.

On 21 May 2015, Piraeus Bank announced that it has entered into a definitive agreement with Al Ahli Bank of Kuwait K.S.C.P. to dispose its stake (98.5%) in Piraeus Bank Egypt S.A.E., its Egyptian subsidiary, for the amount of \$ 150 million. The finalization of the agreement is subject to the approval of the Egyptian Organization GAFI (General Authority For Investment) and is expected within November 2015.

D) Associates from discontinued operations

Piraeus Bank Group associate companies Alexandria for Development & Investment and Nile Shoes Company, that are included in discontinued operations, are analyzed below:

s/n	Name of Company	Activity	% Holding	Country	Unaudited tax years
1.	Alexandria for Development & Investment	Investment company	21.67%	Egypt	2008-2014
2.	Nile Shoes Company	Footwear seller- manufacturer	38.74%	Egypt	2003-2014

16 Due to credit institutions

“Due to credit institutions” as at 30/9/2015, includes refinancing operations through repo transactions within the eurosystem amounting to € 35.8 billion (31/12/2014: € 14.1 billion). The increase in the refinancing raised during the period 1/1-30/9/2015, is mainly due to the reduction of domestic deposits due to economic uncertainty, the minimized access to international repo markets, as well as due to the liquidity raised from the emergency liquidity assistance (ELA) mechanism, following ECB’s decision to suspend the acceptance of securities issued or guaranteed by the Greek government for main refinancing operations.

17 Due to customers

	30 September 2015	31 December 2014
Corporate		
Current and sight deposits	5,324,544	6,788,337
Term deposits	2,101,365	5,738,682
Blocked deposits, guarantee deposits and other accounts	210,206	148,738
Repurchase agreements	440	22,885
Total (A)	7,636,555	12,698,642
Retail		
Current and sight deposits	2,569,195	2,605,089
Savings account	14,700,978	13,297,822
Term deposits	13,068,131	26,009,845
Blocked deposits, guarantee deposits and other accounts	19,260	30,757
Repurchase agreements	-	260
Total (B)	30,357,564	41,943,773
Cheques payable and remittances (C)	80,872	90,419
Total Due to Customers (A)+(B)+(C)	38,074,991	54,732,834

The decrease in "Due to customers" during the period 1/1-30/9/2015, is due to the instability of the Greek market and the economy as well as the uncertainty created during this period, leading to a significant reduction of Bank's deposits in Greece, in alignment with the Greek market.

18 Debt securities in issue

	30 September 2015	31 December 2014
Euro Medium Term Note		
€ 60 million floating rate notes due 2015	-	60,000
€ 500 million fixed rate notes due 2017	364,358	448,239
Accrued interest and other expenses	9,264	17,503
Total (A)	373,622	525,743
Securitisation of mortgage loans		
€ 750 million floating rate notes due 2040	26,510	46,600
€ 1,250 million floating rate notes due 2054	56,909	59,916
€ 600 million floating rate notes due 2051	21,556	29,092
Total (B)	104,975	135,607
Total debt securities in issue (A)+(B)	478,597	661,350

It should be noted that, apart from the debt securities in the table above, as of 30/9/2015 liabilities arising from securitisations of loans are retained by Piraeus Bank. These issues are 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.

As at 30/9/2015, a total of € 10 million Covered Bonds, issued by Piraeus Bank, are retained by Piraeus Bank. These covered bonds come from two separate issues, with original amount € 1,250 million (Series 1), due February 2017, and € 750 million (Series 2), due December 2016, issued under Piraeus Bank's Global Covered Bond Programme. On 3/7/2015, Piraeus Bank proceeded to the partial cancellation of € 1,245 million from Series 1 and € 745 million from Series 2, and the total outstanding Covered Bonds are € 5 million per Series.

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

In January 2015 Piraeus Bank issued a 3,100 million senior bond due April 2015. In March 2015 matured senior bonds, were issued in 2014 by Piraeus Bank amounting to € 4,500 and € 1,750 million. In April 2015, Piraeus Bank issued a € 4,500 million senior bond and a € 1,750 million senior bond, both due July 2015. In May 2015 a senior bond of € 3,100 million, issued by Piraeus Bank due August 2015. In July 2015 Piraeus Bank issued a € 4,500 million bond due October 2015 and a 1,750 million bond due April 2016. In August 2015 Piraeus Bank issued a € 3,100 million senior bond and a € 1,050 million senior bond, both due May 2016. All bonds mentioned above issued by Piraeus Bank, through Piraeus Bank's EMTN programme, bearing the unconditional and irrevocable guarantee of the Hellenic Republic, pursuant to Article 2 of Law 3723/2008, pay a floating rate coupon of 3M Euribor plus 600 bps, retained by Piraeus Bank.

As at 30/9/2015, face value of € 134.8 million of the € 500 million fixed coupon, senior unsecured notes due 2017 were retained by Piraeus Bank. The retained Bonds were canceled on 13/10/2015.

Piraeus Bank, during the period 1/1/2015 – 30/9/2015, proceeded to the buy back of bonds of securitised loans of total amount after amortization of € 19.6 million.

From the above mentioned securitisation of mortgage loans issues, Piraeus Bank possesses as at 30/9/2015 bonds of nominal value amounting € 110.0 million from the issuance of € 750 million, € 641.9 million from the issuance of € 1,250 million and € 45.9 million from the issuance of € 600 million.

On October 15, 2015, the Bank invited the holders of the € 500 million 5% Notes of Piraeus Group Finance PLC due March 2017 to offer to exchange any or all of such existing securities for non-transferable receipts issued by the Bank (note 28).

19 Hybrid capital and other borrowed funds

	30 September 2015	31 December 2014
Hybrid capital (Tier I)		
€ 200 million floating rate notes due 2034	16,249	16,373
	16,249	16,373
Subordinated debt (Tier II)		
€ 336 million floating rate notes due 2016	210,324	215,132
Accrued interest and other expenses	815	876
	211,139	216,008
Total hybrid capital and other borrowed funds	227,388	232,381

The Bank is not in default of any payments of principal and interest of the subordinated debt. In the 3rd 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. Since October 2014 the margin increased to 2.25% from 1.25% (step up).

Piraeus Bank, during the period 1/1/2015 – 30/9/2015, proceeded to the buy back of hybrid securities and subordinated securities of total amount € 4.8 million.

The nominal value of € 400 million relating to the issuance of the subordinated debt (Tier II) has been reduced by € 63.8 million, concerning the nominal value of the debt repurchased and cancelled by the Bank during 2012, under the Proposal that was made to the owner of the aforementioned debt. As at 30/9/2015 face value €124.91 million of Tier II subordinated debt were retained by Piraeus Bank. The retained bonds were canceled on 13/10/2015.

On October 15, 2015, the Bank invited the holders of hybrid capital and other borrowed funds to offer to exchange any or all of such existing securities for non-transferable receipts issued by the Bank (note 28).

20 Contingent liabilities and commitments

A) Legal procedures

The Group's provision for outstanding litigations as at 30/9/2015 amounts to € 15.7 million from continuing operations and € 5.7 million from discontinued operations, against € 14.6 million and € 4.0 million respectively as at 31/12/2014. The legal proceedings outstanding against the Group as at 30/9/2015, for which no provisions have been recorded, are not expected to have any significant impact on the financial statements of the Group.

B) Credit commitments

As at 30/9/2015 the Group had undertaken the following commitments:

	30 September 2015	31 December 2014
Letters of guarantee	2,986,543	3,142,020
Letters of credit	32,881	50,710
Commitments to extent credit	1,871,437	2,143,044
	4,890,861	5,335,775

C) Assets pledged

	30 September 2015	31 December 2014
Cash and balances with Central Banks	1,203,699	1,029,003
Financial instruments at fair value through profit or loss	157,975	117,624
Investment securities	1,275,196	1,140,238
Loans and advances to customers	24,919,050	4,046,740
Debt securities - receivables	13,870,153	5,738,198
	41,426,072	12,071,803

The above mentioned assets pledged are mainly used for liquidity purposes. Apart from the aforementioned assets, the Group also pledges debt securities of own issue amounting to € 16,159 million as at 30/9/2015 (31/12/2014: € 6,284 million) and are not included in Group's assets. The amount of € 16,159 million includes securities of amount € 10,524 million that had been issued with the unconditional and irrecoverable guarantee of the Hellenic Republic, securities of amount to € 5,625 million issued under the securitization of consumer, mortgage and corporate loans of the Bank and securities of amount € 10,0 million from the issuance of covered bonds of the Bank. Additionally, under interbank repurchase agreement (repo) transactions, EFSF debt securities amounting to € 404 million (31/12/2014: € 8,531 million) are also used for liquidity purposes.

It is also noted that the "Loans and advances to customers" include loans of € 23,855 million, which have been pledged under financing from the E.L.A.

D) Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are analysed as follows:

	30 September 2015	31 December 2014
Up to 1 year	60,683	71,370
From 1 to 5 years	221,109	264,654
More than 5 years	342,346	437,184
	624,138	773,208

E) Other contingent liabilities

The enactment of law 4335/2015 as at 23rd of July 2015, brought about changes in the operation of the Hellenic Deposit and Investment Guarantee Fund (HDIGF), the most important of which relate to the functioning of the Resolution Scheme as the national financing arrangement for the application of resolution tools to credit institutions, the involvement of the Deposit Cover Scheme (DCS) of HDIGF in the financing of resolution measures and the transfer of the Resolution Scheme assets and liabilities to a new Account (Account for the Settlement of Past Years' Resolution Measures).

The Resolution Scheme should gradually, within ten years, create a reserve that will equal to at least 1% of covered deposits by the HDIGF. This reserve will be covered by the contributions of the credit institutions that participate in HDIGF.

Loans that have been granted for the financing of resolution measures for credit institutions are included in the aforementioned liabilities which are transferred to the new Account. The Bank estimates that credit institutions participating in the HDIGF will continue to recognize regular contributions regarding this account, the amount of which will be determined each time by the BoD of the HDIGF. The framework for determining these contributions, as well as the other conditions concerning the operation and settlement of the new Account will be determined in the coming period, with the integration of Directive 49 EU into Greek legislation.

It is noted that the specific provision of law 4335/2015 concerning the creation of the "Account for the Settlement of Past Years' Resolution Measures", is repealed by the legislation for the recapitalization of the Banks that will be voted by the Greek Parliament.

The Bank is assessing the impact from the above legislation amendments on the calculation of contributions and the amount of liabilities due to the Resolution Scheme. The expense for the period 1/1-30/9/2015, relating to the contribution of the Bank to the Resolution Scheme, includes a special levy that relates to the resolution of a Greek financial institution.

21 Share capital

	Share Capital	Share Premium	Treasury Shares	Total
Opening balance at 1 January 2014	2,271,770	10,008,733	(113)	12,280,390
Increase of share capital	308,824	1,384,581	-	1,693,405
Repurchase of preferred shares	(750,000)	-	-	(750,000)
Purchases/ shares of treasury shares	-	-	113	113
Balance at 31 December 2014	1,830,594	11,393,314	0	13,223,908
Opening balance at 1 January 2015	1,830,594	11,393,314	0	13,223,908
Purchases/ shares of treasury shares	-	-	(595)	(595)
Balance at 30 September 2015	1,830,594	11,393,314	(595)	13,223,313

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

	Number of shares		
	Issued shares	Treasury shares	Net number of shares
Opening balance at 1 January 2014	6,416,802,751	(15,715)	6,416,787,036
Increase of share capital	1,029,411,764	-	1,029,411,764
Repurchase of preferred shares	(1,344,234,800)	-	(1,344,234,800)
Purchases of treasury shares	-	(1,430,960)	(1,430,960)
Sales of treasury shares	-	1,446,675	1,446,675
Balance at 31 December 2014	6,101,979,715	0	6,101,979,715
Opening balance at 1 January 2015	6,101,979,715	0	6,101,979,715
Purchases of treasury shares	-	(15,295,705)	(15,295,705)
Sales of treasury shares	-	11,721,832	11,721,832
Balance at 30 September 2015	6,101,979,715	(3,573,873)	6,098,405,842

Following the share capital increase and the redemption of preference shares that took place in 2014, the share capital of the Bank on 31/12/2014 and 30/9/2015 amounted to € 1,830,593,914.50 divided into 6,101,979,715 ordinary registered shares with a nominal value of € 0.30 each. The amendment to the articles of association of the Bank, related to the cancellation of the preference shares of the Hellenic Republic, has been resolved by the Bank's Extraordinary General Meeting of Shareholders dated 30/10/2014 and it is subject to the approval by the supervising authority.

On January 7, 2015, the Bank announced that, after the settlement of warrant exercise orders, 3,568 warrants in total were exercised on shares issued by the Bank and owned by the Hellenic Financial Stability Fund (HFSF). Exercised warrants correspond to 15,969 ordinary shares, i.e. to 0.00026% of the outstanding number of ordinary shares, with the total amount paid by the warrant holders to the HFSF amounting to € 28,911.87.

Following the abovementioned exercise of warrants (3rd in row), as well as the 4th exercise on 2 July 2015 in which no warrants were exercised, the HFSF percentage of Bank's total share capital stood at 66.93%.

The Annual Ordinary General Meeting of Shareholders, held on 29/6/2015, decided not to distribute dividend for the fiscal year 2014, according to the established provisions of article 10 of Law 3864/2010 combined with article 1 par. 3 of Law 3723/2008, as in force 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.

22 Other reserves and retained earnings

	30 September 2015	31 December 2014
Legal reserve	110,514	74,809
Extraordinary reserve	13,940	13,940
Available for sale reserve	(41,004)	(56,808)
Currency translation reserve	(181,869)	(165,570)
Other reserves	13,172	56,171
Reserve of defined benefit obligations	(24,245)	(33,782)
Other reserves from continuing operations (A)	(109,491)	(111,240)
Amounts recognized directly in equity relating to non-current assets from discontinued operations (B)	32,815	18,787
Total other reserves (A) + (B)	(76,677)	(92,453)

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

Other reserves movement	30 September 2015	31 December 2014
Opening balance for the period	(92,453)	100,709
Movement of available for sale reserve	15,804	(151,298)
Transfer from other reserves to retained earnings	541	(1,663)
Acquisitions, disposals, absorptions and movement in participating interest	(7,834)	-
Change in reserve of defined benefit obligations	9,537	(40,975)
Amounts recognized directly in equity relating to non-current assets from discontinued operations	14,027	682
Foreign exchange differences and other adjustments	(16,299)	93
Closing balance for the period	(76,677)	(92,453)

Available for sale reserve movement	30 September 2015	31 December 2014
Opening balance for the period	(56,808)	94,490
Opening balance of discontinued companies	119	-
Gains/ (losses) from the valuation of bonds and Greek Government Treasury Bills	13,054	(92,630)
Gains/ (losses) from the valuation of shares and mutual funds	6,808	(78,705)
Recycling to income statement of shares and mutual funds impairment	2,364	37,466
Recycling of the accumulated fair value adjustment of disposed securities	(2,598)	(75,051)
Deferred income taxes	(4,066)	53,443
Foreign exchange differences and adjustments	122	4,180
Closing balance for the period	(41,004)	(56,808)

Retained earnings movement	30 September 2015	31 December 2014
Opening balance for the period	(5,921,295)	(3,957,191)
Profit/ (loss) after tax attributable to the owners of the parent entity	(624,255)	(1,965,087)
Profit/ (loss) from sales of treasury shares	1,131	(52)
Transfer between other reserves and retained earnings	(541)	1,664
Acquisitions, disposals, absorption, liquidation and movements in participating interest	5,478	(628)
Closing balance for the period	(6,539,482)	(5,921,295)

23 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 the 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%, d) Bank's subsidiaries, e) Bank's associates and f) HFSF, which in accordance with IAS 24 is related party of Piraeus Bank, after the recapitalization in the context of the law 3864/2010. It is noted that related parties do not include companies with which HFSF is potentially considered as a related party.

The transactions with the above related parties are under the usual market terms. More specifically, loans and letters of guarantee issued to related parties represent an insignificant part of total loans and letters of guarantee issued by the Bank, respectively. Loans and letters of guarantee have been issued to related parties in the normal course of business, within the approved credit policies and Bank procedures, adequately collateralized and the risk of their repayment is within the normal course of the market conditions.

Transactions with the Board of Directors members and the key management personnel, the close family and the financially dependants, the related with them companies and the HFSF are the following:

Board of Directors members and key management personnel	30 September 2015	31 December 2014
Loans	60,476	101,131
Deposits	14,829	34,595

Letters of guarantee and letters of credit to the members of the Board of Directors and to the key management personnel as at 30/9/2015 are € 3.5 million (31/12/2014: € 3.4 million). The total income that relates to members of the Board of Directors and to key management personnel for the period 1/1 - 30/9/2015 is € 1.6 million (1/1 - 30/9/2014: € 2.8 million). The total expense that relates to the prementioned related parties for the period 1/1 - 30/9/2015 is € 1.1 million (1/1 - 30/9/2014: € 0.4 million).

Members of the Board of Directors and key management personnel remuneration	1/1-30/9/2015	1/1-30/9/2014
Wages, salaries, employer's share of social contributions and charges	5,850	7,032
Provisions for compensation and retirement programs	383	707

The aggregate provisions for benefit plans to Members of the Board of Directors and key management personnel amount to € 30.3 million instead of € 29.7 million as at 31/12/2014. The full amount of the above provisions has been included in the retirement benefit obligations.

The transactions with associate companies are analysed as follows:

	Associates	
	30 September 2015	31 December 2014
Deposits and other liabilities	72,281	125,463
Loans and other receivables	1,056,060	936,575

The increase in the balance of loans and other receivables as at 30/9/2015 versus 31/12/2014 is mainly due to the classification of "Selonda Aquaculture S.A." in the portfolio of associate companies. The aggregate provisions on loans to associate companies amount to € 63.2 million instead of € 47.1 million as at 31/12/2014.

	Associates	
	1/1-30/9/2015	1/1-30/9/2014
Total expense & capital expenditure	(15,511)	(16,667)
Total income	42,264	9,060

The increase in total revenues for the period 1/1-30/9/2015 compared to the respective period last year, is mainly due to loan interest income from MIG Group, which has been classified in the portfolio of associates in December 2014.

Letters of guarantee to associates of the Group as at 30/9/2015 are € 17.5 million (31/12/2014: € 13.9 million).

24 Acquisition of assets and liabilities of former Panellinia Bank S.A.

On 17/4/2015, Piraeus Bank acquired the "healthy" segments of the assets and liabilities of former Panellinia Bank S.A. for a consideration of € 17.1 million. The fair values of the acquired assets and liabilities are provisional and as a result the initial accounting of the acquisition is incomplete (provisional accounting). Following the completion of the valuation, within the required period (measurement period) according to the requirements of IFRS 3, that is within one year from the acquisition date, the values of the acquired assets and liabilities will be adjusted retrospectively from the acquisition date, according to the requirements of IFRS 3.

The provisional fair values of the assets and liabilities acquired from former Panellinia Bank S.A., are as follows:

	Former Panellinia Bank S.A.
Assets	
Cash and balances with Central Banks	1,594
Loans and advances to credit institutions	1,697
Loans and advances to customers (net of provisions)	195,304
Available for sale securities	347
Property, plant and equipment	2,052
Other assets	34,135
Funding gap	360,610
Total Assets	595,739
Liabilities	
Due to credit institutions	89,306
Due to customers	504,288
Other liabilities	2,146
Total liabilities	595,739
Shareholders equity	-
Total liabilities and shareholders equity	595,739
Cost of acquisition	17,100
Percentage of net assets acquired	100%
Goodwill on acquisition	17,100

25 Changes in the portfolio of subsidiaries and associates

During the period 1/1 - 30/9/2015, Piraeus Bank and its subsidiaries paid for the acquisition, establishment and participation in share capital increases of subsidiaries, a total amount of € 160.0 million. Additionally, Piraeus Bank and its subsidiaries paid for the acquisition, establishment and participation in share capital increases of associates, a total amount of € 58.5 million. The analysis of changes of subsidiaries' and associates' portfolio is presented below:

a) Gain of control or significant influence:

On 6/2/2015, Piraeus Bank S.A. acquired 100% of the company "Cyprus Leasing S.A.", which was included in the portfolio of subsidiaries.

On 17/3/2015, the share capital increase of "Selonda Aquaculture S.A". of amount € 50.4 million was concluded, through debt capitalization, including bank loans from Piraeus Bank. As a result, Piraeus Bank became shareholder of the aforementioned company with shareholding percentage of 33.85%, thus incorporating the said participation in the portfolio of associate companies.

On 18/6/2015, Alecsandri Estates SRL increased its share capital by € 11 million, which was fully covered by 99.09% Group's subsidiary, Daphne Real Estate Consultancy SLR. As a result, Daphne Real Estate Consultancy SRL acquired 75% of the company Alecsandri Estates SRL, which was included in the subsidiaries' portfolio of the Group.

b) Establishments:

ETVA Industrial Parks S.A., 65% subsidiary of Piraeus Bank S.A., established its 100% subsidiary companies, ETVA Fund Management S.A. and ETVA Development S.A., by paying the amount of € 100 thousand and € 60 thousand respectively.

On 21/1/2015, Green Investments S.A., 100% subsidiary of Piraeus Bank S.A., participated by 50% in the establishment of Litus Advisory S.A., by paying the amount of € 150 thousand, and as a result, the company was classified in the portfolio of associate companies.

On 4/9/2015 Piraeus Bank Bulgaria A.D, 99.98% subsidiary of Piraeus Bank S.A., established the company Gama Asset Management EOOD, by paying € 1.3 thousand. The company was classified in the portfolio of subsidiaries companies of the Group.

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

Solum Enterprise LLC, 99% subsidiary of the Group, decreased its percentage in SINITEM LLC by 1%. As a result, its shareholding percentage in its subsidiary company was decreased to 99%, while the shareholding percentage of the Group in the company decreased to 98% from 99%.

In early January 2015, Piraeus Bank S.A. decreased its shareholding percentage in European Reliance Gen. Insurance Co. S.A. by 1.59%. As a result, its shareholding percentage in the company decreased to 28.65%.

On 14/1/2015, Piraeus Bank S.A. acquired an additional 10.71% of Marfin Investment Group Holdings S.A. with the amount of € 28.26 million. As a result, Piraeus Bank S.A. owns 28.50% of the company.

On 22/1/2015, Piraeus Bank S.A. acquired an additional 51% of ACT Services S.A. for the amount of € 322 thousand and as a result, owns 100% of the company. On that date, the company was classified from the portfolio of associates to the portfolio of subsidiary companies, whereas on 18/5/2015 was renamed to Piraeus ACT Services S.A. Consequently, P - Payroll S.A., 100% subsidiary of Piraeus ACT Services S.A., has become a subsidiary of the Group.

On 13/2/2015, PJ Tech Catalyst Fund, 30% associate participation of the Group, increased its assets by € 223.7 thousand. As a result, Piraeus Equity Partners LTD, 100% subsidiary of Piraeus Bank S.A., covered its shareholding ratio by paying a total of € 67.1 thousand without altering its shareholding percentage in the company.

On 26/2/2015, ND Development S.A., 100% subsidiary company of Piraeus Bank S.A., increased its share capital by € 60 thousand, which was fully covered by Piraeus Bank S.A., without altering its shareholding percentage in the company.

On 26/2/2015, Pleiades Estate S.A., 100% subsidiary company of the Group, increased its share capital by € 210 thousand, which was fully covered by Piraeus Bank S.A., without the participation of Piraeus Real Estate S.A. As a result, the direct shareholding percentage of the Bank in the company increased to 15.98% from 14.76%, while that of Piraeus Real Estate S.A. decreased to 84.02% from 85.24%.

On 26/2/2015, Property Horizon S.A., 100% subsidiary company of Piraeus Bank S.A., increased its share capital by € 60 thousand, which was fully covered by Piraeus Bank S.A. without altering its shareholding percentage in the company.

On 26/2/2015, Piraeus Development S.A., 100% subsidiary company of Piraeus Bank S.A., increased its share capital by € 170 thousand, which was fully covered by Piraeus Bank S.A. without altering its shareholding percentage in the company.

On 23/3/2015, Piraeus Bank S.A. acquired an additional 37.08% of shares of the company Trastor Real Estate Investment Company for the amount of € 28.55 million, so as Piraeus Bank S.A. to directly own 70.88% of the company, which was transferred to the portfolio of subsidiary companies from the portfolio of associates. Consequently, Rembo S.A., 100% subsidiary company of Trastor Real Estate Investment Company, has become subsidiary of the Group.

On 2/4/2015, 98% of the share capital of Integrated Services Systems Co, subsidiary company of the Group, was disposed. As a result, the company was transferred to the available for sale portfolio.

On 6/4/2015, Piraeus Green Investments S.A., 100% subsidiary of Piraeus Bank S.A., increased its share capital by € 160 thousand, which was fully covered by Piraeus Bank S.A., without altering its shareholding percentage in the company.

On 5/5/2015, Picar S.A., 100% subsidiary of Piraeus Bank S.A., increased its share capital by € 35 million, which was fully covered by Piraeus Bank S.A., without altering its shareholding percentage in the company.

On 13/5/2015, Centre of Sustainable Entrepreneurship Excelixi S.A., 100% subsidiary of Piraeus Bank S.A., increased its share capital by € 300 thousand, which was fully covered by Piraeus Bank S.A., without altering its shareholding percentage in the company.

On 5/6/2015, Piraeus Bank paid to its associate company Piraeus - TANEO Capital Fund the amount of € 100.9 thousand.

On 12/6/2015, Piraeus Bank S.A. acquired an additional 16.19% of Hellenic Seaways Maritime S.A. for the amount of € 25 million. As a result, Piraeus Bank S.A. owns 39.61% of the company.

On 16/6/2015, the Mandatory Tender Offer of Piraeus Bank S.A. to the shareholders of its 70.88% subsidiary Trastor REIC for the acquisition of the total amount of common shares of the company was completed. As a result, Piraeus Bank acquired an additional 2.52% of the share capital of the company by paying the amount of € 1.94 million. During the period of acceptance of the Mandatory Tender Offer (19/5/2015-16/6/2015), Piraeus Bank acquired through the stock exchange an additional 17.24% of the share capital of Trastor REIC by paying € 13.26 million. Following the completion of the Mandatory Tender Offer and until 26/6/2015, Piraeus Bank acquired through the stock exchange an additional 0.49% of the share capital of Trastor REIC by paying € 376.0 thousand approximately. As a result, Piraeus Bank S.A. owns 91.13% of the company.

On 25/6/2015, Trieris Real Estate LTD, associate of Piraeus Bank S.A., repurchased 219 of its shares from Piraeus Bank S.A., for the amount of € 2.08 million.

During the 2nd quarter of 2015, PJ Tech Catalyst Fund, 30% associate company of the Group, increased its assets by € 1.27 million. As a result, Piraeus Equity Partners LTD, 100% subsidiary of Piraeus Bank S.A, covered its shareholding ratio with the amount of € 382.28 thousand, without altering its shareholding percentage.

On 6/7/2015, Trastor REIC, 91.71% subsidiary company of Piraeus Bank S.A, fully paid the € 2 million share capital increase of its 100% subsidiary Rembo S.A, without altering its shareholding percentage in the company.

On 21/7/2015, Piraeus Bank S.A fully paid its shareholding ratio of € 4.4 million on the € 16.2 million share capital increase of its 27.2% associate company APE Investment Property S.A, without altering its shareholding percentage.

On 30/7/2015, Piraeus Bank fully paid the € 350 thousand share capital increase of its 100% subsidiary company Kosmopolis A' Shopping Centers S.A, without altering its shareholding percentage in the company.

On 31/8/2015, Picar S.A, 100% subsidiary of Piraeus Bank S.A., fully paid the € 1.35 million share capital increase of its 100% subsidiary company Linklife Food & Entertainment Hall S.A., without altering its shareholding percentage in the company.

On 14/9/2015, Achaia Clauss Estate S.A., 74.76% subsidiary company of Piraeus Bank S.A, proceeded to a share capital increase of € 1.44 million, which was fully covered by Piraeus Bank, thus increasing its shareholding percentage in the company to 75.27%.

On 24/9/2015, R.E Anodus Ltd, 99.998% subsidiary of Piraeus Bank, increased its share capital by € 63.89 million, mostly through debt capitalization, which was fully covered by Piraeus Bank, thus increasing the shareholding percentage in the company to 99.999%.

During the 3rd quarter, PJ Tech Catalyst Fund, 30% associate company of the Group, increased its assets by € 317.8 thousand. As a result, Piraeus Equity Partners LTD, 100% subsidiary company of Piraeus Bank S.A., covered its shareholding percentage by paying € 95.3 thousand, without altering its shareholding percentage in the company.

During the 3rd quarter of 2015, Piraeus Bank acquired through the stock exchange an additional 0.58% of the share capital of Trastor REIC, by paying € 447.9 thousand. As a result, Piraeus Bank owns 91.71% of the company.

During the 3rd quarter of 2015, Piraeus Bank disposed the 0.69% of the share capital of its associate company Selonda Aquaculture S.A. for the amount of € 91.7 thousand approximately. As a result, Piraeus Bank owns 33.16% of the company.

d) Liquidation and disposal:

On 26/3/2015, Piraeus Bank proceeded to complete disinvestment from the associate Serbian Bank "AIK Banka" by transferring 20.35% of the common and 25% of the preference shares for the amount RSD 3,290 million and RSD 311 million respectively (in total € 30 million approximately).

On 8/4/2015, Piraeus Bank (Cyprus) Nominees LTD, 100% subsidiary company of the Group, has been removed from the relevant company Register.

On 19/6/2015, Group's associate company Good Works Energy Photovoltaics S.A., the proceeds from the liquidation of which were distributed to its shareholders on December 2014, was removed from the Tax Office of Commercial Companies' Registry.

e) Further changes – Transfers:

On 20/4/2015, Exus S.A., 49.9% associate of Piraeus Bank S.A., has been renamed to Exodus S.A.

On 2/6/2015, Geniki Insurance Agency S.A., 100% subsidiary of the Group, has been renamed to Special Financial Solutions S.A.

On 4/6/2015, the merger of Kosmopolis A' Shopping Centers S.A., 100% subsidiary of Piraeus Bank S.A., with its 100% subsidiary Parking Kosmopolis S.A., has been completed through absorption of the latter from the former.

On 8/6/2015, Geniki Special Business Services S.A, 100% subsidiary of Piraeus Bank S.A., has been renamed to Special Business Services S.A.

On 12/6/2015, P - Payroll S.A., 100% subsidiary of the Group, has been renamed to A.C.T. B.A.S. S.A.

26 Capital adequacy

Capital adequacy ratios are calculated based on the new regulatory framework CRD IV (Basel III implementation under EU rules), which came into force with Directive 2013/36/EU and Regulation (EU) No. 575/2013:

	30 September 2015	31 December 2014
Common Equity Tier 1 Capital (CET1)	6,126,615	6,884,722
Tier 2 Capital (T2)	29,559	75,603
Total Capital (TC)	6,156,175	6,960,325
Total risk weighted assets (on and off-balance sheet items)	56,253,458	55,719,654
Common Equity Tier 1 ratio	10.9%	12.4%
Tier 1 ratio	10.9%	12.4%
Total Capital ratio	10.9%	12.5%

The determination of capital for 30/9/2015, as referred to in the above table, takes into account the voluntary conversion of deferred tax assets arising from temporary differences into directly enforceable claims against the Greek State, as provided by Article 27A of Greek Law 4172/2013.

27 Restatement of comparative period

The restatement in consolidated interim income statement of the comparative period 1/1-30/9/2014 and 1/7-30/9/2014 and consolidated interim cash flow statement of the period 1/1-30/9/2014 is due to the transfer of Piraeus Bank Egypt S.A.E. group of companies to discontinued operations.

Consolidated income statement	From 1 January to 30 September 2014		
	Published amounts	Restatements	Restated amounts
Interest and similar income	2,626,445	(47,568)	2,578,877
Interest expense and similar charges	(1,138,548)	31,693	(1,106,855)
Net interest income	1,487,897	(15,874)	1,472,023
Fee and commission income	276,036	(8,360)	267,677
Fee and commission expense	(29,430)	1,930	(27,500)
Net fee and commission income	246,607	(6,430)	240,177
Dividend income	14,748	(122)	14,625
Net income from financial instruments designated at fair value through profit or loss	(63,965)	(1,136)	(65,101)
Results from investment securities	74,280	(259)	74,021
Other operating income/ (expense)	205,461	(97)	205,364
Total net income	1,965,027	(23,919)	1,941,108
Staff costs	(537,210)	14,014	(523,196)
Administrative expenses	(425,455)	4,584	(420,871)
Depreciation and amortization	(122,347)	4,105	(118,242)
Total operating expenses before provisions	(1,085,012)	22,703	(1,062,309)
Profit before provisions, impairment and income tax	880,015	(1,217)	878,799
Impairment losses on loans	(3,238,015)	2,299	(3,235,716)
Impairment losses on other receivables	(81,535)	-	(81,535)
Other provisions and impairment	(25,701)	(78)	(25,624)
Share of profit of associates	11,364	(316)	11,048
Profit/ (loss) before income tax	(2,453,872)	689	(2,453,028)
Income tax	814,338	3,234	817,572
Profit/ (loss) after income tax from continuing operations	(1,639,534)	3,923	(1,635,456)
Profit/ (loss) after income tax from discontinued operations	1,825	(4,078)	(2,252)
Profit/ (loss) after tax	(1,637,709)	(155)	(1,637,709)
From continuing operations			
Profit/ (loss) attributable to equity holders of the parent entity	(1,640,079)	3,989	(1,636,090)
Non controlling interest	545	89	634
From discontinued operations			
Profit/ (loss) attributable to equity holders of the parent entity	1,827	(3,989)	(2,162)
Non controlling interest	(2)	(89)	(91)
Earnings/ (losses) per share attributable to equity holders of the parent entity (in €):			
From continuing operations			
- Basic and Diluted	(0.2843)	0.0007	(0.2836)
From discontinued operations			
- Basic and Diluted	0.0003	(0.0007)	(0.0004)

CONSOLIDATED INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME	From 1 January to 30 September 2014		
	Published amounts	Restatements	Restated amounts
CONTINUING OPERATIONS			
Profit/ (loss) after tax (A)	(1,639,534)	4,078	(1,635,456)
Other comprehensive income, net of tax:			
Amounts that can be reclassified in the Income Statement			
Change in available for sale reserve	(86,455)	1,696	(84,759)
Change in currency translation reserve	2,062	(8,466)	(6,404)
Amounts that cannot be reclassified in the Income Statement			
Change in reserve of defined benefit obligations	282	-	282
Other comprehensive income, net of tax (B)	(84,110)	(6,771)	(90,881)
Total comprehensive income, net of tax (A+B)	(1,723,644)	(2,693)	(1,726,337)
- Attributable to equity holders of the parent entity	(1,724,338)	(2,680)	(1,727,018)
- Non controlling interest	694	(13)	681
DISCONTINUED OPERATIONS			
Profit/ (loss) after tax (C)	1,825	(4,078)	(2,252)
Other comprehensive income, net of tax:			
Amounts that can be reclassified in the Income Statement			
Change in available for sale reserve	4,151	(1,696)	2,455
Change in currency translation reserve	185	8,466	8,652
Amounts that cannot be reclassified in the Income Statement			
Change in reserve of defined benefit obligations	-	-	-
Other comprehensive income, net of tax (D)	4,336	6,771	11,107
Total comprehensive income, net of tax (C+D)	6,162	2,693	8,855
- Attributable to equity holders of the parent entity	6,163	2,680	8,842
- Non controlling interest	(1)	13	13

Consolidated income statement	From 1 July to 30 September 2014		
	Published amounts	Restatements	Restated amounts
Interest and similar income	861,436	(17,485)	843,951
Interest expense and similar charges	(352,859)	11,117	(341,742)
Net interest income	508,577	(6,368)	502,209
Fee and commission income	96,394	(2,692)	93,703
Fee and commission expense	(9,792)	406	(9,386)
Net fee and commission income	86,602	(2,286)	84,316
Dividend income	270	(1)	269
Net income from financial instruments designated at fair value through profit or loss	(21,114)	(299)	(21,413)
Results from investment securities	(2,259)	(11)	(2,270)
Other operating income/ (expense)	19,262	21	19,283
Total net income	591,338	(8,943)	582,395
Staff costs	(172,026)	4,617	(167,409)
Administrative expenses	(153,116)	1,561	(151,555)
Depreciation and amortization	(33,800)	1,380	(32,420)
Total operating expenses before provisions	(358,943)	7,558	(351,385)
Profit before provisions, impairment and income tax	232,395	(1,386)	231,010
Impairment losses on loans	(2,242,329)	85	(2,242,244)
Impairment losses on other receivables	(13,852)	-	(13,852)
Other provisions and impairment	(1,113)	(78)	(1,035)
Share of profit of associates	7,174	(8)	7,166
Profit/ (loss) before income tax	(2,017,725)	(1,386)	(2,018,956)
Income tax	460,139	1,449	461,588
Profit/ (loss) after income tax from continuing operations	(1,557,586)	63	(1,557,368)
Profit/ (loss) after income tax from discontinued operations	2,390	(218)	2,172
Profit/ (loss) after tax	(1,555,196)	(155)	(1,555,196)
From continuing operations			
Profit/ (loss) attributable to equity holders of the parent entity	(1,557,736)	209	(1,557,526)
Non controlling interest	150	9	159
From discontinued operations			
Profit/ (loss) attributable to equity holders of the parent entity	2,390	(209)	2,181
Non controlling interest	(0)	(9)	(9)
Earnings/ (losses) per share attributable to equity holders of the parent entity (in €):			
From continuing operations			
- Basic and Diluted	(0.2553)	0.0000	(0.2552)
From discontinued operations			
- Basic and Diluted	0.0004	(0.0000)	0.0004

CONSOLIDATED INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME	From 1 July to 30 September 2014		
	Published amounts	Restatements	Restated amounts
CONTINUING OPERATIONS			
Profit/ (loss) after tax (A)	(1,557,586)	218	(1,557,368)
Other comprehensive income, net of tax:			
Amounts that can be reclassified in the Income Statement			
Change in available for sale reserve	(46,671)	606	(46,065)
Change in currency translation reserve	4,603	(26,558)	(21,954)
Amounts that cannot be reclassified in the Income Statement			
Change in reserve of defined benefit obligations	-	-	-
Other comprehensive income, net of tax (B)	(42,067)	(25,951)	(68,019)
Total comprehensive income, net of tax (A+B)	(1,599,653)	(25,733)	(1,625,386)
- Attributable to equity holders of the parent entity	(1,599,910)	(25,634)	(1,625,545)
- Non controlling interest	257	(99)	158
DISCONTINUED OPERATIONS			
Profit/ (loss) after tax (C)	2,390	(218)	2,172
Other comprehensive income, net of tax:			
Amounts that can be reclassified in the Income Statement			
Change in available for sale reserve	27	(606)	(579)
Change in currency translation reserve	(25)	26,558	26,533
Amounts that cannot be reclassified in the Income Statement			
Change in reserve of defined benefit obligations	-	-	-
Other comprehensive income, net of tax (D)	2	25,952	25,954
Total comprehensive income, net of tax (C+D)	2,392	25,733	28,126
- Attributable to equity holders of the parent entity	2,393	25,634	28,027
- Non controlling interest	(1)	100	99

Consolidated interim cash flow statement	1/1-30/9/2014		
	Published amounts	Restatements	Restated amounts
Net cash inflow/ (outflow) from operating activities	(1,069,585)	34,082	(1,035,503)
Net cash inflow/ (outflow) from investing activities	(144,359)	24,579	(119,781)
Net cash inflow/ (outflow) from financing activities	1,343,628	-	1,343,628
Total cash inflows/ (outflows) for the period	129,684	58,661	188,345
Effect of exchange rate fluctuations on cash and cash equivalents	60,262	1,149	61,411
Net increase/ (decrease) in cash and cash equivalents of the period from continuing operations (A)	189,946	59,810	249,756
Net increase/ (decrease) in cash and cash equivalents of the period from discontinued operations (B)	1,688	(59,810)	(58,122)
Cash and cash equivalents at the beginning of the period (C)	1,888,466	0	1,888,466
Cash and cash equivalents at the end of the period (A)+(B)+(C)	2,080,100	0	2,080,100

28 Events subsequent to the end of the interim period

- On October 15, 2015, the Bank invited the holders of the outstanding € 200 mn Series A Floating Rate Non-cumulative Guaranteed Non-voting Preferred Securities of Piraeus Group Capital Limited, the € 400 million Subordinated Callable Step-up Floating Rate Notes of Piraeus Group Finance PLC due 2016 and the € 500 million 5% Notes of Piraeus Group Finance PLC due March 2017 to offer to exchange any or all of such existing securities for non-transferable receipts issued by the Bank. The offers were made to strengthen the Bank's capital base, which has been impacted by the impaired macro-economic conditions recently experienced in the Hellenic Republic that are affecting all Greek financial institutions. In addition, the exchange offers in relation to the 2016 securities and the perpetual securities reflect the fact that, if State aid is required to meet any part of the additional capital requirements imposed as a result of the Comprehensive Assessment conducted by the Single Supervisory Mechanism (SSM) or otherwise, burden-sharing will need to be achieved to the maximum extent possible through contributions by holders of equity, hybrid capital and subordinated debt of the Bank. The process is expected to be finalized on or about November 4, 2015 (announcement: <http://www.piraeusbankgroup.com/en/press-office/press-release/2015/10/announcement>).
- Piraeus Bank took notice of the announcement of European Central Bank on October 31, 2015 regarding the results of the Comprehensive Assessment exercise conducted for the four Greek systemic banks. The exercise was carried out on provisional balance sheet figures as of June 30, 2015 and consisted of (i) an Asset Quality Review ("AQR"), constituting a review of the carrying values of the Bank's Greek loan portfolios, and (ii) a stress test under a "baseline" and an "adverse" scenario. The results imply, on a consolidated basis, a capital shortfall for the Bank (before any mitigating actions) of the maximum of:
 - € 2,213 million under the "baseline" scenario, after considering the results of the AQR and the stress test.
 - € 4,933 million under the "adverse" scenario, after considering the results of the AQR and the stress test.

	bps of CET1%	€ million
(a) AQR (9.5% threshold)	402	2,188
(b) Stress test "baseline" scenario (9.5% threshold)	432	2,213
(c) Stress test "adverse" scenario (8.0% threshold)	1,035	4,933
Aggregate shortfall [max of (a),(b),(c)]	1,035	4,933

The above capital shortfall does not take into account any mitigating actions that will be included in the Capital Plan of the Bank, to be formally submitted to the ECB by 6 November 2015. The Bank is in dialogue with the ECB in relation to the aforementioned actions and its Capital Plan describing in detail the measures it will undertake. Piraeus Bank is capable to proceed with all steps required to cover the arising capital needs.

- On October 30th 2015 the draft legislation setting the rules for recapitalization of the financial institutions in Greece and updating or introducing new regulations regarding the role of the Financial Stability Fund was submitted to the Greek Parliament.

Other clauses of the same legislation regulate issues regarding the deferred tax assets of financial institutions, which fall under the clauses of article 27A of law 4172/2013 and can be converted into final and settled claims against the Greek State. These clauses refer to the following:

- The restriction of the amount of deferred tax assets to the amount that relates to provisions for bad debts, which have been reported in the financial statements of the credit institution until 30 June 2015.

- The deferral by one year of the application of the clause for the conversion of deferred tax assets and as such, the activation of the relevant clauses for accounting losses that will occur from 1.1.2016 and onwards.

The discussion of the draft legislation in the Parliament and its subsequent voting is in process.

Athens, October 31st, 2015

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