ATEbank
AGRICULTURAL BANK OF GREECE

2009

ANNUAL FINANCIAL REPORT

ACCORDING TO ARTICLE 4 OF THE LAW 3556 / 2007

INDEX

1. Statements of the Board Of Directors Members

STATEMENTS OF THE BoD MEMBERS
(in accordance with article 4 par. 2 of L.3556/2007)

To the best of our knowledge, the annual financial statements that have been prepared in accordance with the applicable International Financial Reporting Standards, give a true view of the assets, liabilities, equity and financial performance of AGRICULTURAL BANK OF GREECE S.A. (the Bank), and of the group of companies included in the consolidated financial statements taken as a whole, and that the Board of Director's annual report presents fairly the evolution, the financial performance and position of the Bank and of the group of companies included in the consolidated financial statements taken as a whole, including the description of the main risks and uncertainties that they have to deal with.

Athens, 30 March 2010

The Governor	The Vice Chairman – Executive Member	The Vice Chairman – Non Executive Member
Theodoros N. Pantalakis	Adamantini K. Lazari	Nikolaos Zachariadis
I.D. AE 119288/2007	I.D. AB 205785/2006	I.D. X 082187/2002

2. Board of Directors' Management Report

BOARD OF DIRECTORS' MANAGEMENT REPORT FOR THE YEAR 2009

Ladies and Gentlemen,

During 2009 Greek banks operated in an environment characterized by economic recession, runaway public deficits and indebtedness and the deterioration of most leading economic indicators. The situation worsened further in the last quarter of 2009 following the upward revision of the size of the public deficit and the downgrading of the country's sovereign rating which consequently led to investors losing confidence in the country's ability to service its debt resulting in much higher GGB spreads. This necessitated the introduction of painful economic measures under the new Stability and Growth Plan in order to lower the budget deficit to 8.7% of GDP by the end of 2010 from 12.8% in 2009.

Greek GDP finally contracted by 2% in 2009, vis a vis an initial estimate of a 2.7% increase, mainly due to a sharp decline of economic activity by 2.6% year-on-year in the fourth quarter of 2009, affecting all major sectors (manufacturing, construction, tourism and trade).

On the public finance side, the fiscal deficit stood at 12.8% of GDP in 2009 against 7.7% in 2008 and public debt rose to 113.4% of GDP against 99.2% in 2008. As a consequence, net government borrowing requirement on a cash basis reached € 30.8 billion in 2009, up from €17.1 billion in 2008, putting significant pressure both on debt management and on the cost of borrowing.

Given the rapidly worsening operating environment during 2009, Greek banks adopted conservative policies on risk-taking limiting their credit expansion and increasing the level of provisions to cover non-performing loans. The annual rate of credit growth to domestic enterprises and households declined from 15.9% in December 2008 to 4.2% in December 2009 while the non-performing loans ratio increased from 5.0% in December 2008 to 7.2% in September 2009.

ATEbank's policy targets during 2009 were:

- ✓ to maintain adequate liquidity so as to enable the smooth flow of loanable funds to the real economy,
- ✓ to strengthen the Group's capital adequacy ratio,
- ✓ to safeguard asset quality, in the light of market conditions and the ongoing financial crisis, and
- ✓ to improve its organic profitability

Following the decision of the extraordinary Shareholders' General Meeting on 12th January 2009, ATE*bank* participated in the Greek government's package of measures aimed at boosting liquidity in the economy (Law 3723/9-12-08). In this framework, in order to improve its capital adequacy ratio, the Bank increased its share capital by €675 mil. by issuing 937.500.000 preference shares at €0.72 nominal value each, with the wavering of the rights of the old shareholders in favour of the Greek State. Also, on 19.08.2009, with the consent of the Bank of Greece, ATEbank redeemed a €200 million subordinated loan before its expiry date in 2014. It also made use of article 3 of the above law and on 31.03.2009 borrowed €807 mil. of specially issued bonds from the Greek State to be used as collateral for drawing liquidity from the European Central Bank. This loan was secured against loans and advances to ATEbank customers totaling €1.2 bn.

The Extraordinary Shareholders' General Meeting also approved the issuance of an EMTN program and a covered bonds program of €5 bn each, in order to differentiate the Group's funding sources. The EMTN issue program was completed on 15.01.2010 and on 18.02.2010 the first titles with a nominal value €1.4 bn were issued.

In 2009, ATEbank improved its position in the Greek banking market. Its loan portfolio increased by 7%, with mortgage loans rising by €622 mil., up by 10.1% compared to 2008 and lending to SMEs increasing by €766 mil., up by 43.6% compared to 2008. Disbursements to SMEs through TEMPME totaled €867 mil.

Deposits increased by 7.8% compared to December 2008 to €22.6 bn, with the share of time deposits remaining practically at the same level as in 2008 (2009: 36.5%, 2008: 36.1%).

The loans (after provisions) to deposits ratio dropped to 97% from 99.5% in 2008. This is one of the lowest ratios in Greek banking sector and, combined with access to alternative funding sources, provides a solid basis for adequate liquidity and organic growth.

Challenging economic conditions and rising NPLs led the new Board of Directors elected by the Extraordinary General Shareholders' Meeting on 08.12.09 to substantially raise provisioning levels in the fourth quarter, well above those budgeted for 2009.

Thus, to strengthen the quality of the Group's assets, €825.3 mil of impairment losses were recognised in 2009. As a result, the Group registered €401.5 mil. losses after taxes and minority interests.

In December 2009, impairment expenses for loans were €619.5 mil., compared to €195.6 mil. in December 2008, which corresponds to 285 bps on the average gross loans portfolio of the period, up from 105 bps in 2008. This increase in impairment losses is exceptional and provisioning levels are expected to return to normal in 2010.

The NPL ratio (above 90 days overdue) increased to 7.6% compared to 5.6% in December 2008, with the worst performers being loans to individuals, especially credit card balances, and loans to the wider agricultural sector.

Despite €154 mil of write offs in Q4 2009, the coverage ratio rose significantly to 71.1%, against 61.6% in Q3 2009. However, taking into account loan collaterals, the ratio stands well above 100%.

Net income from banking operations (interest and commission income) was €827.1 mil, up by 15.7% compared to 2008, thanks to the gradual decline of deposit interest rates and the growth of the loans portfolio.

ATEbank implements an interest rate risk hedging policy covering a large part of fixed rate loans. This policy will continue in the future. The Bank regularly monitors the evolution of interest rate risk and applies scenarios with respect to extreme changes in interest rates in order to assess exposure to that risk. Specifically, it employs the methodology of parallel and non-parallel change in the interest rate curve as well as dynamic simulation under various scenarios

Other operating income (excluding interest and commission income) was €212.5 mil., compared to €92.0 mil. in 2008. The increase is mainly due to €151.7 mil. trading and investment income, €86.7 mil. of which were realised gains from the sale of various debt instruments.

Operating expenses increased by 5.1%, against a corresponding 5.7% increase in 2008. The cost to income ratio dropped to 60.7% from 74.4% in 2008.

Despite the share capital increase through preference shares, the capital adequacy ratio was negatively influenced by after taxes losses. It is estimated at 9.2% compared to 8.6% in 2008, while Tier I capital is estimated at 8.4% compared to 6.5% in 2008.

At the end of December 2009, the Group's subsidiaries held 2,120,825 shares of ATEbank, with an acquisition cost of €8,338,252 and a market value of €4,114,401. It is worth noting that the acquisition cost of own shares is deducted from equity.

ATEbank's branch network consists of 482 branches operating in Greece and 33 branches operating abroad, of which 32 branches in Romania (ATEbank Romania) and one branch in Germany. The premises of 45% of the branches are owned by ATEbank. The branch network offers customers a wide range of banking services and products. Additionally, ATEbank operates 970 ATMs in Greece and 45 in Romania.

The outstanding balances of the Group companies' transactions with members of their Boards of Directors, their close family members or companies related to them, as well as the corresponding income and expenses as at December 31st 2009 were as follows:

Amounts in thousand €

Loans and advances to customers	3.476
Customer deposits	8.128
Directors' remuneration	3.809

Outstanding balances and the corresponding results of the most significant transactions between the Bank and subsidiaries are as follows:

ATEbank S.A. - INTERCOMPANIES TRANSACTIONS						
ASSETS & LIABILITIES						
amounts in thousands €	Loans and advances to Banks	Other Assets	Loans and advances to customers	Deposits from customers	Subordinated loans	Other liabilities
ABG LEASING S.A.			474.647	102.005		42.854
ABG BANK CARDS S.A.				3.429		432
ABG MUTUAL FUNDS S.A.		459		6.270		
ABG TECHNICAL & IT S.A.		154	1.250	1.760		2.215
ABG SECURITIES S.A.		206		2.298		
ABG INSURANCE S.A.		957		81.667		533
HELLENIC SUGAR INDUSTRY			157.549	1.986		
DODONI S.A.			41.420	628		
ELVIZ S.A.			23.015	575		
ABG RENT				514		
ABG ADVERTISING				1.437		657
ATEBANK ROMANIA S.A.			77.000			
ATEXCELIXI S.A.		261		228		550
ABG FINANCE INTERN.					248.794	
TOTAL :	**0**	**2.037**	**774.881**	**202.797**	**248.794**	**47.241**

ATEbank S.A. - INTERCOMPANIES TRANSACTIONS							
INCOME							
Amounts in thousands	**Fee and commission expense**	**Fee and commission income**	**Interest expense & similar charges**	**Interest and similar income**	**Other operating expences**	**Other operating income**	**Dividends received**
ABG LEASING S.A.			3.434	12.007			
ABG BANK CARDS S.A.	13.434				413	1.486	188
ABG MUTUAL FUNDS S.A.		1.003					
ABG TECHNICAL & IT S.A.					7.004		
ABG SECURITIES S.A.	272				254	267	
ABG INSURANCE S.A.		2.366	1.170		9.385		
HELLENIC SUGAR INDUSTRY				8.554		1.700	
DODONI S.A.				1.693			298
ELVIZ S.A.				1.111			
ABG RENT	415						
ABG ADVERTISING					4.884		239
ATEBANK ROMANIA S.A.				4.608			
ATEXCELIXI S.A.					3.081	1.062	
ABG FINANCE INTERN.			14.572				55
TOTAL :	**14.121**	**3.369**	**19.176**	**27.973**	**25.021**	**4.515**	**780**

Ladies and Gentlemen,

In 2009, ATEbank opted to prioritize the strengthening of its Group's balance sheet through exceptionally high levels of provisioning. The Bank improved its position and enhanced its role in the banking market in 2009 by actively contributing to the provision of liquidity to the real economy and helping its customers to cope with the adverse conjuncture.

Although 2010 is expected to be a year of economic contraction in Greece, ATEbank management's emphasis on operational improvements throughout the Group, on safeguarding the quality of its balance sheet and on careful business expansion will facilitate the Group's adjustment to the new economic realities.

Already in the first months of 2010, several initiatives have been undertaken relating to organizational changes aimed at improving the efficiency of loan approval and NPL management, cost containment and raising the productivity of the branch network and other delivery channels. Also, it was decided that the Bank will purchase those of its shares found in the portfolios of its various subsidiaries.

The overarching aim is to implement a financial and operational improvement plan which will allow the Group to substantially raise its performance and profitability oriented, among other, toward the support of green economy and the agricultural sector via the financing of alternative cultivations and income sources, for the benefit of its shareholders, employees and the real economy.

EXPLANATORY REPORT
ACCORDING TO PARAGRAPHS 7 & 8 OF ARTICLE 4 OF LAW 3556/2007

This explanatory report of the Board of Directors (BoD) to the Ordinary General Meeting of the Bank's Shareholders contains detailed information with regard to the issues under paragraphs 7 & 8, Article 4 of Law 3556/2007.

I. Structure of the Bank's share capital

The Bank's share capital, as at 31.12.2008, stood at six hundred fifty one million nine hundred nineteen thousand nine hundred ninety nine euros and sixty eight cents (€ 651.919. 999,68) and is divided into nine hundred five million four hundred forty four thousand four hundred forty four (905.444.444) ordinary nominal shares with a face value of seventy two cents (€ 0,72) each.

The Bank's share capital, under article 1 of Law 3723/2008, increased by six hundred seventy five million euro (675.000.000) according to the decision of the Extraordinary General Shareholders Meeting on 12.01.2009, by issuing nine hundred thirty seven million five hundred thousand (937.500.000) preference shares of face value equal to seventy two cents (€ 0,72) each one. In the context of the Law stated as above and the contract signed as at 14.05.2009 for the underwriting of shares issues between ATEbank and the Greek State, on the 21st May 2009 ATEbank acquired a greek government bond of nominal value of 675 million euro, five-year term and of floating rate, while simultaneously issued shares corresponding to the total amount of preference shares owned by the Greek State. On the 21st of May 2009, the Board of Directors certified the Bank's share capital increase. The newly issued preference shares have the following rights:

a) the right to a ten per cent (10%) fixed yield on the selling price of each of the preference shares undertaken by the Greek State:

i. Before the ordinary shares.
ii. Before the issue of dividend share according to paragraph 3 of Article 1, Law 3723/2008 and
iii. Irrespective of dividend share issue to the Bank's ordinary Shareholders and only if the capital adequacy indices (Bank and Group) satisfy the minimum requirements set by the Bank of Greece for that specific time period.

The ten per cent (10%) fixed yield is estimated accrued on a yearly basis proportionately to the time period during which the Greek State remains the privileged Shareholder and is paid within a month from the approval of the annual financial statements by the Ordinary General Shareholders Meeting. It is also subject to the condition that there are distributed amounts under the order of Article 44a of Law 2190/1920 and more specifically that there are profits of the last financial year or earlier financial years or even reserve funds given that the Ordinary Shareholders Meeting had already decided upon their distribution. If the distributed amounts are inadequate a privileged right of appropriation of the ten per cent (10%) fixed yield is offered until the exhaustion of the amounts stated above.

b) the right to vote at the General Privileged Shareholders Meeting in the specific occasions defined in Law 2190/1920.

c) the right to participate in the BoD meetings of the Bank via a representative, appointed as an extra member of the BoD.

d) the right of the Greek State's representative, appointed as an extra member of the BoD, to veto any decision related to dividend distribution and any payment policies to the Chairman, the Chief Executive, the remaining members of the BoD and the General Directors and their deputies, under the decision of the Greek Minister of Economics and Finance or if the Greek State's representative judges that the BoD decision could set in danger the depositors interests or substantially affect the credibility and the smooth functioning of the Bank.

e) the right of appearance of the appointed by the Greek State, extra member of the BoD, in the General Meeting of the Ordinary Shareholders and the right to veto on the issues stated above.

f) the right of the representative of the Greek State of free access to the account books and data of the Bank for the purposes of Law 3723/2008 and

g) the pre-emptive right on the proceeds of the liquidation, against all other shareholders in the case in which the Bank has gone into liquidation.

The Bank's ordinary shares provide to shareholders all of the rights set out by law and statutes, namely:

- the right to receive dividend from the annual or under liquidation Bank profits
- the permission to take charge on the respective liquidation or amortization of capital corresponding to the share
- the pre-emptive right to any increase in the share capital of the Bank in cash and acquisition of new shares
- the right to receive copies of financial statements, the audit report and the Board of Directors management report
- the right to participate in the Ordinary General Meeting of the Bank's Shareholders

II. Restrictions to the transfer of the Bank's shares

The Bank's shares are transferred according to the Law and there are no restrictions to their transfer by the Articles of Incorporation, considering furthermore that they are intangible shares listed in the ASE.

III. Considerable direct or indirect holdings in the sense of Presidential Decree 51/1992

The Greek Government holds, directly and indirectly (through DEKA) as the Bank's shareholder, 77,31% of its overall number of shares.

IV. Shares granting special control rights

There are no shares providing their holders with special control rights, subject to the statements prescribed in paragraph I above regarding the preferred shares of N.3723/2008.

V. Restrictions to the right to vote

No provision is made in the Bank's Articles of Incorporation for restrictions to the right of vote arising from its shares.

VI. Agreements of the Bank's shareholders

It is not known to the Bank if there are any agreements among its shareholders imposing restrictions to the transfer of its shares or to the exercise of the rights to vote arising from such shares.

VII. Rules for appointing and replacing BoD members and modifying the Articles of Incorporation

The rules provided for in the Bank's Articles of Incorporation on the appointment and replacement of BoD members and the amendment to its Articles of Incorporation are not different from those provided for in Codified Law 2190/1920, as it is effective.

VIII. BoD authorization to issue new or buy treasury shares

BoD in accordance with Article 29, paragraph 3, Law 2190/1920 is authorized by the General Meeting of the Shareholders, as long as the last forms a quorum of 2/3 of fully paid share capital, to implement their decision related to the increase of share capital.

According to the provisions, of the Article 16 of Law 2190/1920, as it is effective after modifications, the BoD may acquire, after the approval of the General Meeting of the Shareholders, treasury shares through the ASE up to ten per cent (10%) of the Banks' shares under the specific conditions and procedures stated in the Article 16 of Law 2190/1920.

IX. Significant agreements in force, which are modified or expire as a result of audit change following a public proposal

There are no agreements in force, which are modified or expire as a result of change of the control of the Bank after a public proposal.

X. Agreements between the members of the Board of Directors or the Bank's employees

There are no agreements set out between the Bank and the members of its Board of Directors or its employees, allowing for compensation, especially in the case of resignation or dismissal on no serious grounds or termination of tenure or employment as a result of a public proposal.

On behalf of the Bank's BoD,

Mr. Theodore Pantalakis
BoD Chairman

3. Independent Auditor’s Report (on the Consolidated Financial Statements)

KPMG
Certified Auditors AE
3 Stratigou Tombra Street
Aghia Paraskevi
GR – 153 42 Athens Greece

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Independent Auditors' Report
(Translated from the original in Greek)

To the Shareholders of
AGRICULTURAL BANK OF GREECE A.E.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of AGRICULTURAL BANK OF GREECE A.E. (the "Bank") which comprise the consolidated statement of financial position as of 31 December 2009 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatements.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Bank as of 31 December 2009 and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

We verified that the contents of the Board of Directors' Report are consistent and correspond with the accompanying financial statements within the scope set by articles 37, 43a and 107 of C.L. 2190/1920.

Athens, 30 March 2010

KPMG Certified Auditors A.E.

AM SOEL 114

Nikolaos Tsiboukas Certified Auditor Accountant AM SOEL 17151	Harry Sirounis Certified Auditor Accountant AM SOEL 19071

4. Consolidated Financial Statements as at 31.12.2009

Consolidated
Financial Statements
31 December 2009

In accordance with International Financial Accounting Standards

23 Panepistimiou St., Athens, 105 64

www.atebank.gr

R.N.S.A. 24402/06/B/91/39

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Consolidated income statement
For the year ended 31 December
(Amounts in thousands of Euro)

	Note	2009	2008
Interest and similar income		1.169.768	1.220.102
Interest expense and similar charges		(419.486)	(594.671)
Net interest income	**7**	**750.282**	**625.431**
Fee and commission income		116.096	120.839
Fee and commission expense		(39.281)	(31.427)
Net fee and commission income	**8**	**76.815**	**89.412**
Net trading income	**9**	115.833	(27.924)
Net investment income	**10**	17.245	9.301
Dividend income	**11**	17.175	24.167
Other operating income	**12**	62.237	86.502
Other income		**212.490**	**92.046**
Operating income		**1.039.587**	**806.889**
Staff cost	**13**	(432.085)	(398.530)
Other	**14**	(157.853)	(164.803)
Depreciation	**26,27,28**	(41.223)	(37.079)
Impairment losses	**15**	(825.329)	(204.196)
Operating profit/(loss)		**(416.903)**	**2.281**
Share of profit of associates		(2.575)	13.069
Profit/(loss) before tax		**(419.478)**	**15.350**
Tax	**16**	14.413	14.419
Profit/(loss) after tax		**(405.065)**	**29.769**
Attributable to:			
Equity holders of the Bank		(401.533)	27.849
Minority interests		(3.532)	1.920
Basic and diluted earnings/(losses) per share (expressed in Euro per share)	**17**	(0,4789)	0,0308

The accompanying notes (pages from 6 to 55) are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

For the year ended 31 December

(Amounts in thousands of Euro)

	2009	2008
Profit/(loss) after tax	**(405.065)**	**29.769**
Other comprehensive income		
Exchange rate differences	(15.995)	(35.671)
Revaluation reserve available-for-sale investments:		
- Valuation for the year	29.045	(608.256)
- (Gain)/Loss transferred to income statement on disposal of available-for-sale securities	26.478	(350)
- Impairment for the year	168.518	0
- Tax related	(45.512)	91.910
Share of other comprehensive income of associates	(26)	(186)
Other comprehensive income net of tax	**162.508**	**(552.553)**
Total comprehensive income net of tax	**(242.557)**	**(522.784)**
Attributable to:		
Equity holders of the Bank	(237.914)	(517.043)
Minority interests	(4.643)	(5.741)

The accompanying notes (pages from 6 to 55) are an integral part of these consolidated financial statements.

ATEbank
AGRICULTURAL BANK OF GREECE

Consolidated statement of financial position
For the year ended 31 December
(Amounts in thousands of Euro)

	Note	2009	2008
Assets			
Cash and balances with the Central Bank	**18**	1.029.928	1.277.038
Loans and advances to banks	**19**	2.429.149	957.446
Trading securities	**20**	901.782	342.661
Derivative financial instruments	**21**	25.838	25.786
Loans and advances to customers	**22,4.1**	21.910.078	20.853.981
Investment portfolio	**23**	3.995.379	2.515.084
Investments in associates	**25**	188.147	204.700
Investment property	**26**	197.386	187.985
Property, plant and equipment	**27**	506.908	498.748
Intangible assets	**28**	26.698	29.082
Deferred tax asset	**29**	416.224	440.589
Other assets	**30**	1.211.026	1.140.746
Total assets		**32.838.543**	**28.473.846**
Liabilities			
Deposits from banks	**31**	6.478.819	4.971.653
Deposits from customers	**32**	22.595.987	20.965.347
Liabilities at fair value through profit or loss	**33**	931.587	0
Derivative financial instruments	**21**	104.303	62.405
Provision for employee benefits	**34**	40.121	54.629
Other liabilities	**35**	433.983	422.776
Subordinated loans	**36**	248.794	444.156
Insurance reserves	**37**	643.690	622.224
Total liabilities		**31.477.284**	**27.543.190**
Equity			
Share capital	**38**	1.326.920	651.920
Treasury shares		(8.338)	(8.338)
Share premium		92.711	93.748
Reserves	**39**	(86.607)	(252.626)
Accumulated surplus / (deficit)		(21.925)	382.008
Equity attributable to the Bank's equity holders		**1.302.761**	**866.712**
Minority interests		58.498	63.944
Total equity		**1.361.259**	**930.656**
Total equity and liabilities		**32.838.543**	**28.473.846**

The accompanying notes (pages from 6 to 55) are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity
For the year ended 31 December
(Amounts in thousands of Euro)

	Share capital	Treasury shares	Share premium	Available for sale Reserve	Foreign Currency Reserve	Other Reserves	Accumulated surplus/(loss)	Total	Minority interests	Total Equity
Balance at 1 January 2008	**651.920**	**(8.319)**	**94.231**	**165.594**	**(4.934)**	**122.891**	**439.112**	**1.460.495**	**60.563**	**1.521.058**
Total comprehensive income:										
Profit/(loss) for the year 1/1 - 31/12/2008	0	0	0	0	0	0	27.849	27.849	1.920	29.769
Other comprehensive income net of tax	0	0	0	(513.387)	(31.319)	0	(186)	(544.892)	(7.661)	(552.553)
Total comprehensive income net of tax	0	0	0	(513.387)	(31.319)	0	27.663	(517.043)	(5.741)	(522.784)
Transactions with the shareholders recognized directly to equity										
Transfer to reserves due to distribution	0	0	0	0	0	9.273	(9.273)	0	0	0
Deferred tax on entries recognized directly to equity	0	0	(483)	0	0	0	0	(483)	0	(483)
Dividends paid	0	0	0	0	0	0	(90.544)	(90.544)	(1.788)	(92.332)
(Purchases) / Disposals of own shares	0	(56)	0	0	0	0	0	(56)	0	(56)
Changes in Group's participations	0	37	0	0	0	(744)	15.050	14.343	10.910	25.253
Total transaction with Shareholders	0	(19)	(483)	0	0	8.529	(84.767)	(76.740)	9.122	(67.618)
Balance at 31 December 2008	**651.920**	**(8.338)**	**93.748**	**(347.793)**	**(36.253)**	**131.420**	**382.008**	**866.712**	**63.944**	**930.656**
Total comprehensive income:										
Profit/(loss) for the year 1/1 - 31/12/2009	0	0	0	0	0	0	(401.533)	(401.533)	(3.532)	(405.065)
Other comprehensive income net of tax	0	0	0	177.960	(14.315)	0	(26)	163.619	(1.111)	162.508
Total comprehensive income net of tax	0	0	0	177.960	(14.315)	0	(401.559)	(237.914)	(4.643)	(242.557)
Transactions with the shareholders recognized directly to equity										
Share capital increase	675.000	0	(675)	0	0	0	0	674.325	0	674.325
Transfer to reserves due to distribution	0	0	0	0	0	2.374	(2.374)	0	0	0
Deferred tax on entries recognized directly to equity	0	0	(362)	0	0	0	0	(362)	0	(362)
Dividends paid	0	0	0	0	0	0	0	0	(803)	(803)
Total transaction with Shareholders	675.000	0	(1.037)	0	0	2.374	(2.374)	673.963	(803)	673.160
Balance at 31 December 2009	**1.326.920**	**(8.338)**	**92.711**	**(169.833)**	**(50.568)**	**133.794**	**(21.925)**	**1.302.761**	**58.498**	**1.361.259**

The accompanying notes (pages from 6 to 55) are an integral part of these consolidated financial statements.

Consolidated statement of cash flows
For the year ended 31 December 2009
(Amounts in thousands of Euro)

	Note	2009	2008
Operating activities			
Profit / (Loss) before tax		(419.478)	15.350
Adjustment for:			
Depreciation and amortization	**26,27,28**	41.223	37.079
Impairment losses	**15**	825.329	204.196
Changes in provisions		(59.490)	(11.775)
Change in fair value of trading investments		(40.994)	25.500
(Gain)/loss on the sale of investments, property and equipment		(113.129)	(59.724)
Changes in operating assets and liabilities			
Net (increase)/decrease in loans and advances to banks		(214.308)	(220.868)
Net (increase)/decrease in trading securities		(505.550)	(99.595)
Net (increase)/decrease in loans and advances to customers		(1.622.928)	(4.161.756)
Net (increase)/decrease in other assets		(45.902)	(53.777)
Net increase/(decrease) in deposits from banks		1.509.674	4.121.108
Net increase/(decrease) in deposits from customers		1.633.136	335.308
Net increase/(decrease) in other liabilities		991.231	(22.416)
Cash flows from operating activities		**1.978.814**	**108.630**
Investing activities			
Acquisition of intangible assets, property and equipment		(71.829)	(58.738)
Proceeds from the sale of intangible assets, property and equipment		26.574	38.705
(Purchases)/Proceeds of held to maturity portfolio		0	1.041.637
(Purchases)/Sales of available for sale portfolio		(739.673)	(1.235.430)
Dividends received		16.407	20.615
Purchases of subsidiaries and associates		(28)	(24.858)
Sale of subsidiaries and associates		0	4.049
Cash flows from investing activities		**(768.549)**	**(214.020)**
Financing activities			
Share capital return - Dividends paid		(803)	(45.272)
Share capital increase expenses		(675)	0
Proceeds/(Purchases) of treasury shares		0	(19)
Proceeds / (Redemptions) from debt issued		(195.500)	248.392
Cash flows from financing activities		**(196.978)**	**203.101**
Effect of exchange rate changes on cash and cash equivalents		(3.002)	(2.194)
Net increase/(decrease) in cash flows		**1.010.285**	**95.517**
Cash and cash equivalents at 1 January		1.970.324	1.874.807
Cash and cash equivalents at 31 December	**18**	**2.980.609**	**1.970.324**

The accompanying notes (pages from 6 to 55) are an integral part of these consolidated financial statements.

1. GENERAL INFORMATION

The Agricultural Bank of Greece Group, "the Group" provides primarily financial and banking services to individuals and businesses. At the same time, it maintains an important presence in the industrial sector.

The Group's parent company is the Agricultural Bank, (the Bank or ATE), which was founded in 1929 while its shares have been listed in the Athens Stock Exchange since 2000 and are included in the FTSE 20 Index (index for Large Capitalization Companies).

The Bank's registered office is at 23 Panepistimiou Str. in the municipality of Athens. The purpose of the Bank, according to the Article of Association is to provide banking services on its own behalf, on behalf of third parties, that contribute to the modernization and growth of the economy and more specifically the agricultural sector.

The Group besides the mother company includes the following subsidiary – associate companies:

Name of Subsidiary / Associate	Activity	Registration Offices	Percentage of Participation	
			31/12/2009	31/12/2008
Financial Sector				
FIRST BUSINESS BANK	Bank	Athens	49,00%	49,00%
A.T.E. LEASING A.E.	Leasing	Athens	99,91%	99,91%
A.T.E. CARDS A.E.	Credit Cards Management	Athens	99,68%	99,68%
A.T.E. A.X.E.P.E.Y.	Brokerage Services	Athens	94,68%	94,68%
A.T.E. AEDAK	Mutual Funds Management	Athens	92,68%	92,68%
ATE TECHNIKI PLIROFORIKI	Real Estate	Athens	91,42%	91,42%
ATE RENT	Leasing	Athens	99,11%	99,11%
A.B.G. FINANCE INTERNATIONAL P.L.C.	Finance	London	100,00%	100,00%
ATEbank ROMANIA S.A.	Bank	Bucharest	74,13%	74,13%
AIK BANKA	Bank	Nis	20,83%	20,83%
Non-Financial Sector				
ATE INSURANCE S.A.	Insurance	Athens	84,08%	84,08%
ATE INSURANCE S.A. ROMANIA	Insurance	Bucharest	84,16%	-
HELLENIC SUGAR COMPANY	Sugar Production	Thessaloniki	82,33%	82,33%
SEKAP	Cigarette Production	Xanthi	44,33%	44,18%
DODONI	Dairy Production	Ioannina	67,77%	67,77%
ZO.DO	Feedstuff Production & Commerce	Ioannina	67,77%	-
ELVIZ	Feedstuff Production	Plati	99,82%	99,82%
ATE ADVERTISING	Advertising	Athens	63,10%	62,28%
ATExcelixi	Educational services	Athens	99,20%	99,20%

All entities are consolidated under the full consolidation method with the exception of FIRST BUSINESS BANK S.A., AIK BANKA and SEKAP S.A. which follow the equity method.

ATE Insurance S.A.'s subsidiary in Romania, ATE Insurance S.A Romania, is newly included in ATEbank's consolidated financial statements of 31/12/2009. Its after tax income as at 31/12/2009 amounted to EUR 220 thousand and its equity to EUR 6.329 thousand (31/12/2008: EUR 454 th. And EUR 6.428 th. respectively).

The newly established entity ZO.DO. S.A. a subsidiary of DODONI S.A. was included for the first time in consolidated financial statements of 30/06/2009.

The Group has a network of 482 branches in Greece and 33 abroad, 32 of which in Romania (ATEbank Romania) and 1 in Germany, which offer to the customers a wide range of banking activities. The Group also has 970 ATMs (Automatic Teller Machines) in Greece and 45 in Romania. Approximately 45% of the branches are privately owned.

The Group has 9.903 employees, of which 7.217 are in the banking and finance sector.

The Group is managed by the Bank's 11-membered Board of Directors, elected by the Shareholders' General Meeting on December 08, 2009, ends in 2012 and as at 31 December 2009 consists of:

CHAIRMAN (Executive member)
Theodoros N. Pantalakis

VICE CHAIRMAN (Executive member)
Adamantini K. Lazari

VICE CHAIRMAN (Non-Executive member)
Nikolaos A. Zachariadis

NON-EXECUTIVE MEMBERS
Konstantinos P. Ganiaris
Georgios V. Sagris
Tzanetos D. Karamichas
Konstantinos P. Amountzias
Theodoros I. Sarris
Andreas K. Davillas

NON-EXECUTIVE INDEPENDENT MEMBERS
Ioannis G. Mourgelas
Vasilios Ch. Goutis

GREEK GOVERNMENT REPRESENTATIVE (based on article 1 of L.3723/2008)
Evripidis P. Ampatzis

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of compliance

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations as adopted by the European Union.
The financial statements were approved by the Board of Directors on 30 March 2010 and are available on the web address www.atebank.gr

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following financial instruments which are presented at fair value:

- derivative financial instruments
- trading portfolio financial instruments
- available for sale financial instruments

2.3 Functional currency

These financial statements are presented in Euro, which is the Group's functional currency. Except as indicated, financial information is presented in thousands of euro.

2.4 Use of estimation and judgment

The preparation of financial statements according to I.F.R.S. requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis.Deviations from accounting estimates are recognized in the period in which the estimate is revised if the revision concerns only that

period, or in the period of the revision and future periods if the revision concerns both current and future periods.
Information regarding significant estimates and uncertainties resulting from the application of accounting policies that have a great impact on financial statements is provided in Note 5.

2.5 Changes in accounting policies

Accounting policies have changed due to the adoption of the new accounting standards which are described below and are applicable from January 1st 2009.

2.5.1 Presentation of Financial Statements

The Group adopted the revised IAS 1 "Presentation of Financial Statements" which is applicable from January 1st 2009. Therefore, changes from transactions with shareholders are presented in the Statement of Changes in Equity, while changes from the rest of transactions are shown in the Statement of Comprehensive Income.

Previous year's comparable figures have been modified in order to comply with the revised international standard. As such, the amendment in the accounting policy only affects the presentation of the financial statements and has no impact on earnings per share.

2.5.2 Determination and presentation of the operating segments

According to IFRS 8 "Operating Segments" which is applicable from the 1st of January 2009, the Group determines and discloses its operating segments based on the internal reports provided to its Management. The latter takes the final decisions on the Group's operating activities.

So far, the operating segments were determined and presented according to IAS 14 "Segment Reporting".

The new accounting policy regarding the operating segments is presented as follows:

The comparable figures disclosed per segment have been modified in order to comply with the revised IFRS 8. The amendment in the accounting policy only affects the presentation of the segmental information and has no impact on earnings per share.

The operating segment is part of the Group's business activity which brings revenues and generates expenses including revenues and expenses regarding transactions with other operating sectors of the Group.

The sectors' results reported to the Group's Management include amounts attributed directly to each sector as well as amounts allocated to them using rational correlation.

The sector's capital expenses are the total expenses deriving from the acquisition of tangible and intangible assets that took place throughout the period in issue, except for goodwill.

2.5.3 Fair value and Liquidity disclosures

Financial instruments hierarchy
The Group adopted the IFRS 7 "Financial Instruments: Disclosures" amendment which was issued on March 2009 and requires additional disclosures as concerns the fair value measurement and liquidity risk associated with financial instruments. This amendment introduces a three-level hierarchy for fair value measurement disclosures that reflects the significance of the inputs used in making these measurements. Additional disclosures are required for financial instruments in Level 3 of the fair value hierarchy as inputs for the asset or liability are not based on observable market data (unobservable inputs). Additional information is also necessary for all significant financial instrument reclassifications between levels 1 and 2, for changes in valuation techniques from one period to another and for the

reasons justifying these changes. Additional disclosures for financial instruments' fair value are provided in Note 5.4.

Liquidity

Based on the IFRS 7 amendment, an analysis of financial liabilities contractual maturity is made in case the maturity is important to comprehend the time needed in order to find cash and cash equivalents. As concerns the guarantees given (letters of guarantee, loan guarantees etc), IFRS 7 amendment requires the disclosure of the maximum amount of guarantees which are about to be given. Additional information regarding the liquidity risk is provided in Note 4.2.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by ATE Group entities, except from what is mentioned in Note 2.5.

3.1 Investments in subsidiaries and associates

(a) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable, are taken into account. In the consolidated financial statements subsidiaries are consolidated according to the method of full consolidation and their financial statements are included from the date that control commences.

(b) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are included in the consolidated financial statements on an equity accounted basis.

(c) Special purpose entities (SPEs)

Special purpose entities are entities that are created to accomplish a narrow and well-defined objective such as the securitisation of particular assets, or the execution of a specific borrowing or lending transaction. The financial statements of special purpose entities are included in the consolidated financial statements where the substance of the relationship is that the Group controls the special purpose entity.

(d) Funds management

The Group manages funds as mutual funds and other form of investments on behalf of third parties. The financial statements of those financial institutions are not included in these consolidated financial statements unless the Group owns the funds that manage.

(e) Transactions eliminated on consolidation

Intercompany balances and any gains or losses or income and expenses arising from intercompany transactions, are eliminated in the preparation of the consolidated financial statements. Gains or losses arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entity. Losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Foreign currency transactions

Transactions in foreign currencies are translated to euro at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to euro at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized to the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to euro at the foreign exchange rate ruling at the date fair values were determined. Foreign exchange differences arising from the valuation of non-monetary assets and liabilities at the end of the year are recognized on profit or loss, except differences arising on the translation of monetary assets and liabilities which constitute part of an investment in a subsidiary operation in another country and the financial instruments as cash flow hedge which are recognized directly in equity.

3.3 Foreign entities

The financial position of all the Group entities that have a functional currency different from the presentation currency is translated into EUR according to the exchange rate prevailing on the balance sheet date of the consolidated financial statements. Profit and loss items are translated into EUR according to the average year exchange rates of the measurement currencies against EUR.

Exchange differences resulting from the translation of the foreign entities financial statements are transferred directly to equity in the currency translation reserve. When a foreign operation is sold, such exchange differences are recognized in the income statement.

3.4 Interest income and expense

Interest income and expense is recognized in the income statement as it accrues, taking into account the effective yield of the instrument or the applicable floating rate. Interest income and expense includes the amortization of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis. The effective interest rate method is a method of calculating the amortized cost of the financial asset or financial liability and of allocating the interest income or expense over the relevant period.
The effective interest rate is the rate that exactly discounts the future cash receipts or payments through the expected life of the financial instrument.
Once a financial asset or a group of financial assets has been written off as a result of an impairment loss, account of interest ceases.

3.5 Fee and commission income

Fees and commissions are generally recognized on an accrual basis when the service has been provided. Commission and fees arising from third party transactions, are recognized in the income statement upon the completion of the underlying transaction. Portfolio management fees and other management advisory and service fees are recognized in the income statement according to the applicable service contracts, usually on a proportional basis.

3.6 Net trading income

Net trading income comprises gains less losses related to trading assets and liabilities as well as derivative instruments and includes gain and losses from the valuation of the trading portfolio at fair value (shares, bonds, derivative instruments etc.) and foreign exchange differences.

3.7 Net investment income

Net investment income comprises exclusively gain or losses from the sale of financial instruments that have been categorized as available for sale. The fair value differences of these financial instruments are recognized directly in equity. Foreign exchange differences arising from the valuation of these financial instruments are also recognized in this account. When these investments are sold accumulated gains or losses that have been recognized directly to equity are transferred to the income statement.

3.8 Dividend income

Dividend income is recognized in the income statement on the date that the dividend is approved from the appointed bodies of the companies which in most cases is the General Shareholders Meeting. The account includes dividend income from trading portfolio as well as dividend income from investment portfolio.

3.9 Operating lease rentals

Payment of operating lease rentals are allocated as an expense in the income statement based on the direct method during the rental period. The received rental grants are recorded in the income statement as an integral part of the expense during the rental period.

3.10 Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that is relates to items recognized directly in equity in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using the tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. For the following temporary differences deferred tax is not provided: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable differences. The amount of deferred tax is provided using tax rates enacted or substantively enacted at the balance sheet date and applied at a later date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be adequate in order to offset temporary differences. Deferred tax assets are reduced to the extent that it is probable that the related tax benefit will not be realized.

3.11 Financial assets

Initial Recognition

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Management determines the classification of its investments at initial recognition.

Financial assets at fair value through profit or loss: This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorized as held for trading unless they are designated as hedges.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money directly to a debtor with no intention of trading the receivable.

Held-to-maturity investments: are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Bank has the intent and ability to hold to maturity. Were the Group to sell other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale.

Available-for-sale investments: are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Purchases and sales of financial assets at fair value through profit or loss, held-to-maturity, and available-for-sale are recognized at trade date – the date on which the Group commits to purchase or sell the asset. Loans are recognized when cash is advanced to the borrowers. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets not at fair value through profit and loss are primarily recognized at fair value plus the transaction expenses.

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Valuation

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortized cost using the effective interest method.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the financial statements when there is a legal enforceable right and the intention to offset recognized amounts.

3.12 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or a group of assets is impaired includes observable data that comes to the attention of the Group about the following loss events:

a. significant financial difficulty of the obligor;
b. a breach of contract, such as a default or delinquency in interest or principal payments;
c. the Group granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;
d. it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
e. observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group; including:
   - adverse changes in the payment status of borrower in the group; or
   - national or local economic conditions that correlate with defaults on the assets in the group.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets has been incurred, the amount of loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. If a loan or a held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The calculation of the present value of the estimated future cash flows of a collateralized loan reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e. on the basis of the Group's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effect of conditions in the historical period that do not exist currently.

The methodology and assumptions used of estimating future cash flows are reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience using historical data.

When a loan is uncollectible, it is written-off against the related provision for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for loan impairment in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in the income statement.

(b) Assets carried at fair value

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the asset is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss is removed from equity and recognized in the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the income statement.

3.13 Derivative financial instruments and hedging accounting

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

The fair value of a derivative at initial recognition is the transaction price.

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement.

The method of recognizing the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the items being hedged. The Group designates certain derivatives as either (a) hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedge); or (b) hedges of highly probable future cash flows attributable to a recognized asset or liability, or a forecasted transaction (cash flow hedge). Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value hedge – Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to profit or loss over the period to maturity. The adjustment to the carrying amount of a hedged equity security remains in retained earnings until the disposal of the equity security.

Cash flow hedge – The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Amounts accumulated in equity are recycled to the income statement in the periods in which the hedged items will affect profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Changes in the fair value of those derivatives that do not qualify for hedge accounting, are recognized immediately in the income statement.

3.14 Cash and cash equivalents

Cash and cash equivalents include cash on hand and not pledged balances held with the Central Bank with maturities of less than three months from the Balance Sheet date. They are not exposed to material risk from changes in their fair value and they are used by the Group to cover short-term liabilities.

3.15 Repurchase agreements

The Group enters into agreements for purchases (sales) of investments and resales (repurchases) of substantially identical investments at a certain future date at a fixed price. Investments purchased with an engagement to be reselled at a future date, are not presented in the financial statements. The amounts paid are recorded in loans and advances to banks or customers. The receivables are collateralized by the underlying security.

Investments sold under repurchase agreements continue to be recognized in the balance sheet and are presented in accordance with the accounting standards for either assets held for trading or available-for-sale or held to maturity as appropriate. The proceeds from the sale of the investments are recorded as liabilities to either banks or customers.

The difference between the selling and repurchase price is recognized on an accrual basis over the period of the transaction and is included in interest income.

3.16 Property, plant and equipment

Land and buildings are used by the Group either for branches or for administrative purposes. All property, plant and equipment is stated at cost less accumulated depreciation. Purchase cost includes expenses directly related to their acquisition.

Land is not depreciated. Depreciation on the other assets is calculated using the straight-line method over their expected useful life, as follows:

Buildings	40-70	years
Furniture and other equipment	5-8	years
Machinery	7-14	years
Vehicles	7-9	years

Leasehold improvements are depreciated over either the useful life of the improvement or the duration of the lease whichever is the shorter.

The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is considered to be the highest amount between the asset's fair value (less selling costs) and the present value of the future net cash flows anticipated from the use of the financial asset.

Gain and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the income statement.

Certain items of property, plant and equipment that had been revalued to fair value prior to 1 January 2004, the date of transition to IFRSs, are valued on deemed cost. Deemed cost is considered the revalued amount which constitutes the cost of acquisition.

3.17 Investment Property

Properties held by the Group either to earn rental income, capital appreciation, or both, are classified as investment property. Investment property is measured at the cost of acquisition minus its accumulated depreciation.

The Group includes as investment property, property acquired resulting from the foreclosure of non-performing customer loans.

3.18 Intangible Assets

Intangible assets include goodwill arising from the acquisition of subsidiaries as well as software which is stated at cost less accumulated amortisation.

(a) Goodwill

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.
Positive goodwill is a non amortized intangible asset which is assessed on each balance sheet date for impairment.
Negative goodwill is recognised immediately in profit or loss.
Goodwill should be allocated to the cash generating units on the acquisition date. In case that there are difficulties in the immediate allocation of the fair value of assets, this can be postponed but should be performed within twelve months from the acquisition date.

(b) Software

Amortization is charged over the estimated useful life, which the Group has defined to three years.

Expenditure incurred to maintain software programs is recognized in the income statement of the year. On the contrary expenditure incurred to enhance or improve the performance of the software as well as expenditure incurred for conversion of the software are incorporated in the cost value of the asset under the condition that these can be measured with accuracy.

3.19 Leases

The Group as the lessor

When the Group is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee, the present value of the minimum lease payments of the arrangement is presented within loans and advances.
The lease rentals received decrease the aggregate amount of lease payments and finance income is recognized on an accrual basis.
The finance lease loans are subject to the same impairment testing as applied to customer loans and advances as described in note 3.12.

The Group as the lessee

Lease agreements that the lessor transfers the use of an asset for a predetermined period without transferring the risks and rewards incidental to ownership are classified as operational leases. In this case the Group doesn't recognize the leased assets on the balance sheet. The operational lease payments (lease payments made that correspond to the use of the leased asset free of any incentives given by the lessor) are recognised on the income statement during the life of the contract.
In case where the Group is the lessee under a finance lease, fixed assets under the finance lease are recognised as assets and the respective obligation for the lease payments as a liability on the balance sheet. At the inception of the lease, fixed assets leased under finance leases are recognised on the balance sheet at amounts equal to the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Leased assets are depreciated over their useful life, if it is longer than the lease term, only if it is expected that the ownership of the leased assets will pass to the Group at the end of the lease term. Finance lease payments are apportioned between the capital element and the finance charge. The capital element is used as a reduction of the outstanding liability and the finance charge at the income statement is allocated to periods during the lease term.

3.20 Provisions

A provision is recognized in the balance sheet when the Group has a present legal obligation or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate has been made. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money.

3.21 Employee benefits

(a) Defined contribution plans

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(b) Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculatedly separately for each plan by estimating the amount of future benefit that employees have earned in return of service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date on Greek State bonds that have maturity dates approximating to the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When benefits are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the income statement on a straight-line basis over the employees' expected average remaining length of service.

All actuarial gains and losses as at 1 January 2004, the date of transition to IFRSs were recognized. In respect of actuarial gains or losses that arise subsequent to 1 January 2004 in calculating the Group's obligation in respect of a plan, to the extent that any cumulative unrecognized actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of the plan assets, that portion is recognized in the income statement over the expected average remaining length of service of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognized.

3.22 Share capital

(a) Share issue costs
Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax from the proceeds.

(b) Dividends on ordinary shares
Dividends on ordinary shares are recognized as a liability in the period in which they are approved by the shareholders.

(c) Treasury shares
Repurchased shares are classified as treasury shares and presented as a deduction of total equity. Where such shares are subsequently sold or re-issued any consideration is included in shareholders' equity.

3.23 Earnings per share

The Group presents basic and diluted earnings per share (EPS) figures for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.24 Segment reporting

Operating segment is a distinguishable component of the Group that generates revenues and expenses including those deriving from transactions among other sectors. Management monitors their operating results on a regural basis in order to decide for the allocation of financing sources and of every sector's efficiency. Financial information per sector is provided in Note 6.

3.25 Insurance Contracts

As of 1st January 2005, according to IFRS 4, risk from insurance contracts is segregated, and contracts are classified as insurance or investment contracts. Insurance companies of the Group have both life insurance contracts and non-life insurance contracts.
Insurance contracts are defined as those contracts that contain significant insurance risk at the inception of the contract which is transferred from the insured party to the insurance company and the insurance company agrees to indemnify the insured party when a determined doubtful future event occurs that has a negative effect on the insured party.
Premiums from insurance contracts are recognized as revenue (written premium) on a pro rata basis over the related policy duration.
The premiums are reported before the deduction of the related commissions.

a) Acquisition costs

Commissions and other acquisition costs incurred during the financial period for securing new investment contracts and or renewing existing contracts but which are related to subsequent financial periods are reported in the balance sheet account "Other Assets" and are amortized over the life of the contract.

b) Insurance reserves

Insurance reserves are the insurance company's net contractual obligations that are originated from the insurance contracts, and include the mathematical reserves, the unearned premium reserves and outstanding claims reserve.
Mathematical reserves contain the life insurance and are the difference created between the present value of the cash obligations that the insurance company has taken up for every life insurance contract and the premiums owed by the policy holder which are payable to the insurance company. This difference is calculated using the approved from the corresponding authority technical base (mortality table, technical interest rate) at the beginning of the contract. If loss is ascertained when the liability adequacy test is performed, extra reserve is charged.
Unearned premium reserves include the ratio of written premiums that relate to future periods.
The outstanding claims reserve covers insurance risk liabilities occurred at balance sheet date regardless of whether they have been reported or not and whether the related insurance compensations and expenses have been paid or not, in case the exact amount is not defined or the insurance company's responsibility is doubted.
The estimated provision's amount is defined according to available information at the date of the financial statements' composition such as fact reports, medical reports and juridical verdicts.
The outstanding claims reserve incorporates a reserve for incurred but not reported claims to the insurance company at balance sheet date (I.B.N.R.). The calculation of insurance reserves conducted on balance sheet date is in accordance to Law 400/1970 and the relevant decisions of the Ministry of Economy, Competitiviness and Shipping.
The change in insurance reserves concerns the increase/decrease in relation to the prior year insurance reserves. The company's portion on the change of insurance reserves is transferred to the income statement and the remaining amount is debited in the reinsurance account according to the reinsurance treaties.

c) Liability Adequacy Test

At each reporting date a liability adequacy test is performed by the Group's insurance company to ensure the adequacy of the unearned premiums according to IFRS 4. In performing the test current best estimates of future contractual cash flows claims from insurance contracts are used.
Any inadequacy is immediately charged to the income statement increasing the equivalent inadequate reserve.

The company derecognises a financial obligation arising from an insurance contract when its either fulfilled, expired or terminated.

d) Reinsurance treaties

The benefits resulting for the insurance company from the reinsurance treaties are recognized in the asset account "Receivables from reinsurers". Liabilities to the reinsurers mainly represent the payable reinsurance premiums. The company reviews whether the receivables from the reinsurers have been impaired at the financial statement date and if this is the case it reduces their accounting value and recognizes the impairment loss in the income statement.

3.26 Inventories

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In case of manufactured inventories and work in progress, cost also includes an appropriate share of overheads based on normal operating capacity.

3.27 New Standards

Some of the new standards, amendments and interpretations issued, are not effective for the financial period ended as at 31 December 2009, and have not been adopted for the preparation of these financial statements. None of these is anticipated to have a great impact on the Group's financial statements except for the following:

- IFRS 9 "Financial Instruments". This standard has not been adopted yet from the European Union and must be applied starting 1 January 2013 with early adoption permitted.

  On 12 November 2009 the IASB issued IFRS 9: Financial Instruments as the first step in its project to replace IAS 39. IFRS 9 introduces new requirements for classifying and measuring financial assets which are different from those stated in IAS 39 regarding financial assets.

  This standard divides all financial assets into two classifications – those measured at amortised cost and those measured at fair value. Financial assets are measured at amortised cost as long as they meet the following two conditions: a) The objective of the entity's business model is to hold these financial assets in order to collect the contractual cash flows, and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. Otherwise, financial assets must be measured at fair value. This standard eliminates the related categories mentioned in IAS 39, "Held to maturity", Loans and advances" and "Available for sale".

  Based on IFRS 9, equity investments which are not held for commercial purposes can be initially measured at fair value through comprehensive income, recognized directly to equity. Comprehensive income cannot be transferred afterwards to profit & loss. However, dividends from these investments are recognized in profit & loss, unless they present recovery of part of the investment's cost. In this case they are recognized in comprehensive income. In case the company does not choose to recognize the equity investment's change in fair value in comprehensive income, it may recognize it in the profit & loss.

  Furthermore, in case the main contract comes under IFRS 9, an embedded derivative should not be divided while the accounting treatment of the hybrid contract should be based on the above mentioned classification of financial instruments.

  The Group is currently estimating the potential effects that the adoption of this standard may have on the financial statements. Due to the nature of the Group's business activities, the adoption of this standard is expected to have a significant impact on its financial statements.

4. RISK MANAGEMENT

This note provides details of the Group's exposures to risks and describes the methods used by management to control risk. The most important types of financial risk to which the Group is exposed are credit risk, liquidity risk, market risk, operational risk and insurance risk.

Operational activity and profitability of the Group are directly conjunct with financial risk management.

The risk management framework of the Group has been determined in compliance with the Bank Of Greece directive 2577/06 and is shortly presented as below:

The **Board of Directors** has overall responsibility for the establishment of the Group's risk management framework and has established the **Assets and Liabilities Committee** (ALCO) and the **Risk Management Committee**.

The **Risk Management Committee** is responsible for developing and monitoring the Group's management principles and policies as set by the Bank Of Greece directive 2577/06.

Within the Bank's Internal Audit system's framework, the **Risk Management Department** operates as an independent unit, which through the directions of the Risk Management Committee and the Board of Directors, has the responsibility for planning, implementation and overseeing the effectiveness of the risk management system. Risk management controls and procedures are succumbed to the **Internal Audit Department** regular supervisions and reviews.

The overview and monitoring of Financial instruments risks such as Credit, Liquidity, Currency, Interest rate, Market and Operational are constantly evolved and improved.

Risk management policies and systems are reviewed on annual basis, in order to reflect changes in offering products, market prospects and international conditions.

4.1 Credit risk

The Group takes an exposure to credit risk, which is the risk that a counterparty will be unable to pay an amount in full when due. The Group's overall exposure to credit risk, is influenced mainly from the approved credit limits and financing of corporate and retail credit, from the Group's investment and transaction activities, from trading activities in the derivative markets, as well as from the settlement of financial instruments. The level of risk associated with any credit exposure depends on various factors, including the general economic and market conditions prevailing, the debtors' financial condition, the amount, the type, and duration of the exposure, as well as the presence of any collateral/security (guarantees).

For more effective risk management, the development of standard procedures is implemented, which is analyzed according to international practice in the following three steps:

- <u>Assessment and determination of credit risk on an higher level</u>. This procedure is related with the Group's overall estimation and measurement of exposure to credit risk on all financial instruments, as well as the determination of the accepted level of credit risk undertaken.
- <u>Assessment and measurement of credit risk on the client's assessment and approval level</u>. This procedure concerns the determination of risk in the financing activities on a daily basis, and is performed by the authorized client Departments of the Group (Branches and Divisions).

- Credit risk monitoring during the contractual financing. This procedure is related with the assurance of proper fulfilling or taking the right measures in case of defaulting on the client's contractual financing obligations.

The Group sets the undertaken credit risk level by determining acceptable credit risk limits which are approved by decisions of the Group's related authorized Departments.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these credit limits where appropriate.

For credit risk management, the Group has applied a credit rating model, which consists of 11 grades, which correspond to the different levels of credit risk, the collateral/security or any other guarantees.

The basic principles of the Group's credit risk management are:

- Every financing should be approved by the Bank's related authorities (General Loan Meeting, Central Client Department Meeting, Head of Central Client Department, Branch).
- Every financing approval should be made under the evaluation of the customer's creditworthiness and risk assessment.
- The total financing amount approved by the unit, should not exceed the monthly credit risk level set for the unit.
- Every material change in financing such as duration, collateral or general term in the initial contract, should be approved by the Group's relevant authority level.
- The Central Client Departments apply strictly the financing procedures manual and internal directives, in order to make their approvals. Internal directives report the procedures which should be applied for issues such as credit limits per customer, credit risk limits, customer evaluation based on a criteria total, collateral/security evaluation, etc.
- Counterparty's approval of credit limits and lines of credit management, should be consistent with the Group's credit risk policies as well as with the regulatory framework requirements.

4.1.1 Credit risk measurement

Loans and advances

Credit risk of loans and advances consists of the following risks:

- Counterparty risk
- Collateral/security risk
- Product risk

Basic factor of the financing approval procedure, constitutes the evaluation of the customer's creditworthiness and the credit risk assessment derived from this financing.

For customers' creditworthiness evaluation, as mentioned above, an 11th-grade credit rating model is applied under the new credit risk management framework of procedures and monitoring the customers' behavior.

The model initially set on 2000, is on line with the Group's main Information Technology system and is constantly evolved and improved on an annual basis.

There are different methods of scoring the customers' creditworthiness according to the grade in which they are included:

- Agricultural credit Scoring
- Private credit Scoring
- Small and medium sized entities credit Scoring
- Entities credit Scoring

The credit scoring methods constitute evaluation standards of the customers' creditworthiness, which assess information of the customers' initial claim and their behavior thereafter (mixed standards). The Group, is expected to develop more creditworthiness standards for the retail credit in Group basis, both for application scoring and behavioral scoring.

The credit scoring methods are used for financing assessment which is included in the corporate portfolio of the Group and are segregated according to the type and the size of the firm.

According to the scoring method applied, the customer's scoring is combined with the probability of defaulting on his contractual obligations and the expected loss of the non performing loan is calculated.

The calculation of the expected loss is presented on a real time on-line system and is based on the estimation of the probability of defaulting on the customer's contractual obligations, on collateral/security, on duration and on other transaction characteristics.

Other credit risk products

For the credit risk estimation of other financial products (besides loans and advances), mainly, external ratings from international rating agencies are used. According to the product type, other factors such as the country risk, the existence of any collateral/security, the transaction characteristics, are taken into account.

4.1.2 Credit risk monitoring and management

a) Limits

The Group has applied credit limits in order to manage and control its credit risk exposure and concentration.

Specifically, monthly credit limits per financing approval unit have been set, and their monitoring is applied on a real time on-line system through the internal credit rating model. The overall credit risk limit is a result of the combined calculation of the counterparty's creditworthiness and the existence and quality of collateral/security which reduce the undertaken credit risk level.

Credit risk limits are revaluated on an annual or more often basis and the amount balances along with the customers' behavior are closely monitored by the Group's account officers.

In order to manage and control the credit risk derived from financing in the corporate, agricultural and private sector, personal guarantee limits according to the counterparties' creditworthiness have been applied.

Apart from that, credit limits according to the counterparties' credit lines ratings, against exposure to financial institutions or countries, have been applied. In cases of foreign credit risk, the foreign country risk is taken into account.

Additionally, the credit risk of the Group, is controlled through the implementation of limits on daily positions on financial instruments.

b) Risk mitigation techniques

The Group, in order to minimize the overall credit risk undertaken, requires collateral/security, specifically when the counterparty's creditworthiness is not well, or when it is estimated that the financing or credit limit amount exceeds the personal guarantee limit set every time.

Specific directions and orders concerning acceptable collateral/security have been issued and applied, and their valuation is carefully calculated at the time of approval but also with constant revaluations according to the type of collateral/security. The value which is accounted and calculated in order to minimize the level of risk assumed, is reduced by a specific ratio (haircut), which differs according to the type of collateral/security and is applied in order to offset its value impairment risk in case of mandatory liquidation of the Group's claims as well as any probable litigation fees.

Collateral/security undertaken include the following main categories:

1. Mortgages on real estate property

2. Pledged
   - Deposits
   - Cheques
   - Stocks
   - Bonds or other financial instruments
   - Mutual fund shares

3. Bank letters of guarantee

4. Assignments of claims against quality certifications

4.1.3. Stress test

Stress tests scenarios are used for the calculation of changes in the estimated loss and capital adequacy of the Group in case of extreme financial / market conditions, for better risk management purposes.

The Group according to the Bank of Greece Directives systematically runs annual credit risk **stress testing exercises**. Moreover, credit risk stress testing exercises for extreme financial / market conditions have been run, the results of which have been taken into account for the calculation of the final amount of allowance for uncollectibility.

4.1.4. Allowance for uncollectibility policies

The Group applies allowance for uncollectibility policies which aim to the estimation of an adequate amount of allowance which offset the expected loss of uncollectibility. The internal grade credit rating model is used for the estimation of allowance for uncollectibility. Apart from the above, the Group when required, estimates collectively provisions against risks which are not specifically determined.

The tables below present the Group's maximum exposure to credit risk as at 31.12.2009 and 31.12.2008 concerning loans and advances to customers, loans and advances to banks and investment securities, without the calculation of any collateral/security or other guarantees and according to their credit scoring. The credit lines are based on their carrying amount.

a) Loans and advances to customers

(Amounts in thousand Euro)		**31/12/2009**		**31/12/2008**	
Grade		**Loans and advances to customers**	**Allowance for uncollectibility**	**Loans and advances to customers**	**Allowance for uncollectibility**
Individually impaired					
A1-A3	**Acceptable risk**	4.124.535	(16.400)	5.424.616	(15.050)
B1-B3	**Low-fair-risk**	6.485.063	(81.251)	6.283.073	(43.325)
Γ1-Γ2	**Mid-fair risk**	5.585.924	(156.155)	4.489.291	(87.865)
Δ1-E1	**High-fair risk**	6.187.071	(463.760)	4.890.018	(270.417)
Z1	**Impaired**	778.312	(533.261)	568.318	(384.678)
		23.160.905	**(1.250.827)**	**21.655.316**	**(801.335)**
Ageing of loans portfolio					
0-90 days		21.178.187	(593.546)	20.174.963	(358.788)
90-180 days		330.536	(12.933)	221.686	(11.850)
180-360 days		448.380	(82.983)	655.523	(163.694)
360 days +		1.203.802	(561.365)	603.144	(267.003)
		23.160.905	**(1.250.827)**	**21.655.316**	**(801.335)**

b) Loans and advances to banks

(Amounts in thousand Euro)		31/12/2009		31/12/2008	
Grade		Loans and advances to banks	Allowance for uncollectibility	Loans and advances to banks	Allowance for uncollectibility
Neither past nor impaired					
A1-A3	**Acceptable risk**	2.429.149	0	957.350	0
B1-B3	**Low-fair-risk**	0	0	96	0
		2.429.149	**0**	**957.446**	**0**

c) Investment securities

(Amounts in thousand Euro)		31/12/2009		31/12/2008	
Grade		Investment securities	Allowance for impairment	Investment securities	Allowance for impairment
Neither past nor impaired					
A1-A3	**Acceptable risk**	3.557.391	0	2.083.233	0
B1-B3	**Low-fair-risk**	0	0	5.255	0
Γ1-Γ2	**Mid-fair risk**	0	0	9.373	0
E1	**Watch list**	2.406	0	0	0
		3.559.797	**0**	**2.097.861**	**0**

Impairment of loans and advances to banks and customers and investment securities

Impaired loans and investment securities are those for which the Group considers that the counterparty will not be able to meet interest and capital repayment of his contractual obligations.

Allowance for uncollectibility

Impairment provisions are provided for losses that have been incurred at the balance sheet date. Significant changes in the economy or in the health of a particular industry segment that represents a concentration in the Group's portfolio, could result in losses that are different provided for at the balance sheet date. Management therefore carefully manages its exposure to credit risk.
Allowance for uncollectibility consist of the allowance for loans and advances which are assessed on an individual basis as material, and of the allowance for loans and advances which are included in categories with similar credit risk characteristics and are collectively assessed.

Write offs
The Group writes off a loan or an investment security when it is asserted as uncollectible or due to the counterparty’s objective inability to fulfil his contractual obligations, or when the collateral/security liquidation amount is not adequate for the repayment of his contractual remaining obligation. The Group continues the monitoring of its write-offs for the case of potential recovery.

Collaterals / Securities

The Group undertakes collateral/security or and guarantees against its customers’ credit risk, reducing the overall credit risk and assuring the on time repayment of its claims. The fair value of collateral/security and guarantees is revaluated regularly. The accepted collateral/security and the respective fair value per category is presented in the table below:

(Amounts in thousand Euro)

	31/12/2009		31/12/2008	
	Loans and advances to customers	**Loans and advances to banks**	**Loans and advances to customers**	**Loans and advances to banks**
Against neither past due nor impaired				
1. Property	9.213.638	0	7.871.289	0
2. Cheques-Cash	281.694	0	354.466	0
3. Debt securities-Equity	65.232	1.047.536	124.753	338.005
4.Other	1.960.055	0	1.709.252	0
5. Sovereign guarantees	6.395.684	0	7.480.128	0
6. Machinery	35.241	0	31.794	0
Total	17.951.544	1.047.536	17.571.682	338.005
Against past due but not impaired				
1. Property	1.042.034	0	895.892	0
2. Cheques-Cash	6.717	0	6.245	0
3. Debt securities-Equity	2.060	0	28.878	0
4.Other	136.649	0	79.203	0
5. Sovereign guarantees	169.318	0	411.486	0
6. Machinery	18.179	0	3.882	0
Total	1.374.957	0	1.425.586	0
Against impaired				
1. Property	15.707	0	1.496	0
2. Cheques-Cash	0	0	9	0
3. Debt securities-Equity	0	0	0	0
4.Other	56	0	32.855	0
5. Sovereign guarantees	0	0	0	0
6. Machinery	0	0	0	0
Total	15.763	0	34.360	0
Total	**19.342.264**	**1.047.536**	**19.031.628**	**338.005**

The Group monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk at the reporting date (before the deduction of allowance for uncollectibility) is shown below:

(Amounts in thousand Euro)

	Loans and advances to customers		Loans and advances to banks		Available-for-sale securities		Held-to-maturity securities	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**	**31/12/2009**	**31/12/2008**	**31/12/2009**	**31/12/2008**
Concentration by sector								
- Corporate	5.945.678	5.242.872	0	0	52.995	97.410	0	11.000
- Sovereign	5.934.963	6.230.898	0	0	1.922.924	598.866	827.555	164.082
- Bank	332.278	333.557	2.429.149	957.446	734.462	1.226.503	21.861	0
- Retail	10.947.986	9.847.989	0	0		0	0	0
	23.160.905	**21.655.316**	**2.429.149**	**957.446**	**2.710.381**	**1.922.779**	**849.416**	**175.082**
Concentration by location								
- Greece	22.581.150	21.096.345	1.240.105	483.931	2.437.327	1.358.628	816.851	170.070
- Europe	300.738	291.981	1.081.102	321.322	137.390	422.557	32.565	5.012
- America	111.253	61.898	88.242	142.451	118.499	50.456	0	0
- Other	167.764	205.092	19.700	9.742	17.165	91.138	0	0
	23.160.905	**21.655.316**	**2.429.149**	**957.446**	**2.710.381**	**1.922.779**	**849.416**	**175.082**

The concentration risk per geographical sector for loans and advances to customers and banks, is based on the region to which the Group operates and it is highly correlated to the counterparty's registered office, while for investment securities according to the issuers registered office.

4.2 Liquidity risk

Liquidity risk arises in the general funding of the Group's activities and in the management of its market positions. The Group considers liquidity risk as the risk of not being capable of financing an increase in its assets as well as of managing its liabilities on time without any negative influence on its daily business activities and its financial condition.

The Group has access to a diverse funding base. Funds are raised using a broad range of instruments including deposits, debt securities and share capital. This enhances funding flexibility, limits dependence on any one source of funds and generally lowers the cost of funds. The Group strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. The Group continually assesses liquidity risk by identifying and monitoring changes in funding required to meet business goals and targets set in terms of the overall Group strategy.

The Group calculates and monitors, on a regural basis, the liquidity ratio "Liquid Assets / Total Liabilities" as well as other ratios with a view to detect any potential liquidity problems. The liquidity ratio is the ratio of liquid assets to total deposits and other liabilities with maturity within a year. Liquid assets include cash and cash equivalent as well as investment grade debt securities for which there is an active and liquid market and those loans and advances to banks that their maturity is within next month.

The Group monitors the liquidity risk by examining and keeping schemes of alternative actions in order to face it. In this frame, the Group maintains a portfolio of non-trading securities that may be used for liquidity purposes according to 532/2006 of the Bank of Greece directive. Exertion of this ability would increase the above ratio up to 10% at the reference date.

The above mentioned ratio at the reporting date and during the reporting period were as follows:

	31/12/2009	31/12/2008
At 31 December	19,13%	17,17%
Average for the period	19,95%	18,63%
Maximum for the period	24,67%	20,37%
Minimum for the period	14,54%	15,00%

The table below shows the undiscounted cash flows on the Group's financial liabilities and letters of guarantee on the basis of their earliest possible contractual maturity. Those assets and liabilities lacking actual maturities (e.g. open accounts) or definitive repricing intervals (e.g. sight deposits or saving accounts) are assigned to the time band up to one month. The expected cash flows on these instruments may vary significantly from this analysis. The gross nominal inflow / (outflow) disclosed in the table below is the contractual, undiscounted cash flow on the financial liability or commitment. Financial assets and liabilities are offset and the net amount is reported in the financial statements when there is a legal enforceable right to offset recognized amounts and the transactions are intended to be settled on a net basis.

(Amounts in thousand Euro)

31/12/2009

	Carrying amount	Gross nominal (inflow) / outflow	Less than 1 month	1 - 3 months	3 - 6 months	6 months to 1 year	More than 1 year
Non-derivative liabilities							
Liabilities at fair value through profit or loss	931.587	931.587	0	0	0	0	931.587
Deposits from banks	6.478.819	6.578.967	1.444.576	1.434.838	574.116	3.116.595	8.842
Deposits from customers	22.595.987	22.696.623	16.961.519	2.705.758	1.715.741	1.307.195	6.410
Subordinated loans	248.794	295.575	2.037	0	2.009	4.846	286.683
	30.255.187	**30.502.752**	**18.408.132**	**4.140.596**	**2.291.866**	**4.428.636**	**1.233.522**
Derivative liabilities							
Trading: outflow	104.303	(202.201)	0	(2.201)	0	0	(200.000)
Trading: inflow	(25.838)	150.302	22	2.208	14.832	15.220	118.020
Risk management: outflow	0	(2.414.091)	(25.746)	(71.588)	(47.708)	(133.106)	(2.135.943)
Risk management: inflow	0	2.374.238	23.728	96.998	35.780	110.222	2.107.510
	78.465	**(91.752)**	**(1.996)**	**25.417**	**2.904**	**(7.664)**	**(110.413)**

Letters of Guarantee	0	376.582	90.146	250.381	0	28.538	7.517
	30.333.652	**30.787.582**	**18.496.282**	**4.416.394**	**2.294.770**	**4.449.510**	**1.130.626**

31/12/2008

	Carrying amount	Gross nominal (inflow) / outflow	Less than 1 month	1 - 3 months	3 - 6 months	6 months to 1 year	More than 1 year
Non-derivative liabilities							
Liabilities at fair value through profit or loss	0	0	0	0	0	0	0
Deposits from banks	4.971.653	4.987.131	4.720.328	25.110	226.814	14.879	0
Deposits from customers	20.965.347	21.206.961	16.400.613	2.416.047	1.472.969	915.574	1.758
Debt securities issued	0	0	0	0	0	0	0
Subordinated loans	446.156	522.298	4.606	2.537	5.324	206.641	303.190
	26.383.156	**26.716.390**	**21.125.547**	**2.443.694**	**1.705.107**	**1.137.094**	**304.948**
Derivative liabilities							
Trading: outflow	62.405	421.756	114.864	74.978	18.267	22.609	191.038
Trading: inflow	(25.786)	(459.367)	(112.351)	(72.043)	(18.366)	(25.499)	(231.108)
Risk management: outflow	0	1.624.343	2.221	72.462	30.804	108.297	1.410.559
Risk management: inflow	0	(1.631.045)	(1.928)	(70.631)	(31.318)	(107.497)	(1.419.671)
	36.619	**(44.313)**	**2.806**	**4.766**	**(613)**	**(2.090)**	**(49.182)**
	26.419.775	**26.672.077**	**21.128.353**	**2.448.460**	**1.704.494**	**1.135.004**	**255.766**

4.3 Market risk

The Group takes on exposure to market risks. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The Group applies modern methods for measuring market risk, such as "Value at Risk" model.

The value at risk valuation estimates the maximum possible loss in the net present value of the portfolio that can occur in a set time period and for a given confidence level, nevertheless it can not measure losses that can arise from extreme financial conditions. The Group uses a confidence level of 99% in order to carry out value at risk valuation (using the Monte Carlo method) for the daily time horizon.

The trading portfolio of the Group consists of bonds, shares and derivatives. The value at risk price for the whole trading portfolio as at 31 December 2009 was EUR 2,459 million (2008: EUR 5,086 million) and of which EUR 2,127 million (2008: EUR 2,677 million) related to interest rate risk, EUR 0,023 million (2008: EUR 5,026 million) for foreign exchange risk and EUR 0,563 million (2008: 0 million since there were no placements in stocks) for stock market risk. Due to the structure of the trading portfolio as of 31 December 2009 and the level of diversification a reduction of the value-at-risk of EUR 0,254 million (2008: EUR 2,621 million) has been accomplished.

The Group also applies a program based on backtesting to test the value at risk analysis by comparing daily the actual change in the value of the portfolio due to the changes in market prices with the respective value- at - risk figure. In 2009 there were 7 cases where the actual change in the value of the portfolio was larger than the Value-at-Risk estimate, while in 2008 4 instances had deen observed.

The above are summarized as follows as at 31 December 2009:

(Amounts in thousand Euro)

	At 31 December	Average	Maximum	Minimum
2009				
Foreign currency risk	23	628	2.443	5
Interest rate risk	2.127	1.464	2.799	410
Other price risk	563	556	628	451
Covariance	(254)	(253)	(331)	(111)
	2.459	**2.395**	**5.539**	**755**

2008				
Foreign currency risk	5.026	2.172	5.026	385
Interest rate risk	2.677	1.644	2.677	575
Other price risk	4	1.565	3.240	0
Covariance	(2.621)	(1.698)	(2.701)	(876)
	5.086	**3.683**	**8.242**	**84**

4.4 Currency risk

The Group takes on exposure to the effects of fluctuations in the prevailing exchange rates on its financial position and cash flows. The Board of Directors sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

The table below summarizes the Group's exposure to foreign currency exchange risk at 31 December 2009. Included in the table are the Group's assets and liabilities at carrying amounts, categorized by currency (the amounts are expressed in thousands of Euro):

At 31 December 2009

Assets	EUR	USD	GBP	OTHER	Total
Cash and balances with Central Bank	1.014.275	3.158	685	11.810	1.029.928
Loans and advances to banks	1.971.238	98.180	262.501	97.230	2.429.149
Trading securities	901.719	63	0	0	901.782
Derivative financial instruments	25.838	0	0	0	25.838
Loans and advances to customers	21.649.496	82.855	0	177.727	21.910.078
Investment portfolio	3.864.203	29.070	0	102.106	3.995.379
Investments in associates	188.147	0	0	0	188.147
Investment property	195.999	0	0	1.387	197.386
Property, plant and equipment	484.066	0	0	22.842	506.908
Intangible assets	25.978	31	0	689	26.698
Deferred tax asset	416.224	0	0	0	416.224
Other assets	1.202.575	11	453	7.987	1.211.026
Total assets	**31.939.758**	**213.368**	**263.639**	**421.778**	**32.838.543**
Liabilities					
Deposits from banks	6.298.619	0	0	180.200	6.478.819
Deposits from customers	22.282.475	184.416	14.187	114.909	22.595.987
Liabilities at fair value through profit or loss	931.587	0	0	0	931.587
Derivative financial instruments	104.303	0	0	0	104.303
Provision for employee benefits	40.121	0	0	0	40.121
Other liabilities	1.073.679	2.344	538	1.112	1.077.673
Subordinated loans	(89.647)	0	248.794	89.647	248.794
Total liabilities	**30.641.137**	**186.760**	**263.519**	**385.868**	**31.477.284**
Net on balance sheet position	**1.298.621**	**26.608**	**120**	**35.910**	**1.361.259**
Net off balance sheet position	**2.356.959**	**0**	**1.705**	**1.870**	**2.360.534**
At 31 December 2008					
Total assets	27.863.116	362.134	6.949	241.647	28.473.846
Total liabilities	27.155.690	233.212	16.681	137.607	27.543.190
Net on balance sheet position	**707.426**	**128.922**	**(9.732)**	**104.040**	**930.656**
Net off balance sheet position	**2.562.134**	**(119.013)**	**25.710**	**9.325**	**2.478.156**

4.5 Interest rate risk

Interest rate risk refers to financial assets' future cash flow changes due to interest rate fluctuations. These fluctuations also affect the present value of the anticipated cash flows deriving from an investment or a liability.

The Group applies an interest rate risk management policy that relies on simple maturity and repricing schedules (Interest Rate Gap Analysis).

The table below summarizes the Group's exposure to interest rate risks. Included in the table are the Group's assets and liabilities at carrying amounts, categorized by the earlier of contractual repricing or maturity dates. Those assets and liabilities lacking actual maturities (e.g. open accounts) or definitive repricing intervals (e.g. sight deposits or saving accounts) are assigned to the time band up to one month (amounts are expressed in thousands of Euro):

At 31 December 2009

Assets	Up to 1 month	1 - 3 months	3- 12 months	1 - 5 years	Over 5 years	Non-interest bearing	Total
Cash and balances with Central Bank	1.029.928	0	0	0	0	0	1.029.928
Loans and advances to banks	1.354.194	200.001	682.835	0	0	192.119	2.429.149
Trading securities	100.030	373.186	39.981	327.006	52.565	9.014	901.782
Derivative financial instruments	25.838	0	0	0	0	0	25.838
Loans and advances to customers	10.872.238	2.147.713	993.494	6.121.502	1.775.131	0	21.910.078
Investment portfolio	379.606	661.926	937.379	1.136.357	505.830	374.281	3.995.379
Investments in associates	0	0	0	0	0	188.147	188.147
Investment property	0	0	0	0	0	197.386	197.386
Property, plant and equipment	0	0	0	0	0	506.908	506.908
Intangible assets	0	0	0	0	0	26.698	26.698
Deferred tax asset	0	0	0	0	0	416.224	416.224
Other assets	1.466	96	0	23	0	1.209.441	1.211.026
Total assets	**13.763.300**	**3.382.922**	**2.653.689**	**7.584.888**	**2.333.526**	**3.120.218**	**32.838.543**
Liabilities							
Deposits from banks	1.450.214	1.362.303	3.666.298	4	0	0	6.478.819
Deposits from customers	17.019.136	2.597.532	2.973.313	6.006	0	0	22.595.987
Liabilities at fair value through profit or loss	288.678	0	642.909	0	0	0	931.587
Derivative financial instruments	104.303	0	0	0	0	0	104.303
Provision for employee benefits	0	0	0	0	0	40.121	40.121
Other liabilities	13.047	477	152.960	0	0	911.189	1.077.673
Subordinated loans	248.794	0	0	0	0	0	248.794
Total liabilities	**19.124.172**	**3.960.312**	**7.435.480**	**6.010**	**0**	**951.310**	**31.477.284**
Interest sensitivity gap	**(5.360.872)**	**(577.390)**	**(4.781.791)**	**7.578.878**	**2.333.526**	**2.168.908**	**1.361.259**
At 31 December 2008							
Total assets	14.129.019	1.941.667	2.192.033	5.128.571	2.225.760	2.856.796	28.473.846
Total liabilities	21.129.359	2.783.958	1.777.488	861.636	1.605	989.144	27.543.190
Interest sensitivity gap	**(7.000.340)**	**(842.291)**	**414.545**	**4.266.935**	**2.224.155**	**1.867.652**	**930.656**

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Group's financial assets and liabilities to various standard and non-standard interest rate scenarios. Standard scenarios that are considered on a monthly basis include a 100 basis point (bp) parallel fall or rise in all yield curves worldwide and a 50 bp rise or fall in the greater than 12-month portion of all yield curves.

(Amounts in thousand Euro)

	100 bp parallel increase	100 bp parallel decrease	50 bp increase after 1 year	50 bp decrease after 1 year
2009				
At 31 December	(345.992)	354.545	(195.599)	200.378
Average for the period	(366.426)	374.886	(207.780)	212.525
Maximum for the period	(409.378)	418.513	(227.333)	232.351
Minimum for the period	(339.468)	347.414	(195.599)	200.378
	(1.461.264)	**1.495.358**	**(826.311)**	**845.632**
2008				
At 31 December	(395.014)	404.975	(228.880)	223.257
Average for the period	(297.305)	298.619	(167.011)	166.609
Maximum for the period	(407.465)	404.975	(228.880)	235.295
Minimum for the period	(238.218)	242.682	(134.993)	132.514
	(1.338.002)	**1.351.251**	**(759.764)**	**757.675**

4.6 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

Group's standards for the management of operational risk include:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Compliance with Group's standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Audit Committee and senior management of the Group.

4.7 Insurance cover risk

The risk for any insurance contract is the possibility of the underwriting cover risk to incur and the uncertainty of the indemnity amount. Insurance cover risk is, by the nature of the contracts, likely and therefore unpredictable.
The major risk for the Group in a contract portfolio, the pricing and underwriting cover estimation of which are based on the probability theory, is the excess amount of indemnities over loss contingencies. Such thing could incur in the case where the incidence and the amount of underwriting loss is larger than the initially estimated.
The Group has adopted such an insurance policy in order to minimize the insurance cover risk. Thus, the claims that may rise by the insured clients should not exceed and if possible to be less than the expected claims of the insurance market.
The aggregate portfolio of underwriting cover risks comprises an excess number of different insurance risks and each insurance risk bracket includes a large number of similar insurance contracts. The result of such a portfolio is the risk diversification and the risk reduction. The insurance cover risk is also reduced through the reinsurance.

4.8 Capital management and capital adequacy

The Group's objectives when managing capital, which is a broader concept than the "equity" on the face of the balance sheets, are:

- To comply with the capital requirements set by the regulators of the Banking markets where the Bank operates;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management, employing techniques based on the guidelines developed by the Basel Committee and the European Community Directives, as implemented by the Bank of Greece. The required information is filed with the Authority on a quarterly basis.

Capital adequacy for the Group is measured according to the relevant direction of the Bank of Greece (Directive of the Bank of Greece 2563/05 & 2587/07), that applies the direction of the European Union relating to the capital adequacy of financial institutions and investment companies. According to the abovementioned direction subsidiaries that are either financial institutions or investment companies are consolidated according to the full consolidation method, while companies that belong to the insurance, industrial and commercial sector are consolidated using the equity method.

The Group's regulatory capital is divided into two tiers:
- Tier 1 capital
- Tier 2 capital

The risk-weighted assets are measured by means of a hierarchy of five risk weights classified according to their nature and reflect an estimate of credit, market and other risks associated with each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet exposure, with some adjustments aiming to reflect the nature of potential losses.

The capital adequacy ratio is determined according to Basel II. The new supervisory frame of capital adequacy, applicable from January 1st 2008, introduces capital claims against operational risk and includes amendments in the estimation of capital claims against credit risk.

The table below summarizes the composition of regulatory capital of the Group for the years ended 31 December 2009 and 2008 respectively.

Tier 1 Capital	**31/12/2009**	**31/12/2008**
Total equity (supervisory balance sheet)	1.355.488	916.352
Less: Intangible assets	(26.515)	(28.962)
Less: Proposed dividends	(41.425)	0
Adjustment and deductions according to Bank of Greece directive 2587/2007	(24.838)	(3.399)
	1.262.710	**883.991**
Tier 2 Capital		
Supplementary capital	248.794	444.156
Adjustment and deductions according to Bank of Greece directive 2587/2007	(111.617)	(148.223)
	137.177	**295.933**
Deductions from total regulatory capital	**(15.272)**	**(3.913)**
Regulatory capital	**1.384.615**	**1.176.011**
Risk-weighted assets	**15.099.626**	**13.708.656**
Capital adequacy ratio	**9,17%**	**8,58%**

The current capital adequacy ratio for the Group is estimated to be 9,17% for 2009, while Tier 1 ratio 8,36%. As at 21/05/2009 the Bank enforced regulatory equity by issuing preference shares of EUR 675 mil. according to article 1, Law 3723/2008 regarding the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis" (Note 38). Regulatory capital as at 31/12/2009 does not present equal increase to that of 2008 due to the redemption of a EUR 200 mil. subordinated loan (Tier II), as approved by the Bank of Greece (Note 36), and the loss for the year. The latter results from the increased impairment losses provisions made for the Bank's financial assets.

4.9 Fair value of financial assets and liabilities

The following table summarizes the fair values and the carrying amounts of those financial assets and liabilities that are not presented on the Group's balance sheet at their fair value.

(Amounts in thousand Euro)

31/12/2009

	Trading	Designated at fair value	Held-to-maturity	Loans and receivables	Available - for-sale	Other amortised cost	Total carrying value	Fair value
Cash and balances with Central Bank	0	0	0	0	0	1.029.928	**1.029.928**	1.029.928
Loans and advances to banks	0	0	0	2.429.149	0	0	**2.429.149**	2.431.094
Trading securities	901.782	0	0	0	0	0	**901.782**	901.782
Derivative financial instruments	25.838	0	0	0	0	0	**25.838**	25.838
Loans and advances to customers	0	2.122.509	0	19.787.569	0	0	**21.910.078**	25.943.768
Available-for-sale securities	0	0	0	0	3.145.963	0	**3.145.963**	3.145.963
Held-to-maturity securities	0	0	849.416	0	0	0	**849.416**	805.647
	927.620	**2.122.509**	**849.416**	**22.216.718**	**3.145.963**	**1.029.928**	**30.292.154**	**34.284.020**
Deposits from banks	0	0	0	0	0	6.478.819	**6.478.819**	6.505.292
Deposits from customers	0	0	0	0	0	22.595.987	**22.595.987**	22.670.108
Liabilities at fair value through profit or loss	0	931.587	0	0	0	0	**931.587**	931.587
Derivative financial instruments	104.303	0	0	0	0	0	**104.303**	104.303
Subordinated loans	0	0	0	0	0	248.794	**248.794**	272.897
	104.303	**931.587**	**0**	**0**	**0**	**29.323.600**	**30.359.490**	**30.484.187**

31/12/2008

	Trading	Designated at fair value	Held-to-maturity	Loans and receivables	Available - for-sale	Other amortised cost	Total carrying value	Fair value
Cash and balances with Central Bank	0	0	0	0	0	1.277.038	**1.277.038**	1.277.038
Loans and advances to banks	0	0	0	957.446	0	0	**957.446**	959.850
Trading securities	342.661	0	0	0	0	0	**342.661**	342.661
Derivative financial instruments	25.786	0	0	0	0	0	**25.786**	25.786
Loans and advances to customers	0	1.658.519	0	19.195.462	0	0	**20.853.981**	24.344.124
Available-for-sale securities	0	0	0	0	2.340.002	0	**2.340.002**	2.340.002
Held-to-maturity securities	0	0	175.082	0	0	0	**175.082**	117.398
	368.447	**1.658.519**	**175.082**	**20.152.908**	**2.340.002**	**1.277.038**	**25.971.996**	**29.406.859**
Deposits from banks	0	0	0	0	0	4.971.653	**4.971.653**	4.980.184
Deposits from customers	0	0	0	0	0	20.965.347	**20.965.347**	21.140.265
Derivative financial instruments	62.405	0	0	0	0	0	**62.405**	62.405
Subordinated loans	0	0	0	0	0	444.156	**444.156**	478.992
	62.405	**0**	**0**	**0**	**0**	**26.381.156**	**26.443.561**	**26.661.846**

- The fair value of loans and advances to banks and due to banks is based on discounting cash flows using money market rates for debts with similar remaining maturity.
- The fair value of loans and advances to customers is estimated by discounting expected future cash flows using suitable interest rates for instruments with similar maturity.
- The fair value for held to maturity portfolio is estimated using market prices.
- The fair value of due to customers is based on discounted cash flows using appropriate money market rates for instruments with similar maturity.

5. CRITICAL ACCOUNTING ESTIMATES, AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The Group upon preparing the financial statements makes estimates and judgments that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Impairment losses on loans and advances to customers

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. If such evidence exists, the recoverable amount of the financial asset or group of financial assets is calculated and an impairment provision is accounted. The impairment is recorded in the income statement. The estimates, judgments and the methodology implemented are assessed regularly so as the deviations between the impairment provision and the actual losses incurred are minimized.

5.2 Fair Value

For the presentation of assets and liabilities at fair value, the Group used current market prices for every financial instrument. For those assets and liabilities that their current market price was not available, the values that were derived by applying valuation methods do not differ much from their carrying values. Specifically:

1. The listed securities are valued at fair value, which is determined according to the current market price on the day of the balance sheet date.
2. Non listed securities are valued at cost of acquisition less any impairment.
3. Land and property is presented at deemed cost, which does not differ substantially from fair value.

5.3 Impairment of available for sale portfolio

The available for sale portfolio is measured at fair value with any changes in fair value recorded in a corresponding reserve. Impairment arises when there is a significant or prolonged decline in fair value below its cost. At such case the corresponding reserve is transferred to the income statement. The Bank has an approved policy by ALCO to recognize the impairment for securities classified as "Available-for-sale securities". Furthermore, estimates are used to determine the fair value of securities which are not quoted in active markets. For these financial instruments, fair value is calculated using financial models along with estimates for future segment variations and prospects, as well as the financial condition of the companies that are included in the Group's portfolio.

5.4 Fair value of financial assets

The Group's policy concerning the measurement of financial assets is presented in Note 3.11. The Group recognises financial assets at fair value based on the classification introduced by the IFRS 7 amendment as follows:

Level 1: measurement at fair value using quoted prices in active markets for identical assets or liabilities.
Level 2: measurement at fair value using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: measurement at fair value using inputs that are not based on observable market data.

The table shown below presents the Group's financial instruments classified according to objectivity of their fair value determination.

(Amounts in thousand Euro)

			31/12/2009		
	Note	**Level 1**	**Level 2**	**Level 3**	**Total**
Trading securities	20	901.782	0	0	**901.782**
Derivative financial instruments	21	2.933	22.905	0	**25.838**
Loans and advances to customers	22	0	2.122.509	0	**2.122.509**
Available for sale portfolio	23.1	3.143.655	2.308	0	**3.145.963**
		4.048.370	**2.147.722**	**0**	**6.196.092**

Liabilities at fair value through profit or loss	33	931.587	0	0	**931.587**
Derivative financial instruments	21	226	104.077	0	**104.303**
		931.813	**104.077**	**0**	**1.035.890**

5.5 Income tax

The Group is subject to income tax according to the tax legislation in Greece. The Group's tax obligations will be considered to be final after the completion of the relevant tax audit.
Due to the method that the tax obligations are finalized in Greece the Group remains contingent liable to additional taxes and penalties which may be assessed upon such examination. The Group has accounted a provision for the unaudited fiscal years due to historical data. Any differences that may arise from the tax audits for the unaudited fiscal years will be accounted in the year that will rise.

5.6 Guaranteed technical interest rate of insurance reserves

In life insurance contracts, due to long term coverage, interest rate is a major factor for the calculation of insurance premium. The interest rate, the calculation is based upon, is referred as guaranteed technical interest rate. A failure in the estimation of the guaranteed technical interest rate for the calculation of mathematical reserves is one of the factors which result in deficit or surplus in the mathematical reserves.
The Group in order to mitigate that risk, prices with lower guaranteed interest rate than the maximum limit set by the Ministry of Development.

5.7 Reserves for outstanding claims

For the assessment of the adequacy of the outstanding claims reserves the Insurance companies of the Group used the chain ladder / link ratio method, which is based on the hypothesis that the ratio observed in the past between accumulated losses (outstanding and paid) will be repeated in the future.
For the conduct of the relevant audit, data of the last five years were used.

6. SEGMENT REPORTING

6.1 Business sectors

The Group has 3 operating segments, as described below, which are considered to be its strategic sectors. These segments provide different services which are managed separately because different standards and promotion policy are required. For every single strategic sector, the Management assesses the internal reports on a monthly basis.

The segments are briefly described below:

a) Financial Sector – concerns Banking activities (retail and investment Banking) that constitute the main part of the Group's activities. This sector also comprises financial leases, brokerage activities, Fund management, credit card management e.t.c.

b) Commercial and Industrial Sector – concerns the industrial production and the provision of special services. Among the products are sugar and dairy products. The Group's activities refer to educational and advertising services.

c) Insurance Sector – exclusively concerns ATE INSURANCE's and ATE INSURANCE ROMANIA activities which include general damage insurances as well as life insurances.

Segment reporting for the year ended 31 December is as follows:

(Amounts in thousand Euro) **31/12/2009**

	Financial sector	Insurance sector	Commercial and industrial sector	Total
As at 31 December 2009				
Net interest income	750.823	12.524	(12.626)	750.721
Net fee and comission income	78.338	181	(69)	78.450
Net trading income	129.057	4.003	18	133.078
Dividend income	16.801	372	2	17.175
Other operating income	27.013	38.623	29.392	95.028
Total operating income	**1.002.032**	**55.703**	**16.717**	**1.074.452**
Impairment losses	(823.729)	0	(1.600)	(825.329)
Operating expenses	(571.435)	(41.962)	(52.629)	(666.026)
Operating Results	**(393.132)**	**13.741**	**(37.512)**	**(416.903)**
Income from associates	(2.575)	0	0	(2.575)
Profit/(loss) before tax	**(395.707)**	**13.741**	**(37.512)**	**(419.478)**
Tax	20.512	(4.198)	(1.901)	14.413
Intercompany transactions per sector	2.851	(10.262)	7.411	0
Profit/(loss) after tax	**(372.344)**	**(719)**	**(32.002)**	**(405.065)**
As at 31 December 2009				
Total assets per sector	33.925.163	720.740	469.627	35.115.530
Intercompany transactions per sector	(2.167.666)	(101.425)	(7.896)	(2.276.987)
Net equity and liabilities per sector	33.925.163	720.740	469.627	35.115.530
Intercompany transactions per sector	(1.896.183)	(24.555)	(356.249)	(2.276.987)

(Amounts in thousand Euro) **31/12/2008**

	Financial sector	Insurance sector	Commercial and industrial sector	Total
As at 31 December 2008				
Net interest income	622.180	16.324	(14.129)	624.375
Net fee and comission income	92.703	173	(101)	92.775
Net trading income	(13.839)	(5.003)	219	(18.623)
Dividend income	23.588	544	35	24.167
Other operating income	42.077	33.832	47.062	122.971
Total operating income	**766.709**	**45.870**	**33.086**	**845.665**
Impairment losses	(200.779)	0	(3.417)	(204.196)
Operating expenses	(546.016)	(45.786)	(47.386)	(639.188)
Operating Results	**19.914**	**84**	**(17.717)**	**2.281**
Income from associates	13.069	0	0	13.069
Profit/(loss) before tax	**32.983**	**84**	**(17.717)**	**15.350**
Tax	10.183	(7.387)	11.623	14.419
Intercompany transactions per sector	9.911	(10.450)	539	0
Profit/(loss) after tax	**53.077**	**(17.753)**	**(5.555)**	**29.769**
As at 31 December 2008				
Total assets per sector	29.127.589	680.455	504.044	30.312.088
Intercompany transactions per sector	(1.763.225)	(66.523)	(8.494)	(1.838.242)
Net equity and liabilities per sector	29.127.589	680.455	504.044	30.312.088
Intercompany transactions per sector	(1.468.770)	(17.896)	(351.576)	(1.838.242)

6.2 Geographic sectors

The table below shows the geographic allocation (secondary segment sectors) of assets, liabilities and income after tax. The allocation is based on the country the subsidiaries keep their headquarters.

(Amounts in thousand Euro)

	Greece	Other European countries	Total
As at 31 December 2009			
Profit/(loss) after tax	(424.889)	19.824	(405.065)
Intercompany transactions per sector	(6.140)	6.140	0
Profit/(loss) after tax	**(431.029)**	**25.964**	**(405.065)**
As at 31 December 2009			
Total assets per sector	34.244.511	871.019	35.115.530
Intercompany transactions per sector	(2.273.345)	(3.642)	(2.276.987)
Net equity and liabilities per sector	34.244.511	871.019	35.115.530
Intercompany transactions per sector	(2.198.050)	(78.937)	(2.276.987)
As at 31 December 2008			
Profit/(loss) after tax	14.315	15.454	29.769
Intercompany transactions per sector	2.235	(2.235)	0
Profit/(loss) after tax	**16.550**	**13.219**	**29.769**
As at 31 December 2008			
Total assets per sector	29.777.484	534.604	30.312.088
Intercompany transactions per sector	(1.835.062)	(3.180)	(1.838.242)
Net equity and liabilities per sector	29.777.484	534.604	30.312.088
Intercompany transactions per sector	(1.755.842)	(82.400)	(1.838.242)

Activities, in Greece, include all business sectors. In Europe, the Group's business activities take place in Romania, Serbia, Germany and Great Britain.

7. NET INTEREST INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Interest and similar income:		
Loans and advances to customers	1.016.056	948.171
Loans to banks	28.431	55.417
Finance leases	15.145	20.677
Debt instruments	110.136	195.837
	1.169.768	**1.220.102**
Interest expense and similar charges:		
Customer deposits	(318.746)	(455.911)
Bank deposits	(86.251)	(118.640)
Subordinated loans	(14.489)	(20.120)
	(419.486)	**(594.671)**
Net interest income	**750.282**	**625.431**

8. NET FEE AND COMMISSION INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Fee and commission income		
Loans and advances to customers	50.637	39.607
Money transfers	15.426	13.361
Mutual funds	3.810	4.928
Letters of guarantee	6.996	4.793
Equity brokerage	4.464	3.876
Credit cards	6.991	8.239
Import-exports	1.179	1.123
Other	26.593	44.912
	116.096	**120.839**
Fee and commission expenses		
Contribution to Savings Guarantee Fund	(14.285)	(12.604)
Other	(24.996)	(18.823)
	(39.281)	**(31.427)**
Net fee and commission income	**76.815**	**89.412**

9. NET TRADING INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Trading portfolio		
Gain minus Losses		
Derivative financial instruments	(13.346)	10.878
Foreign exchange differences	18.042	(5.248)
Sales		
Equity instruments	2.616	(22.617)
Debt instruments	66.970	14.563
Valuation		
Equity instruments	(1.888)	(11.804)
Debt instruments	25.088	(28.723)
Derivative financial instruments	18.351	15.027
	115.833	**(27.924)**

10. NET INVESTMENT INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Financial assets available for sale		
From sale		
Equity instruments	2.005	2.324
Debt instruments	19.317	(434)
Mutual Funds	0	230
Other	(4.077)	7.181
	17.245	**9.301**

11. DIVIDEND INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Trading securities	768	3.552
Available for sale securities	16.407	20.615
	17.175	**24.167**

12. OTHER OPERATING INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Gross profit on sale of goods and services	14.520	29.274
Insurance activities	23.937	19.178
Gain from the sale of fixed assets	6.300	13.828
Income from investment property	4.463	4.390
Income from sequential activities	3.665	7.658
Telecommunication fees	556	406
Other	8.796	11.768
	62.237	**86.502**

12.1. GROSS PROFIT ON SALE OF GOODS AND SERVICES

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Sales	369.707	319.291
Less: Cost of goods sold	(335.472)	(271.013)
Gross profit	34.235	48.278
Distribution expenses	(19.715)	(18.908)
Other related expenses	0	(96)
	14.520	**29.274**

12.2. INSURANCE ACTIVITIES

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
NON LIFE		
Premiums and other related income	156.968	136.845
Less: Reinsurance fees and similar expenses	(27.277)	(26.557)
Acquisition fees	(14.280)	(17.136)
Claim indemnities	(66.847)	(54.948)
Reinsurers' participation	(37.130)	(18.730)
	11.434	**19.474**
LIFE		
Premiums and other related income	56.179	56.315
Less: Reinsurance fees and similar expenses	(1.354)	(1.342)
Acquisition fees	(7.804)	(8.198)
Claim indemnities	(53.566)	(53.532)
Reinsurers' participation	19.048	6.461
	12.503	**(296)**
	23.937	**19.178**

13. STAFF COST

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Wages and salaries	(292.342)	(247.412)
Social security costs	(119.850)	(114.879)
Defined benefit plan costs (note 34)	(3.504)	(5.905)
Other staff costs	(16.389)	(30.334)
	(432.085)	**(398.530)**

The number of persons employed by the Group as at 31/12/2009 was 9.903 (2008: 9.458).

14. OTHER EXPENSES

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Third party fees	(31.572)	(32.732)
Advertising and promotion expenses	(16.741)	(26.461)
Telecommunication expenses	(13.977)	(14.489)
Insurance fees	(1.692)	(452)
Repairs and maintenance	(13.747)	(12.649)
Travel	(9.322)	(12.285)
Stationery	(5.045)	(4.089)
Utility services	(5.646)	(4.228)
Operating lease rentals	(17.021)	(17.184)
Other taxes	(7.693)	(12.340)
Other	(35.397)	(27.894)
	(157.853)	**(164.803)**

15. IMPAIRMENT LOSSES

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Loans and advances to customers	(619.525)	(195.635)
Available for sale portfolio	(168.518)	0
Participation in non listed equities	(7.285)	(2.865)
Other	(30.001)	(5.696)
	(825.329)	**(204.196)**

16. TAX

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Current tax	(2.248)	(5.337)
Non deductible taxes	(1.885)	0
Extraordinary contribution	(769)	0
Deferred tax	21.509	23.756
Tax provision for unaudited financial years	(2.194)	(4.000)
	14.413	**14.419**

The tax of the year was calculated on the basis of the current tax rate of 25% applicable from January 2007. According to Law 3697/2008, the tax ratio diminishes one percent every year from 2010 to become 20% in 2014.

In Greece the results reported to the tax authorities by an entity are considered provisional and subject to revision until such time as the tax authorities examine the books and records of the entity and the related tax returns are accepted as final. Therefore, entities remain contingently liable for additional tax and penalties, which may be assessed upon such examination. The fiscal years that the Bank and its subsidiaries have not been audited by the tax authorities are as follows:

A.T.E. Bank	2005 – 2009
A.T.E. Insurance	2008 -2009
A.T.E. Leasing	2005 – 2009
A.T.E. Cards	2006 – 2009
A.T.E. A.X.E.P.E.Y.	2007 – 2009
A.T.E. AEDAK	2007 – 2009
ATE Techniki Pliroforiki	2006 – 2009
Hellenic Sugar Company	2001 – 2009
Dodoni	2008 – 2009
Elviz	2005 – 2009

ATE RENT	2007 – 2009
ATE ADVERTISING	2007 – 2009
ATExcelixi	2007 – 2009
ATEbank ROMANIA	2005 – 2009
ATE INSURANCE S.A. ROMANIA	2007 – 2009

Due to the method under which the tax obligations are ultimately concluded in Greece, the Group remains contingently liable for additional taxes and penalties for the unaudited fiscal years.

For the unaudited years the relative provision has been accounted and as at 31/12/2009 it amounts to EUR 20,8 mil.

During the year, an extraordinary contribution was imposed upon the amount of companies' earnings which exceeds the amount EUR 5 mil. The Bank was charged with the amount of EUR 769 thousand for this purpose.

The reconciliation of the effective tax rate is as follows (in thousands of Euro):

	1/1 - 31/12/2009	**1/1 - 31/12/2008**
Profit / (loss) before tax	(419.478)	15.350
Income tax at 25% (2008: 25%)	0	(3.838)
Tax exempt revenues (corresponding tax)	10.109	6.004
Non-deductible expenses (corresponding tax)	(14.243)	(7.507)
Additional tax on property	0	4
Provision for unaudited tax years	(2.194)	(4.000)
Effect to deferred tax due to changes in tax rates	0	(25.237)
Extraordinary contribution	(769)	0
Effect of deferred tax on income statement	21.509	48.993
Tax	**14.413**	**14.419**

17. BASIC AND DILUTED EARNINGS / (LOSSES) PER SHARE

	1/1 - 31/12/2009	**1/1 - 31/12/2008**
Earnings/(losses) after tax (in thousands of euro)	(401.533)	27.849
Minus : accrued dividend to preference shareholders	(31.068)	0
Earnings/(losses) after tax attributable to the holders of common stocks	(432.601)	27.849
Weighted average of number of shares in issue	903.323.619	903.330.004
Basic and diluted earnings/(losses) per share (expressed in euro)	**(0,4789)**	**0,0308**

Basic earnings per share is calculated by dividing the net profit attributable to common shareholders by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

Diluted EPS is determined by adjusting the weighted average number of ordinary shares in issue during the year to dilutive potential ordinary shares. The latter are the preference shares issued to the Greek Government (Note 38). The conversion of the preference shares into ordinary ones as at 31/12/2009 was made based on article 1 of 54201/B 2884/26.11.2008 decision of the Ministry of Economy and Finance.

The diluted EPS at Group level is higher than the basic one and according to IAS 33 its disclosure is not obligatory.

18. CASH AND BALANCES WITH CENTRAL BANK

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Cash in hand	431.268	398.148
Balances with Central Bank	598.660	878.797
Mandatory deposits at Central Bank	0	93
	1.029.928	**1.277.038**

To compose the Statement of Cash Flows, the Group considers as cash and cash equivalents the following:

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Cash and balances with Central bank	1.029.928	1.277.038
Purchase and resale agreements of trading securities	794.552	123.021
Short-term placements with other banks	1.156.129	570.265
	2.980.609	**1.970.324**

19. LOANS AND ADVANCES TO BANKS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Current accounts	224.905	253.025
Other placements	1.051.419	361.400
Purchase and resale agreements of trading securities	1.152.825	343.021
	2.429.149	**957.446**

20. TRADING SECURITIES

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Greek government bonds	719.869	157.847
Corporate Bonds	166.934	184.680
Equity securities	14.979	134
	901.782	**342.661**

The Group, according to amendment of IAS 39, during 2008 proceeded to reclassifications of financial instruments as mentioned in Note 24.

21. DERIVATIVE FINANCIAL INSTRUMENTS

(Amounts in thousand Euro)	2009		2008	
	Fair Value		Fair Value	
	Asset	Liability	Asset	Liability
Foreign exchange derivatives				
Swaps	0	0	0	690
Options	243	178	0	0
Forward contracts				
Futures	2.933	226	0	0
Interest rate derivatives				
Swaps	22.662	103.899	25.786	61.715
	25.838	**104.303**	**25.786**	**62.405**

The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate fair values of derivative financial assets and liabilities, may significantly fluctuate from time to time.

The Group does not apply hedge accounting, therefore the gains and losses arising on derivative financial instruments are recognized in net trading income.

22. LOANS AND ADVANCES TO CUSTOMERS

(Amounts in thousand Euro)

22.1. Loans per sector	**31/12/2009**	**31/12/2008**
Credit cards	554.456	451.709
Consumer loans	1.448.037	1.187.666
Mortgages	6.762.483	6.140.814
Loans to private individuals	**8.764.976**	**7.780.189**
Loans to the agricultural sector	2.182.955	2.067.597
Corporate loans	3.301.419	3.361.953
Small and medium sized firms	2.525.037	1.758.726
Loans to corporate entities	**8.009.411**	**7.188.276**
Finance leasing	451.555	455.953
Loans to the public sector	5.934.963	6.230.898
	23.160.905	**21.655.316**
Less: allowance for uncollectibility	(1.250.827)	(801.335)
	21.910.078	**20.853.981**

An analysis for the credit risk from loan and advances to customers as well as its management is provided in note 4.1.

22.2. Movement in the allowance for uncollectibility	**2009**	**2008**
Balance at 1 January	**801.335**	**1.019.600**
Provision for impairment	619.525	195.635
Recoveries	(4.039)	(1.917)
Loans written-off	(165.911)	(411.633)
Exchange rate differences	(83)	(350)
Balance at 31 December	**1.250.827**	**801.335**

In order for a write off to be materialized, a proposal is submitted by the Write Off Committee, which is subsequently verified by the Asset and Liability Management Committee (ALCO) and the Board of Directors. Write offs are recorded on off balance sheet accounts in order to be monitored for prospective legal actions and probable collections.

23. INVESTMENT PORTFOLIO

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Available-for-sale securities	3.145.963	2.340.002
Held to maturity securities	849.416	175.082
	3.995.379	**2.515.084**

23.1. AVAILABLE-FOR-SALE SECURITIES

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Debt securities:		
Greek Government bonds	1.922.924	598.866
Corporate bonds	787.457	1.323.913
	2.710.381	1.922.779
Equity securities:		
Listed	348.120	318.976
Unlisted	2.308	20.725
Equity funds	19.053	21.386
	369.481	361.087
Mutual fund units	66.101	56.136
	3.145.963	**2.340.002**

All available-for-sale securities are carried at fair value, except, for the unlisted equity securities of EUR 2.308 thousand, (31/12/2008: EUR 20.725 thousand) which are carried at cost because fair value can not be easily determined.

The Group during 2009 estimating the greek and international financial environment and the ASE Index decline, and accordingly to its impairment policy as approved by ALCO, proceeded to the impairment of:

- non-listed securities of its portfolio of € 7.285 thousand
- listed securities of € 159.034 thousand
- corporate bonds of € 9.484 thousand.

The movement in the available-for-sale securities is summarized as follows:

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
At 1 January	**2.340.002**	**1.492.316**
Additions	1.637.326	1.325.867
Disposals	(853.125)	(78.256)
Transfer due to IAS 39	0	211.196
Impairment	(7.285)	(2.865)
Gains / (Losses) from changes in fair value	29.045	(608.256)
31 December	**3.145.963**	**2.340.002**

Analysis of additions and disposals follows:

(Amounts in thousand Euro)

	Additions	**Disposals**
Greek Government bonds	1.378.762	(10.434)
Equity Funds	858	(4.346)
Corporate bonds	250.194	(818.861)
Listed securities	4.252	(14.784)
Unlisted securities	319	(4.700)
Mutual funds	2.941	0
	1.637.326	**(853.125)**

23.2. HELD TO MATURITY SECURITIES

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Greek Government bonds	804.990	129.905
Foreign Government bonds	22.565	5.012
Corporate bonds	21.861	40.165
	849.416	**175.082**

Held to maturity securities mainly include Greek Government Bonds, that are held by the Group from the issue date and that the Group intends to hold until their maturity. The fair value of the above mentioned bonds as of 31/12/2009 is EUR 805.647 thousand (31/12/2008: EUR 117.398 thousand).

The above portfolio includes Greek Government bonds of € 675 mil. which the Bank received from the Greek State during its share capital increase through the issuance of preference shares (Note 38).

24. RECLASSIFICATIONS OF TRADING AND INVESTMENT PORTFOLIO

As at 01/07/2008 and 01/10/2008, according to the IAS 39 amendments, the Group reclassified its listed shares as well as other debt securities from "Trading securities" to "Available for sale securities", the fair value of which at 31/12/2009 is estimated to EUR 147,8 million. Their positive valuation of EUR 10,2 million for the period 01/01/2009 – 31/12/2009 is recognized on "Available-for-sale reserve" (the accumulated loss of valuation for the period 01/07/2008 – 31/12/2009 which is recognised on the same

reserve is EUR 23,4 million). This reserve was positively influenced by EUR 8,7 mil. from securities sales and by EUR 8,9 mil. from the impairment provision made for debt securities, which is presented in the income statement of 31/12/2009.
In addition, as at 31/12/2009 "Loans and advances to customers" include debt securities of fair value EUR 71,4 million (amortised cost EUR 68,2 mil.) which were reclassified from "Trading securities" (31/12/2008: amortised cost EUR 67,9 mil., fair value EUR 49,6 mil.). Also, "Loans and advances to customers" includes debt securities of EUR 61,9 million which were reclassified from "Available for sale securities" since these securities are not negotiated in an active market and for which an allowance for uncollectibility of EUR 43,2 million was formed in fiscal year 2008.
The Group has the intention and ability to retain the above-mentioned securities for the foreseeable future.

25. INVESTMENTS IN ASSOCIATES

The Group has the following investments in associates:

	Country	Value 2009	Value 2008	Ownership	
				2009	2008
FIRST BUSINESS BANK S.A.	Greece	57.214	75.727	49,00%	49,00%
SEKAP S.A.	Greece	0	0	44,33%	44,18%
AIK BANKA	Serbia	130.933	128.973	20,83%	20,83%
		188.147	**204.700**		

26. INVESTMENT PROPERTY

(Amounts in thousand Euro)

	Land	Buildings	Total
1 January 2008			
Cost	127.976	76.420	204.396
Accumulated Depreciation	0	(29.631)	(29.631)
Net book value	**127.976**	**46.789**	**174.765**
2008			
Opening net book value	127.976	46.789	174.765
Additions	3.352	4.384	7.736
Disposals	(7.964)	(3.658)	(11.622)
Depreciation charge	0	(4.179)	(4.179)
Depreciation of disposals	0	1.977	1.977
Transfer	19.345	(37)	19.308
Net book value	**142.709**	**45.276**	**187.985**
31 December 2008			
Cost	142.709	77.109	219.818
Accumulated Depreciation	0	(31.833)	(31.833)
Net book value	**142.709**	**45.276**	**187.985**
2009			
Opening net book value	142.709	45.276	187.985
Additions	3.966	10.581	14.547
Disposals	(2.678)	(2.122)	(4.800)
Depreciation charge	0	(3.837)	(3.837)
Depreciation of disposals	0	903	903
Transfer	2.048	540	2.588
Net book value	**146.045**	**51.341**	**197.386**
31 December 2009			
Cost	146.045	86.108	232.153
Accumulated Depreciation	0	(34.767)	(34.767)
Net book value	**146.045**	**51.341**	**197.386**

Investment property are properties that the Group holds either to earn rental income or capital appreciation.

The Group has included as investment property, land and buildings that have come into its possession from the foreclosure of non-performing loans. In accordance with local banking regulations banks are required to dispose of foreclosed property within three years, however, extensions to this holding period can be approved by the Bank of Greece. The average holding period for the Group is 3 years.

The net book value of this property as at 31 December 2009 was EUR 93.593 thousand (2008: EUR 91.670 thousand).

27. PROPERTY, PLANT AND EQUIPMENT

(Amounts in thousand Euro)

	Land	Buildings	Furniture and Equipment	Leasehold Improvements	Under Construction	Total
At 1 January 2008						
Cost	199.917	275.402	287.655	23.810	33.205	819.989
Accumulated Depreciation	0	(86.492)	(206.456)	(12.430)	0	(305.378)
Net book value	**199.917**	**188.910**	**81.199**	**11.380**	**33.205**	**514.611**
2008						
Opening net book value	199.917	188.910	81.199	11.380	33.205	514.611
Exchange differences (cost)	2	(3.921)	(9.392)	0	0	(13.311)
Exchange differences - (depreciation charge)	0	3.264	9.850	0	0	13.114
Additions	821	6.653	26.634	2.686	11.370	48.164
Disposals	(1.396)	(4.850)	(10.867)	(346)	(2.990)	(20.449)
Depreciation charge	0	(10.594)	(15.581)	(3.069)	0	(29.244)
ATEbank ROMANIA Goodwill allocation-depreciation	0	(8)	0	0	0	(8)
Impairment (depreciation charge)	0	(1)	(37)	0	0	(38)
Depreciation of disposals	0	809	3.873	535	0	5.217
Transfer	(19.258)	13.668	0	1.045	(14.763)	(19.308)
Net book value	**180.086**	**193.930**	**85.679**	**12.231**	**26.822**	**498.748**
31 December 2008						
Cost	180.086	286.952	294.030	27.195	26.822	815.085
Accumulated Depreciation	0	(93.022)	(208.351)	(14.964)	0	(316.337)
Net book value	**180.086**	**193.930**	**85.679**	**12.231**	**26.822**	**498.748**
2009						
Opening net book value	180.086	193.930	85.679	12.231	26.822	498.748
Exchange differences (cost)	113	(2.421)	(5.762)	0	0	(8.070)
Exchange differences - (depreciation charge)	0	3.514	7.600	0	0	11.114
Additions	1.439	12.603	27.365	3.502	8.750	53.659
Disposals	(1.659)	(2.530)	(11.368)	(468)	(3.479)	(19.504)
Depreciation charge	0	(11.008)	(19.239)	(3.412)	0	(33.659)
Depreciation of disposals	0	519	6.428	261	0	7.208
Transfer	(2.048)	(79)	0	76	(537)	(2.588)
Net book value	**177.931**	**194.528**	**90.703**	**12.190**	**31.556**	**506.908**
31 December 2009						
Cost	177.931	294.525	304.265	30.305	31.556	838.582
Accumulated Depreciation	0	(99.997)	(213.562)	(18.115)	0	(331.674)
Net book value	**177.931**	**194.528**	**90.703**	**12.190**	**31.556**	**506.908**

28. INTANGIBLE ASSETS

(Amounts in thousand Euro)

	Software	Excess over cost	Total
At 1 January 2008			
Cost	32.180	24.397	56.577
Accumulated Amortization	(24.009)	0	(24.009)
Net book value 01/01/2008	**8.171**	**24.397**	**32.568**
Plus:			
Additions	2.838	0	2.838
Exchange differences	(367)	(2.595)	(2.962)
Minus:			
Amortization	(3.610)	0	(3.610)
Exchange differences	248	0	248
Net book value 31/12/2008	**7.280**	**21.802**	**29.082**
Plus:			
Additions	2.461	0	2.461
Exchange differences	(133)	(1.024)	(1.157)
Minus:			
Amortization	(3.727)	0	(3.727)
Exchange differences	39	0	39
Net book value 31/12/2009	**5.920**	**20.778**	**26.698**
Cost	34.651	21.802	56.453
Accumulated Amortization	(27.371)	0	(27.371)
Net book value 31/12/2008	**7.280**	**21.802**	**29.082**
Cost	36.979	20.778	57.757
Accumulated Amortization	(31.059)	0	(31.059)
Net book value 31/12/2009	**5.920**	**20.778**	**26.698**

The Group tested the goodwill from the acquisition of ATEBank Romania and AIK BANKA (Serbia) for impairment and concluded that there is no indications for impairment.

More specifically, the examination was based on IAS 36 according to which an asset is impaired when its carrying amount is greater than the recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

The most important admissions for the test of impairment are:

- The recent business and budgetary plans of the banks.
- Discount rate: the appropriate discount rate was estimated based on the banks' cost of equity taking into account the international economic instability and the development perspective of Romania and Serbia as well as that of banks.
- Rate of development in perpetuity: the development perspective of the two countries, the expected inflation, the development perspective of the banking sector in the two countries, the recent sizes of the two banks and their development perspective were all taken into consideration.
- Exchange rates: the provision and discount of the two banks' cash flows were estimated at the local currency. The results were translated into euro using the exchange rates of 31.12.2009.

29. DEFERRED TAX ASSET

Deferred tax assets and liabilities are attributable to the following:

	31/12/2009	31/12/2008
Deferred tax asset:		
Provision for impairment losses on customer loans	230.289	187.404
Employee benefits	5.937	6.465
Provision for potential liabilities	16.350	19.785
Securities portfolio	101.577	154.046
Other temporary differences	2.778	0
Tax losses carry forward	70.311	87.107
	427.242	**454.807**
Deferred tax liability:		
Intangible assets	1.395	975
Property, plant and equipment	766	4.560
Derivative financial instruments	8.857	6.489
Other temporary differences	0	2.194
	11.018	**14.218**
Net deferred tax asset	**416.224**	**440.589**

Movement in temporary differences during the year

(Amounts in thousand Euro)

	Balance 1 January 2009	Recognized in income	Recognized in equity	Balance 31 December 2009
Intangible assets	(975)	(58)	(362)	(1.395)
Provision for impairment losses on customer loans	187.404	42.885	0	230.289
Employee benefits	6.465	(528)	0	5.937
Other temporary differences	(2.194)	4.972	0	2.778
Property, plant and equipment	(4.560)	3.794	0	(766)
Derivative financial instruments	(6.489)	(2.368)	0	(8.857)
Securities portfolio	154.046	(6.957)	(45.512)	101.577
Tax losses carry forward	87.107	(16.796)	0	70.311
Provisions for contingent liabilities	19.785	(3.435)	0	16.350
	440.589	**21.509**	**(45.874)**	**416.224**

(Amounts in thousand Euro)

	Balance 1 January 2008	Recognized in income	Recognized in equity	From sale of Subsidiaries	Balance 31 December 2008
Intangible assets	181	(657)	(483)	(16)	(975)
Provision for impairment losses on customer loans	284.040	(96.636)	0	0	187.404
Employee benefits	6.905	(515)	0	75	6.465
Other items	(10.122)	8.108	0	(180)	(2.194)
Property, plant and equipment	(5.050)	490	0	0	(4.560)
Derivative financial instruments	(3.419)	(3.070)	0	0	(6.489)
Securities portfolio	0	62.136	91.910	0	154.046
Tax losses carry forward	28.605	58.530	0	(28)	87.107
Provisions for contingent liabilities	24.417	(4.630)	0	(2)	19.785
	325.557	**23.756**	**91.427**	**(151)**	**440.589**

According to Law 3697/2008 regarding the gradual reduction of the tax ratios from 2010 till 2014, the Group reestimated its deferred tax assets and liabilities based on the new tax ratios and recorded the impact from the reduction on the financial statements.

The temporary differences, arising from the valuation of securities, result from taxation imposed by the Law 3634/2008, given that the Group has listed shares in the Athens Stock Exchange and it is likely to offset gains from their sale with the loss from their valuation.

30. OTHER ASSETS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Prepaid expenses	5.437	2.747
Tax advances and other tax receivables	49.957	34.503
Accrued interest and commissions **(30.3)**	198.426	144.421
Other receivables from public sector	153.015	199.348
Cheques and notes receivables	57.919	64.672
Receivables from pension fund	96.745	89.336
Customers **(30.2)**	177.522	159.251
Inventories **(30.1)**	181.756	176.576
Additional contribution to Savings Guarantee Fund	108.053	50.415
Other	182.196	219.477
	1.211.026	**1.140.746**

30.1. INVENTORIES

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Raw materials	3.154	3.322
Auxiliary materials	1.207	1.051
Work-in-progress	3.743	3.504
Packaging materials	1.114	875
Consumables	7.463	6.661
Spares parts	9.219	9.545
Other Inventories	94	133
Finished Goods	155.762	151.485
	181.756	**176.576**

The inventory primarily relates to finished goods held by the Hellenic Sugar Company.

30.2. CUSTOMERS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Receivables from insurance contracts	56.798	49.068
Receivables from reinsurance contracts	30.580	27.667
Less: Allowance for uncollectibility	(10.351)	(5.851)
Receivables from insurance contracts/customers	77.027	70.884
Receivables from insurance customers	136.613	119.850
Less: Allowance for uncollectibility	(36.118)	(31.483)
Receivables from customers	100.495	88.367
	177.522	**159.251**

30.3. ACCRUED INTEREST AND COMMISSIONS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Accrued interest from Public sector	75.400	19.168
Accrued interest from Private sector	11.277	18.833
Accrued interest from loans	102.571	103.883
Accrued interest from money market	1.562	2.210
Public sector commissions	6.930	252
Other	686	75
	198.426	**144.421**

31. DEPOSITS FROM BANKS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Current deposits	14.981	253
Term deposits	6.433.221	4.954.694
Due to Central Bank	1.852	1.711
Other borrowings	28.765	14.995
	6.478.819	**4.971.653**

32. DEPOSITS FROM CUSTOMERS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Retail customers:		
Current accounts	211.536	144.967
Saving accounts	11.827.490	10.989.874
Term deposits	7.630.933	7.185.574
	19.669.959	**18.320.415**
Private sector entities:		
Current accounts	591.645	881.647
Term deposits	423.320	239.490
	1.014.965	**1.121.137**
Public sector entities		
Current accounts	1.710.498	1.373.767
Term deposits	200.565	150.028
	1.911.063	**1.523.795**
	22.595.987	**20.965.347**

At 31 December 2009 the term deposits includes repo deposits amounted to EUR 6.203 thousand (2008: EUR 15.761 thousand). The majority of the repurchase agreements expire within one month of the balance sheet date.

33. LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 31/12/2009 the Bank had open selling positions in bonds of total amount of EUR 970,8 mil. whose fair value rised to EUR 931,6 mil.

34. PROVISION FOR PENSION LIABILITIES

(a) Defined contribution plans

- Main Pension Plan

According to the law 3522/22.12.2006 effective 1st January 2007, the pension segment of the Main Employee Pension Fund of the Bank acceded to the Social Insurance - Common Employee Pension Fund (IKA- ETAM).
The employer and employees contributions rates are reduced to the respective effective ones in IKA-ETAM, promptly for the employees as of 01.01.2007, and gradually in equal portions for the employer (ATE Bank) within 5 years starting as of 01.01.2007.
Besides the above mentioned regular contributions, the Bank will continue to pay annually as a fixed contribution to IKA- ETAM, an amount of Euro 28 million for fifteen years.

- Medical fund

The medical fund of the Bank, "TYPATE", provides for defined contributions to be made by the Bank at a rate of 6.25% of the employee's salary. Employees contribute at a rate of 2%.

(b) Defined benefit plans

- Early Retirement Plan

As of 1st January 2007 the insured employees and pensioners of ATE Bank's Auxiliary Pension Plan (ELEM) must compulsory accede to the Bank Employee Fund (E.T.A.T). The financial burden of E.T.A.T. and E.T.E.A.M. from the accession of the insured employees and pensioners of ATE Bank besides the regular contributions, is covered from a payment that ATE Bank occurred in the amount of Euro 280 million for which the Bank had already formed a provision according to an actuarial study for that purpose. In addition to this amount, the Bank will make 10 annual, equal payments of Euro 10 million as extraordinary contribution.
The Bank's contribution gradually decreases from 9% to 7,5% within 3 years performed from 01.01.2007.

- Lump Sum granted on retirement

The Bank also sponsors a funded plan that provides for the payment of a lump sum to retiring employees. The payment is determined based on the employee's length of service and salary on the date of retirement.

- Provision for compensation due to retirement (L.2112/20)

Provision for compensation due to retirement, as determined by directives of Law 2112/20, concerning subsidiary companies, is calculated actuarially using the projected unit credit method.

Of all actuarial gains and losses, to the extent that any cumulative unrecognized actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of the plan assets, that portion is recognized in the income statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognized.

The amounts recorded in the financial statements with respect to the defined benefit plans are as follows:

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Present value of unfunded obligations	18.230	32.745
Present value of funded obligations	34.850	45.467
Fair value of plan assets	(11.220)	(21.744)
Unrecognized actuarial gains and (losses)	(1.739)	(1.839)
Recognised liability for defined benefit obligations	**40.121**	**54.629**

Movement in the net liability for defined benefit obligations recognised in the balance sheet

Net liability for defined benefit obligations at 1 January	54.629	54.869
Expense recognised in the income statement	3.504	5.905
Written off liability	(14.131)	0
Contributions received	(3.881)	(5.527)
Written off liability due to disposal	0	(618)
Net liability for defined benefit obligations at 31 December	**40.121**	**54.629**

Expense recognised in the income statement	**31/12/2009**	**31/12/2008**
Current service cost	2.339	4.253
Interest on obligation	1.737	3.592
Expected return on plan assets	(575)	(1.020)
Net actuarial (gain)/loss recognised in year	3	(920)
Impact from settlement or termination	(14.131)	0
	(10.627)	**5.905**

Following relative opinions of legal consultants, Group's subsidiary ATE Insurance S.A., proceeded within 2009 to a change in accounting treatment, according to IFRS 8, of the registration of the obligation arising from the insurance policie as agreed between the company and its staff considering this obligation as defined contribution liability. At a Group level, the correction of the accounting treatment was realized through results of the year due to immateriality in relation to Group's total net worth.

The principal actuarial assumptions at the balance sheet date are:

	2009		2008	
ACTUARIAL STUDY	**Non Funded**	**Funded**	**Non Funded**	**Funded**
Discount rate	**6,00%**	**6,00%**	**5,50%**	**5,00%**
Future salary increases	**4,52%**	**4,22%**	**4,52%**	**4,52%**
Expected return on plan assets	**6,00%**	**6,00%**	**5,50%**	**5,00%**

35. OTHER LIABILITIES

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Prepaid expenses and deferred income	109.562	141.205
Creditors and suppliers	74.198	60.578
Fees and payroll payable	104	731
Tax and duties payable (except income tax)	41.388	39.019
Income tax payable	914	1.297
Due to public sector	50.834	36.272
Other	156.983	143.674
	433.983	**422.776**

36. SUBORDINATED LOANS

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Subordinated loan due 2018	248.794	248.392
Subordinated loan due 2014	0	195.764
	248.794	**444.156**

The subordinated loans represent the proceeds received from the issuance of subordinated floating rate notes by the Bank's subsidiary ABG FINANCE INTERNATIONAL PLC, which are guaranteed by the Bank. The proceeds of these notes are loaned to the Bank on exactly the same terms as the notes issued.

On 21 July 2008 a subordinated loan of € 250 mil. was raised, with maturity in 2018 and replaced another loan which was redeemed on 24 December 2007 and it is part of supplementary capital (Tier 2). The loan carries interest at Euribor increased by a margin of 2,45% and pays off quarterly. The Bank has the right to redeem it after the 22nd of July 2013. If the loan is not redeemed its interest rate will rise from 2,45% to 3,75%.

As at 19/08/2009 the Bank redeemed, as was entitled to, the subordinated loan due in August 19, 2014 of EUR 200 mil.

The subordinated loans are carried at amortized cost. The costs related to the issue of the notes are amortized as interest expense using the effective interest method over the period of the placement to the first redemption option.

37. INSURANCE RESERVES

(Amounts in thousand Euro)

	TOTAL		RATIO OF COMPANY		RATIO OF REINSURANCE	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**	**31/12/2009**	**31/12/2008**
Life Insurance						
Mathematical reserves	299.128	316.818	299.128	316.818	0	0
Unearned premiums	10.732	10.587	10.736	10.587	(4)	0
Profit sharing	16.978	20.810	16.978	20.810	0	0
Outstanding claim reserves	12.455	11.668	10.801	10.102	1.654	1.566
Outstanding claims incurred but not reported (IBNR)	3.748	3.276	3.748	3.276	0	0
Total life insurance reserves	**343.041**	**363.159**	**341.391**	**361.593**	**1.650**	**1.566**

Non-life Insurance						
Unearned premiums	66.023	52.682	56.377	42.423	9.646	10.259
Outstanding claim reserves	182.636	169.703	158.474	149.151	24.162	20.552
Other provisions	25.760	12.818	25.760	12.818	0	0
Total non-life insurance reserves	**274.419**	**235.203**	**240.611**	**204.392**	**33.808**	**30.811**
Reserves for Unit Linked products	**26.230**	**23.862**	**26.230**	**23.862**	**0**	**0**
	643.690	**622.224**	**608.232**	**589.847**	**35.458**	**32.377**

38. SHARE CAPITAL

On 12/01/2009 the Shareholder's General Meeting approved the increase of the Bank's Share capital by the amount of EUR 675 mil. with the issuance of 937.500.000 preference shares of nominal value of EUR 0,72 per share, by abolition of the preference right according to article 1 of the Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis".

According to the above-mentioned law, the preference shares provide a fixed return of 10% over the contributed capital and must compulsory be repurchased by the Bank at the issue price after a 5-year period or optionally prior to the end of this period. In case the Bank cannot repurchase the preference shares due to capital adequacy, then the preference shares are converted into common shares.

It should also be mentioned that the preference shares cannot be transferred from the Greek State to third parties or introduced in an active market. The 10% fixed return is calculated on an accrued annual basis and is paid within one month from the approval of the annual financial statements by the General Shareholders Meeting while it stands under the prerequisite of the existence of distributable amounts, in compliance with the article 44 of L. 2190/1920.

In the context of this law and the contractual agreement between the Bank and the Greek State as signed on 14/05/2009, the Bank acquired a 5-year term Greek Government Bond of nominal value of EUR 675 mil. with a floating rate. At the same time, a multiple share was issued by the Bank, which equals the total preference shares of the Greek State. The share capital increase was fully certified as at 21/05/2009, with the Board of Director's approval.

Based on the article 39 of the Law under passage "The adjustment of the Greek legislation to 2006/123 Directive of the E.U. concerning services in the internal market and other provisions", which was filed at the Greek Parliament on 15 March 2010 and amends the Law 3723/2008, the banks have the right not to repurchase the preference shares from the Greek Sate within a 5-year period but are obliged to impose gradual accumulative increase of 2% per year to the annual fixed return of 10% over the contributed capital.

As at 31/12/2009, the net of tax dividend attributable to preference shareholders amounted to EUR 31,07 mil.

Following the above, as at 31 December 2009 the share capital of the Bank is EUR 1.326.919.999,69 and consists of 905.444.444 authorized and issued common shares of nominal value of EUR 0,72 per share and 937.500.000 preference shares of nominal value of Euro 0,72 per share, fully paid.

39. RESERVES

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Statutory reserve	47.466	45.733
Tax free reserves	67.127	66.512
Revaluation reserve available-for-sale investments	(169.833)	(347.793)
Other reserves	19.201	19.175
Foreign currency differences	(50.568)	(36.253)
	(86.607)	**(252.626)**

Statutory reserve: In accordance with Greek corporate law entities are required to transfer 5% of their annual profits after tax to a statutory reserve. This obligation ceases when the statutory reserve amount to one third of the Bank's share capital. This reserve is not available for distribution, but it may be applied to extinguish losses.

Tax free reserves: In accordance with Greek tax law certain types of income and profits are not taxed if retained and recorded to a specific reserve account. In the event that these reserves are distributed or capitalized they will be taxed at the rate applicable on the date of distribution or capitalization.

Available for sale reserve: This reserve arises from the changes in the valuation of the available for sale securities. It is transferred to the income statement when the relevant securities are sold or in case of impairment. Further information about the movement of available for sale reserve is provided in the Statement of Comprehensive Income.

40. DIVIDEND PER SHARE

The annual Shareholders' Meeting of 15 May 2009 decided not to distribute dividend for the fiscal year 2008.

41. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Litigation

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. In the opinion of management, after consultation, with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Group.

(b) Letters of guarantee and letters of credit

The contractual amounts of the Group's off-balance sheet financial statements that commit to extend credit to customers are as follows:

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Letters of guarantee	376.582	303.639
Letters of credit	639	837
	377.221	**304.476**

(c) Assets pledged

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Loans to customers	3.538.708	5.314.757
Trading bonds	0	159.000
Available-for-sale bonds	1.410.000	1.111.100
Held to maturity bonds	130.000	140.000
Loans to customers according to Law 3723/2008	1.241.437	0
	6.320.145	**6.724.857**

The Bank has collateralized customer loans to the Bank of Greece in accordance with the Monetary Policy Council Act No 54/27.2.2004 as in force, and following its amendment by Monetary Policy Council Act 61/6.12.2006. With this act the Bank of Greece accepts as collateral for monetary policy purposes and intraday credit non marketable assets, which should meet the terms and conditions of the above act. In this frame the Bank has collateralised customer loans and securities in the Bank of Greece with a view to raise its liquidity either intradaily or via participation in main or exceptional or long-term refunding from the European Central Bank and as a guarantee to customers' repos-deposits.

Furthermore, on 31/03/2009 the Bank entered into a loan facility with the Greek State of EUR 807 million in accordance to the article 3 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", which is kept by the European Central Bank as a collateral for the liquidity reinforcement. The loan period was determined from 1/4/2009 to 23/12/2011. According to the above, the Bank has pledged customer receivables of EUR 1,2 bil. as a collateral to the Greek State.

42. ACQUISITION OF SUBSIDIARIES AND ASSOCIATES

Within the current year the Group increased its participation in certain subsidiaries and associates. The main transactions of the year are as follows:

a. Based on the 11/02/2009 decision of the relevant authorities, the Group's subsidiary DODONI S.A. founded the company ZO.DO. S.A. which activates in feedstuff production and trading. This company belongs entirely to DODONI S.A. Its share capital amounts to EUR 100 thousand.

b. Additional acquisition of 0,82% in the share capital of the subsidiary ATE ADVERTISING., with total cost of EUR 9,6 thousand.

c. Additional acquisition of 0,15% in the share capital of the associate SEKAP S.A., with total cost of EUR 18,2 thousand.

43. RELATED PARTY TRANSACTIONS

The Group is controlled by the Greek State that holds 77,3% of the share capital. The remaining share capital is widely held.

Related parties include a) BoD Members and members of the key management personnel, b) close members of the family and financial dependant of the above, c) associate companies of the Group.

The balances of the related party transactions of the Group are:

a) With BoD Members and members of the key management personnel, and close members of the family and financial dependant of the above

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Loans	3.476	3.456
Deposits	8.128	6.077

Key Management Personnel Fees	**31/12/2009**	**31/12/2008**
Fees	(3.167)	(3.161)
Other	(642)	(642)

b) With its associates

(Amounts in thousand Euro)

ASSETS	**31/12/2009**	**31/12/2008**
Loans and advances to customers	80.000	80.000
Total assets	**80.000**	**80.000**

LIABILITIES		
Deposits from customers	54	88
Total liabilities	**54**	**88**

INCOME STATEMENT	31/12/2009	31/12/2008
Income		
Interest and similar income	3.419	7.076
Other Operating income	55	192
Total income	**3.474**	**7.268**
Expenses		
Fee and commission expense	0	(32)
Total expenses	**0**	**(32)**

Besides the above mentioned transactions, Group also performs transactions with a large number of companies under state control in the framework of its business (loans granted, deposits, other transactions such as wage payments, subsidy payments to farmers etc.)

44. CERTIFIED AUDITORS FEES

During fiscal year 2009, the auditors charged the following :

(Amounts in thousand Euro)

	31/12/2009
For mandatory audit of annual and interim financial statements	(589)
Relevant with other audit services	(40)

45. SUBSEQUENT EVENTS

As at 15/01/2010 the Luxemburg Stock Exchange approved the Base Prospectus of the Euro Medium Term Notes (EMTN) Programme of EUR 5 bil. The Issuers of the EMTN programme are ATEBANK S.A. and its subsidiary ABG Finance PLC. Any issuance of ABG Finance PLC is guaranteed by ATEBANK S.A. In this frame, ABG Finance International Plc issued securities of EUR 1,4 bil. nominal value with maturity at 18/02/2012.

As at 25/02/2010 and 23/03/2010 the Board of Directors decided the acquisition of the issued shares of its subsidiaries ATE Leasing S.A. (0,59%), ATE Cards S.A. (2,00%) , ATE AXEPEY S.A. (33,41%), ATE Techniki Pliroforiki S.A. (10,34%), ATExcelixi S.A. (5,00%), ATE AEDAK S.A. (46,00%) and ATE Advertising S.A. (16,41%) that are currently owned by other subsidiaries of ATEbank Group.

There are no other significant issues occurred after the balance sheet date that require reporting.

Athens, 30 March 2010

THE GOVERNOR	THE VICE CHAIRMAN	THE HEAD OF FINANCE DEPARTMENT
THEODOROS PANTALAKIS	ADAMANTINI LAZARI	CHRISTOS STOKAS

5. Independent Auditor's Report (on the Bank's Financial Statements)

KPMG
Certified Auditors AE
3 Stratigou Tombra Street
Aghia Paraskevi
GR – 153 42 Athens Greece

Στρατηγού Τόμπρα 3
153 42 Αγία Παρασκευή
Ελλάς
ΑΡΜΑΕ29527/01ΑΤ/Β/93/162/96

Telephone Τηλ: +30 210 60 62 100
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Internet www.kpmg.gr
e-mail postmaster@kpmg.gr

Independent Auditors' Report
(Translated from the original in Greek)

To the Shareholders of
AGRICULTURAL BANK OF GREECE A.E.

We have audited the accompanying financial statements of AGRICULTURAL BANK OF GREECE A.E. (the "Bank") which comprise the statement of financial position as of 31 December 2009 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Bank as of 31 December 2009 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Athens, 30 March 2010

KPMG Certified Auditors A.E.

AM SOEL 114

Nikolaos Tsiboukas	Harry Sirounis
Certified Auditor Accountant	Certified Auditor Accountant
AM SOEL 17151	AM SOEL 19071

6. Financial Statements of ATEbank S.A. as at 31.12.2009

Financial Statements
31 December 2009

In accordance with International Financial Reporting Standards

23 Panepistimiou str., 105 64, Athens

www.atebank.gr

R.N.S.A. 24402/06/B/91/39

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Income statement
For the year ended 31 December
(Amounts in thousands of Euro)

	Note	2009	2008
Interest and similar income		1.141.663	1.192.890
Interest expense and similar charges		(412.100)	(586.763)
Net interest income	**7**	**729.563**	**606.127**
Fee and commission income		92.452	101.111
Fee and commission expense		(31.358)	(30.330)
Net fee and commission income	**8**	**61.094**	**70.781**
Net trading income	**9**	116.728	(27.598)
Net investment income	**10**	13.775	7.418
Dividend income	**11**	17.531	27.761
Other operating income	**12**	14.556	29.860
Other income		**162.590**	**37.441**
Operating income		**953.247**	**714.349**
Staff cost	**13**	(393.375)	(346.991)
Other	**14**	(117.520)	(129.792)
Depreciation	**26,27,28**	(29.883)	(28.272)
Impairment losses	**15**	(819.226)	(195.445)
Profit/(loss) before tax		**(406.757)**	**13.849**
Tax	**16**	21.904	11.419
Profit/(loss) after tax		**(384.853)**	**25.268**
Basic & diluted earnings /(losses) per share (expressed in Euro per share)	**17**	(0,4708)	0,0279

The accompanying notes (pages from 6 to 50) are an integral part of these financial statements.

Statement of comprehensive income

For the year ended 31 December

(Amounts in thousands of Euro)

	2009	**2008**
Profit/(loss) after tax	**(384.853)**	**25.268**
Other comprehensive income		
Revaluation reserve available-for-sale investments:		
- Valuation for the year	27.426	(574.711)
- (Gain)/Loss transferred to income statement on disposal of available-for-sale securities	23.604	(315)
- Impairment for the year	168.518	0
- Tax related	(43.909)	80.598
Other comprehensive income net of tax	**175.639**	**(494.428)**
Total comprehensive income net of tax	**(209.214)**	**(469.160)**

The accompanying notes (pages from 6 to 50) are an integral part of these financial statements.

Statement of financial position
For the year ended 31 December
(Amounts in thousands of Euro)

	Note	2009	2008
Assets			
Cash and balances with the Central Bank	**18**	996.565	1.226.862
Loans and advances to banks	**19**	2.369.942	1.003.932
Trading securities	**20**	895.698	342.527
Derivative financial instruments	**21**	25.838	25.786
Loans and advances to customers	**22,4.1**	22.133.349	20.954.943
Investment portfolio	**23**	3.608.079	2.132.942
Investments in subsidiaries and associates	**25**	459.662	500.394
Investment property	**26**	162.330	162.920
Property, plant and equipment	**27**	296.877	297.060
Intangible assets	**28**	3.686	4.681
Deferred tax asset	**29**	382.359	400.072
Other assets	**30**	704.706	609.206
Total assets		**32.039.091**	**27.661.325**
Liabilities			
Deposits from banks	**31**	6.379.410	4.907.084
Deposits from customers	**32**	22.682.801	20.990.300
Liabilities at fair value through profit or loss	**33**	931.587	0
Derivative financial instruments	**21**	104.303	62.405
Provision for employee benefits	**34**	8.767	9.391
Other liabilities	**35**	329.825	354.937
Subordinated loans	**36**	248.794	448.353
Total liabilities		**30.685.487**	**26.772.470**
Equity			
Share capital	**37**	1.326.920	651.920
Share premium		92.711	93.748
Other reserves	**38**	(27.057)	(203.959)
Accumulated surplus/(deficit)		(38.970)	347.146
Total equity		**1.353.604**	**888.855**
Total equity and liabilities		**32.039.091**	**27.661.325**

The accompanying notes (pages from 6 to 50) are an integral part of these financial statements.

Statement of changes in equity
For the year ended 31 December
(Amounts in thousands of Euro)

	Share capital	Share premium	Available-for-sale securities reserve	Other Reserves	Accumulated surplus / (deficit)	Total
Balance at 1/1/2008	**651.920**	**94.231**	**172.033**	**107.881**	**422.977**	**1.449.042**
Total comprehensive income:						
Profit/(loss) for the year 1/1-31/12/2008	0	0	0	0	25.268	25.268
Other comprehensive income net of tax	0	0	(494.428)	0	0	(494.428)
Total comprehensive income net of tax	0	0	(494.428)	0	25.268	(469.160)
Transactions with shareholders recognised directly to equity:						
Deferred tax on entries recognized directly to equity	0	(483)	0	0	0	(483)
Dividends paid	0	0	0	0	(90.544)	(90.544)
Transfer to reserves	0	0	0	10.555	(10.555)	0
Total transactions with shareholders	0	(483)	0	10.555	(101.099)	(91.027)
Balance at 31/12/2008	**651.920**	**93.748**	**(322.395)**	**118.436**	**347.146**	**888.855**
Total comprehensive income:						
Profit/(loss) for the year 1/1-31/12/2009	0	0	0	0	(384.853)	(384.853)
Other comprehensive income net of tax	0	0	175.639	0	0	175.639
Total comprehensive income net of tax	0	0	175.639	0	(384.853)	(209.214)
Transactions with shareholders recognised directly to equity:						
Share capital increase	675.000	(675)	0	0	0	674.325
Deferred tax on entries recognized directly to equity	0	(362)	0	0	0	(362)
Transfer to reserves	0	0	0	1.263	(1.263)	0
Total transactions with shareholders	675.000	(1.037)	0	1.263	(1.263)	673.963
Balance at 31/12/2009	**1.326.920**	**92.711**	**(146.756)**	**119.699**	**(38.970)**	**1.353.604**

The accompanying notes (pages from 6 to 50) are an integral part of these financial statements.

Statement of cash flows
For the year ended 31 December 2009
(Amounts in thousands of Euro)

	Note	2009	2008
Operating activities			
Profit / (Loss) before tax		(406.757)	13.849
Adjustment for:			
Depreciation and amortization	**26,27,28**	29.883	28.272
Impairment losses		819.226	195.445
Changes in provisions		(69.194)	(8.923)
Change in fair value of trading investments		(41.960)	22.900
(Gain)/loss on the sale of investments, property and equipment		(108.013)	(51.359)
Changes in operating assets and liabilities			
Net (increase)/decrease in loans and advances to banks		(138.822)	(329.434)
Net (increase)/decrease in trading securities		(498.802)	(114.782)
Net (increase)/decrease in loans and advances to customers		(1.706.262)	(4.151.987)
Net (increase)/decrease in other assets		(55.135)	(98.644)
Net increase/(decrease) in deposits from banks		1.472.326	4.137.757
Net increase/(decrease) in deposits from customers		1.692.501	276.626
Net increase/(decrease) in other liabilities		955.410	48.175
Cash flows from operating activities		**1.944.401**	**(32.105)**
Investing activities			
Acquisition of intangible assets, property and equipment		(32.799)	(31.429)
Proceeds from the sale of intangible assets, property and equipment		12.258	25.317
(Purchases)/Proceeds of held to maturity portfolio		0	1.047.542
(Purchases)/Sales of available for sale portfolio		(742.532)	(1.173.260)
Dividends received		17.162	24.700
Purchases of subsidiaries	**25**	(28)	(24.858)
Sale of subsidiaries	**25**	0	4.049
Cash flows from investing activities		**(745.939)**	**(127.939)**
Financing activities			
Share capital return - Dividends paid		0	(45.272)
Share capital increase expenses		(675)	0
Proceeds / (Redemptions) from debt issued	**36**	(200.000)	248.392
Cash flows from financing activities		**(200.675)**	**203.120**
Effect of exchange rate changes on cash and cash equivalents		(896)	(1.115)
Net increase/(decrease) in cash flows		**996.891**	**41.961**
Cash and cash equivalents at 1 January		1.891.147	1.849.186
Cash and cash equivalents at 31 December	**18**	**2.888.038**	**1.891.147**

The accompanying notes (pages from 6 to 50) are an integral part of these financial statements.

1. GENERAL INFORMATION

Agricultural Bank, (the Bank or ATE), was founded in 1929. The Bank's registered office is at 23 Panepistimiou Str. in the municipality of Athens. The purpose of the Bank, according to the Article of Association is to provide banking services that contribute to the modernization and growth of the economy and more specifically the Agricultural Sector. The Bank's basic business activities are retail banking, corporate loans, the public sector, investment banking and treasury.

The Bank has a network of 482 branches in Greece and 33 abroad, 32 of which in Romania, (ATEbank Romania), and 1 in Germany which offer to the clients a wide range of banking activities. The Bank also has 970 ATMs (Automatic Teller Machines) in Greece and 45 in Romania, while 45% of the branches are privately owned.

The Bank's shares have been listed since 2000 on the Athens Stock Exchange and are included in the FTSE 20 Index (index for Large Capitalization Companies).

The term of the 11-membered Board of Directors, elected by the Shareholders' General Meeting on December 8, 2009 ends in 2012 and as at 31 December 2009 consists of:

CHAIRMAN (Executive member)
Theodoros N. Pantalakis

VICE CHAIRMAN (Executive member)
Adamantini K. Lazari

VICE CHAIRMAN (Non-Executive member)
Nikolaos A. Zachariadis

NON-EXECUTIVE MEMBERS
Konstantinos P. Ganiaris
Georgios V. Sagris
Tzanetos D. Karamichas
Konstantinos P. Amountzias
Theodoros I. Sarris
Andreas K. Davillas

NON-EXECUTIVE INDEPENDENT MEMBERS
Ioannis G. Mourgelas
Vasilios Ch. Goutis

GREEK GOVERNMENT REPRESENTATIVE (based on article 1 of L.3723/2008)
Evripidis P. Ampatzis

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of compliance

The financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) as adopted by the European Union.
The financial statements were approved by the Board of Directors on 30 March 2010 and are available on the web address www.atebank.gr.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following financial instruments which are presented at fair value:

- derivative financial instruments
- trading securities
- available for sale securities

2.3 Functional currency

These financial statements are presented in Euro, which is the Bank's functional currency. Except as indicated, financial information is presented in thousands of euro.

2.4 Use of estimation and judgment

The preparation of financial statements according to I.F.R.S. requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Deviations from accounting estimates are recognized in the period in which the estimate is revised if the revision concerns only that period, or in the period of the revision and future periods if the revision concerns both current and future periods.
Information regarding significant estimates and uncertainties resulting from the application of accounting policies that have a great impact on financial statements is provided in Note 5.

2.5 Changes in accounting policies

Accounting policies have changed due to the adoption of the new accounting standards which are described below and are applicable from January 1st 2009.

2.5.1 Presentation of Financial Statements

The Bank adopted the revised IAS 1 "Presentation of Financial Statements" which is applicable from January 1st 2009. Therefore, changes from transactions with shareholders are presented in the Statement of Changes in Equity, while changes from the rest of transactions are shown in the Statement of Comprehensive Income.

Previous year's comparable figures have been modified in order to comply with the revised international standard. As such, the amendment in the accounting policy only affects the presentation of the financial statements and has no impact on earnings per share.

2.5.2 Determination and presentation of the operating segments

According to IFRS 8 "Operating Segments" which is applicable from the 1st of January 2009, the Bank determines and discloses its operating segments based on the internal reports provided to its Management. The latter takes the final decisions on the Bank's operating activities.

So far, the operating segments were determined and presented according to IAS 14 "Segment Reporting".

The new accounting policy regarding the operating segments is presented as follows:

The comparable figures disclosed per segment have been modified in order to comply with the revised IFRS 8. The amendment in the accounting policy only affects the presentation of the segmental information and has no impact on earnings per share.

The operating segment is part of the Bank's business activity which brings revenues and generates expenses including revenues and expenses regarding transactions with other operating sectors of the Bank.

The sectors' results reported to the Bank's Management include amounts attributed directly to each sector as well as amounts allocated to them using rational correlation.

The sector's capital expenses are the total expenses deriving from the acquisition of tangible and intangible assets that took place throughout the period in issue, except for goodwill.

2.5.3 Fair value and Liquidity disclosures

Classification of financial instruments

The Bank adopted the IFRS 7 "Financial Instruments: Disclosures" amendment which was issued on March 2009 and requires additional disclosures as concerns the fair value measurement and liquidity risk associated with financial instruments. This amendment introduces a three-level hierarchy for fair value measurement disclosures that reflects the significance of the inputs used in making these measurements. Additional disclosures are required for financial instruments in Level 3 of the fair value hierarchy as inputs for the asset or liability are not based on observable market data (unobservable inputs). Additional information is also necessary for all significant financial instrument reclassifications between levels 1 and 2, for changes in valuation techniques from one period to another and for the reasons justifying these changes. Additional disclosures for financial instruments' fair value are provided in Note 5.4.

Liquidity

Based on the IFRS 7 amendment, an analysis of financial liabilities' contractual maturity is made in case the maturity is important to comprehend the time needed in order to find cash and cash equivalents. As concerns the guarantees given (letters of guarantee, loan guarantees etc), IFRS 7 amendment requires the disclosure of the maximum amount of guarantees which are about to be given. Additional information regarding the liquidity risk is provided in Note 4.2.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except for those mentioned in Note 2.5.

3.1. Basis of Consolidation

(a) Subsidiaries

Subsidiaries are entities controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account.

(b) Associates

Associates are those entities in which the Bank has significant influence, but not control, over the financial and operating policies.

(c) Special purpose entities (SPEs)

Special purpose entities are entities that are created to accomplish a narrow and well-defined objective such as the securitisation of particular assets, or the execution of a specific borrowing or lending transaction.

3.2 Custody services

The Bank offers custody services to private clients and institutional investors. The financial assets that are under custody as well as income arising from these (interest income, dividends etc.) are not included in these financial statements since these assets belong to third parties and not to the Bank.

3.3 Foreign currency transactions

Transactions in foreign currencies are translated to euro at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to euro at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognized to the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to euro at the foreign exchange rate ruling at the date fair values were determined. Foreign exchange differences arising from the valuation of non-monetary assets and liabilities at the end of the year are recognized on profit or loss, except for differences arising on the translation of monetary assets and liabilities which constitute part of an investment in a subsidiary operation in another country and the financial instruments as cash flow hedge which are recognized directly in equity.

3.4 Interest income and expense

Interest income and expense is recognized in the income statement as it accrues, taking into account the effective yield of the instrument or the applicable floating rate. Interest income and expense includes the amortization of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis. The effective interest rate method is a method of calculating the amortized cost of the financial asset or financial liability and of allocating the interest income or expense over the relevant period.

The effective interest rate is the rate that exactly discounts the future cash receipts or payments through the expected life of the financial instrument.

Once a financial asset or a group of financial assets has been written off, as a result of an impairment loss, account of interest ceases.

3.5 Fee and commission income

Fees and commissions are generally recognized on an accrual basis when the service has been provided. Commission and fees arising from third party transactions, are recognized in the income statement upon the completion of the underlying transaction. Portfolio management fees and other management advisory and service fees are recognized in the income statement according to the applicable service contracts, usually on a proportional basis.

3.6 Net trading income

Net trading income comprises gains or losses related to trading assets and liabilities as well as derivative instruments and includes gains or losses from the valuation of the trading portfolio at fair value (shares, bonds, derivative instruments etc.) and foreign exchange differences.

3.7 Net investment income

Net investment income comprises exclusively gains or losses from the sale of financial instruments that have been categorized as available for sale. The fair value differences of these financial instruments are recognized directly in equity. Foreign exchange differences arising from the valuation of these financial instruments are also recognized in this account. When these investments are sold, accumulated gains or losses that have been recognized directly to equity are transferred to the income statement.

3.8 Dividend income

Dividend income is recognized in the income statement on the date that the dividend is approved from the appointed bodies of the companies which in most cases is the General Shareholders Meeting. The account includes dividend income from trading portfolio as well as dividend income from investment portfolio.

3.9 Operating lease rentals

Payment of operating lease rentals is allocated as an expense in the income statement based on the direct method during the rental. The rental's received subsidies are recorded in the profit & loss account as an integral part of the expense during the rental.

3.10 Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using the tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable differences. The amount of deferred tax is provided using tax rates enacted or substantively enacted at the balance sheet date and applied at a later date.

A deferred tax asset is recognized only in case it is probable that future taxable profits will be adequate in order to offset temporary differences. Deferred tax assets are reduced in case it is probable that the related tax benefit will not be realized.

3.11 Financial assets

Initial Recognition

The Bank classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Management determines the classification of its investments at the initial recognition.

Financial assets at fair value through profit or loss: This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorized as held for trading unless they are designated as hedges.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Bank provides money directly to a debtor with no intention of trading the receivable.

Held-to-maturity investments: are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Bank has the intent and ability to hold to maturity. Were the Bank to sell other than an insignificant amount of held-to-maturity assets, the entire category would be reformed and reclassified as available-for-sale.

Available-for-sale investments: are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Purchases and sales of financial assets at fair value through profit or loss, held-to-maturity, and available-for-sale are recognized at trade date – the date on which the Bank commits to purchase or sell the asset. Loans are recognized when cash is advanced to the borrowers. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Derecognition

The Bank derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Valuation

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortized cost using the effective interest method.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the financial statements when there is a legal enforceable right to offset recognized amounts and the transactions are intended to settle on a net basis.

3.12 Impairment of financial assets

(a) Assets carried at amortised cost

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or a group of assets is impaired includes observable data that comes to the attention of the Bank about the following loss events:

(a) significant financial difficulty of the obligor;

(b) a breach of contract, such as a default or delinquency in interest or principal payments;

(c) the Bank granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;

(d) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

(e) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group; including:

1. adverse changes in the payment status of borrower in the group; or
2. national or local economic conditions that correlate with defaults on the assets in the group.

The Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets has been incurred, the amount of loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. If a loan or a held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The calculation of the present value of the estimated future cash flows of a collateralized loan reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e. on the basis of the Bank's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions.

The methodology and assumptions used of estimating future cash flows are reviewed regularly by the Bank to reduce any differences between loss estimates and actual loss experience using historical data.

When a loan is uncollectible, it is written-off against the related provision for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for loan impairment in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized in the income statement.

(b) Assets carried at fair value

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the asset is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss is removed from equity and recognized in the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the income statement.

3.13 Derivative financial instruments and hedging accounting

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

The fair value of a derivative at initial recognition is the transaction price.

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contracts is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement.

The method of recognizing the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the items being hedged. The Bank designates certain derivatives as either (a) hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedge); or (b) hedges of highly probable future cash flows attributable to a recognized asset or liability, or a forecasted transaction (cash flow hedge). Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

The Bank documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Bank also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value hedge – Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to profit or loss over the period to maturity. The adjustment to the carrying amount of a hedged equity security remains in retained earnings until the disposal of the equity security.

Cash flow hedge – The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Amounts accumulated in equity are presented in the income statement in the periods in which the hedged items will affect profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

The changes in the fair value of derivatives that do not qualify for hedge accounting are recognized immediately in the income statement.

3.14 Cash and cash equivalents

Cash and cash equivalents include cash on hand and not pledged balances held with the Central Bank with maturity date less than three months from the Balance Sheet date. They are not exposed to material risk from changes in their fair value and they are used by the Group to cover short-term liabilities.

3.15 Repurchase agreements

The Bank enters into agreements for purchases (sales) of investments and resell (repurchase) substantially the identical investments at a certain future date at a fixed price. Investments purchased with an engagement to be reselled at a future date, are not presented in the financial statements of the Bank. The amounts paid are recorded in loans and advances to banks or customers. The receivables are collateralized by the underlying security.

Investments sold under repurchase agreements continue to be recognized in the balance sheet and are presented in accordance with the accounting standards for either assets held for trading or available-for-sale or held to maturity as appropriate. The proceeds from the sale of the investments are recorded as liabilities to either banks or customers.

The difference between the selling and repurchase price is recognized on an accrual basis over the period of the transaction and is included in interest income.

3.16 Property, plant and equipment

Land and buildings are used by the Bank either for branches or for administrative purposes. All property, plant and equipment is stated at cost less accumulated depreciation. Purchase cost includes expenses directly related to their acquisition.

Land is not depreciated. Depreciation on the other assets is calculated using the straight-line method over their expected useful life, as follows:

Buildings	40-50	years
Furniture and other equipment	5-8	years
Machinery	7-14	years
Vehicles	7-9	years

Leasehold improvements are depreciated over either the useful life of the improvement or the duration of the lease whichever is the shorter.

The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is considered to be the highest amount between the asset's fair value (less selling costs) and the present value of the future net cash flows anticipated from the use of the financial asset.

Gain and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the income statement.

Certain items of property, plant and equipment that had been revalued to fair value prior to 1 January 2004, the date of transition to IFRSs, are valued on deemed cost. Deemed cost is considered the revalued amount which constitutes the cost of acquisition.

3.17 Investment property

Properties held by the Bank either to earn rental income, capital appreciation, or both, are classified as investment property. Investment property is valued on the cost of acquisition less accumulated depreciation.

The Bank includes as investment property, property acquired resulting from the foreclosure of non-performing customer loans.

3.18 Intangible assets

Intangible assets include goodwill arising from the acquisition of subsidiaries as well as software which is stated at cost less accumulated amortisation.

(a) Goodwill

Goodwill represents the excess of the cost of the acquisition over the Bank's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.
Positive goodwill is a non amortized intangible asset which is assessed on each balance sheet date for impairment.
Negative goodwill is recognised immediately in profit or loss.
Goodwill should be allocated to the cash generating units on the acquisition date. In case that there are difficulties in the immediate allocation of the fair value of assets, this can be postponed but should be performed within twelve months from the acquisition date.

(b) Software

Amortization is charged over the estimated useful life, which the Bank has defined to three years.

Expenditure incurred to maintain software programs is recognized in the income statement of the year. On the contrary expenditure incurred to enhance or improve the performance of the software as well as expenditure incurred for conversion of the software are incorporated in the cost value of the asset under the condition that these can be measured with accuracy.

3.19 Leases

The Bank as the lessor

When the Bank is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee, the present value of the minimum lease payments of the arrangement is presented within loans and advances.

The lease rentals received decrease the aggregate amount of lease payments and finance income is recognized on an accrual basis.

The finance lease loans are subject to the same impairment testing as applied to customer loans and advances as described in note 3.12.

The Bank as the lessee

Lease agreements that the lessor transfers the use of an asset for a predetermined period without transferring the risks and rewards incidental to ownership are classified as operational leases. In this case the Bank doesn't recognize the leased assets on the balance sheet. The operational lease payments (lease payments made that correspond to the use of the leased asset free of any incentives given by the lessor) are recognised on the income statement during the life of the contract.

In case the Bank is the lessee under a finance lease, fixed assets under the finance lease are recognised as assets and the respective obligation for the lease payments as a liability on the balance sheet. At the inception of the lease, fixed assets leased under finance leases are recognised on the balance sheet at amounts equal to the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Leased assets are depreciated over their useful life, if it is longer than the lease term, only if it is expected that the ownership of the leased assets will pass to the Bank at the end of the lease term. Finance lease payments are apportioned between the capital element and the finance charge. The capital element is used as a reduction of the outstanding liability while the finance charge is recorded in the income statement.

3.20 Provisions

A provision is recognized in the balance sheet when the Bank has a present legal obligation or constructive obligation as a result of a post event and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate has been made. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money.

3.21 Employee benefits

(a) Defined contribution plans

For defined contribution plans, the Bank pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Bank has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(b) Defined benefit plans

The Bank's net obligation in respect of defined benefit plans is calculatedly separately for each plan by estimating the amount of future benefit that employees have earned in return of service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date on Greek State bonds that have maturity dates approximating to the terms of the Bank's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When benefits are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the income statement on a straight-line basis over the expected average remaining length of service of the employees.

All actuarial gains and losses as at 1 January 2004, the date of transition to IFRSs were recognized. In respect of actuarial gains or losses that arise subsequent to 1 January 2004 in calculating the Bank's obligation in respect of a plan, to the extent that any cumulative unrecognized actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of the plan assets, that portion is recognized in the income statement over the expected average remaining remaining length of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognized.

3.22 Share capital

(a) Share issue costs

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax from the proceeds.

(b) Dividends on ordinary shares

Dividends on ordinary shares are recognized as a liability in the period in which they are approved by the shareholders.

(c) Treasury shares

Repurchased shares are classified as treasury shares and presented as a deduction of total equity. Where such shares are subsequently sold or re-issued any consideration is included in shareholders' equity.

3.23 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) figures for its ordinary shares. Basic EPS are calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.24 Segment reporting

Operating segment is a distinguishable component of the Bank that generates revenues and expenses including those deriving from transactions among other sectors. Management monitors their operating results on a regural basis in order to decide for the allocation of financing sources and of every sector's efficiency. Financial information per sector is provided in Note 6.

3.25 New standards

Some of the new standards, amendments and interpretations issued, are not effective for the financial period ended as at 31 December 2009, and have not been adopted for the preparation of these financial statements. None of these is anticipated to have a great impact on the Bank's fianacial statements except for the following:

- IFRS 9 "Financial Instruments". This standard has not been adopted yet from the European Union and must be applied starting 1 January 2013 with early adoption permitted.

  On 12 November 2009 the IASB issued IFRS 9: Financial Instruments as the first step in its project to replace IAS 39. IFRS 9 introduces new requirements for classifying and measuring financial assets which are different from those stated in IAS 39 as concerns financial assets.

  This standard divides all financial assets into two classifications – those measured at amortised cost and those measured at fair value. Financial assets are measured at amortised cost if they meet the following two conditions: a) The objective of the entity's business model is to hold these financial assets in order to collect the contractual cash flows, and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. Otherwise, financial assets must be measured at fair value. This standard eliminates the related categories mentioned in IAS 39, "Held to maturity", Loans and advances" and "Available for sale".

  Based on IFRS 9 equity investments which are not held for commercial purposes can be initially measured at fair value through comprehensive income, recognized directly to equity. Comprehensive income cannot be transferred afterwards to profit & loss. However, dividends from these investments are recognized in profit & loss, unless they present recovery of part of the investment's cost. In this case they are recognized in comprehensive income. In case the company does not choose to recognize the equity investment's change in fair value in comprehensive income, it may recognize it in the profit & loss.

  Furthermore, in case the main contract comes under IFRS 9, an embedded derivative should not be divided while the accounting treatment of the hybrid contract should be based on the above mentioned classification of financial instruments.

  The Bank is currently estimating the potential effects that the adoption of this standard may have on the financial statements. Due to the nature of the Bank's business activities, the adoption of this standard is expected to have a significant impact on its financial statements.

4. RISK MANAGEMENT

This note provides details of the Bank's exposures to risks and describes the methods used by management to control risk. The most important types of financial risk to which the Bank is exposed are credit risk, liquidity risk, market risk and operational risk.

Operational activity and profitability of the Bank are directly conjunct with financial risk management.
The risk management framework of the Bank has been determined in compliance with the Bank Of Greece directive 2577/06 and is shortly presented as follows:
The **Board of Directors** has overall responsibility for the establishment of the Bank's risk management framework and has established the **Assets and Liabilities Committee** (ALCO) and the **Risk Management Committee**.

The **Risk Management Committee** is responsible for developing and monitoring the Bank's management policies as set by the Bank Of Greece directive 2577/06.
Within the Bank's Internal Audit system's framework, the **Risk Management Department** operates as an independent unit, which through the directions of the Risk Management Committee and the Board of Directors, has the responsibility for planning, implementation and overseeing the effectiveness of the risk management system. Risk management controls and procedures are succumbed to the **Internal Audit Department** regular supervisions and reviews.

The overview and monitoring of Financial instruments risks such as Credit, Liquidity, Interest rate, Currency, Market and Operational are constantly evolved and improved.

Risk management policies and systems are reviewed on annual basis, in order to reflect changes in offering products, market prospects and international conditions.

4.1 Credit risk

The Bank takes an exposure to credit risk, which is the risk that a counterparty will be unable to pay an amount in full when due. The Bank's overall exposure to credit risk, is influenced mainly from the approved credit limits and financing of corporate and retail credit, from the Bank's investment and transaction activities, from trading activities in the derivative markets, as well as from the settlement of financial instruments. The level of risk associated with any credit exposure depends on various factors, including the general economic and market conditions prevailing, the debtors' financial condition, the amount, the type, and duration of the exposure, as well as the presence of any collateral/security (guarantees).

For more effective risk management, the development of standard procedures is implemented, which is analyzed according to international practice in the following three steps:

- <u>Assessment and determination of credit risk on an higher level</u>. This procedure is related with the Bank's overall estimation and measurement of exposure to credit risk on all financial instruments, as well as the determination of the accepted level of credit risk undertaken.
- <u>Assessment and measurement of credit risk on the client's assessment and approval level</u>. This procedure concerns the determination of risk in the financing activities on a daily basis, and is performed by the authorized client Departments of the Bank (Branches and Divisions).
- <u>Credit risk monitoring during the contractual financing</u>. This procedure is related with the assurance of proper fulfilling or taking the right measures in case of defaulting on the client's contractual financing obligations.

The Bank sets the undertaken credit risk level by determining acceptable credit risk limits which are approved by decisions of the Bank's related authorized Departments.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these credit limits where appropriate.

For credit risk management, the Bank has applied a credit rating model, which consists of 11 grades, which correspond to the different levels of credit risk, the collateral/security or any other guarantees.

The basic principles of the Bank's credit risk management are:

- Every financing should be approved by the Bank's related authorities (General Loan Meeting, Central Client Department Meeting, Head of Central Client Department, Branch).
- Every financing approval should be made under the evaluation of the customer's creditworthiness and risk assessment.
- The total financing amount approved by the unit, should not exceed the monthly credit risk level set for the unit.
- Every material change in financing such as duration, collateral or general term in the initial contract, should be approved by the Bank's relevant authority level.
- The Central Client Departments apply strictly the financing procedures manual and internal directives, in order to make their approvals. Internal directives report the procedures which should be applied for issues such as credit limits per customer, credit risk limits, customer evaluation based on a criteria total, collateral/security evaluation, etc.
- Counterparty's approval of credit limits and lines of credit management should be consistent with the Bank's credit risk policies as well as with the regulatory framework requirements.

4.1.1 Credit risk measurement

– **Loans and advances**

Credit risk of loans and advances consists of the following risks:

- Counterparty risk
- Collateral/security risk
- Product risk

Basic factor of the financing approval procedure, constitutes the evaluation of the customer's creditworthiness and the credit risk assessment derived from this financing.

For customers' creditworthiness evaluation, as mentioned above, an 11th-grade credit rating model is applied under the new credit risk management framework of procedures and monitoring the customers' behavior.

The model initially set on 2000, is on line with the Bank's main Information Technology system and is constantly evolved and improved on an annual basis.

There are different methods of scoring the customers' creditworthiness according to the grade in which they are included:

- Agricultural credit Scoring
- Private credit Scoring
- Small and medium sized entities credit Scoring
- Entities credit Scoring

The credit scoring methods constitute evaluation standards of the customers' creditworthiness, which assess information of the customers' initial claim and their behavior thereafter (mixed standards). The Bank, is expected to develop more creditworthiness standards for the retail credit in Group basis, both for application scoring and behavioral scoring.

The credit scoring methods are used for financing assessment which is included in the corporate portfolio of the Bank and are segregated according to the type and the size of the firm.

According to the scoring method applied, the customer's scoring is combined with the probability of defaulting on his contractual obligations and the expected loss of the non performing loan is calculated.

The calculation of the expected loss is presented on a real time on-line system and is based on the estimation of the probability of defaulting on the customer's contractual obligations, on collateral/security, on duration and on other transaction characteristics.

– **Other credit risk products**

For the credit risk estimation of other financial products (besides loans and advances), mainly, external ratings from international rating agencies are used. According to the product type, other factors such as the country risk, the existence of any collateral/security, the transaction characteristics, are taken into account.

4.1.2 Credit risk monitoring and management

a) Limits

The Bank has applied credit limits in order to manage and control its credit risk exposure and concentration.
Specifically, monthly credit limits per financing approval unit have been set, and their monitoring is applied on a real time – on line system through the internal credit rating model. The overall credit risk limit is a result of the combined calculation of the counterparty's creditworthiness and the existence and quality of collateral/security which reduce the undertaken credit risk level.
Credit risk limits are revaluated on an annual or more often basis and the amount balances along with the customers' behavior are closely monitored by the Bank's account officers.
In order to manage and control the credit risk derived from financing in the corporate, agricultural and private sector, personal guarantee limits according to the counterparties' creditworthiness have been applied.
Apart from that, credit limits according to the counterparties' credit lines ratings, against exposure to financial institutions or countries, have been applied. In cases of foreign credit risk, the foreign country risk is taken into account.
Additionally, the credit risk of the Bank, is controlled through the implementation of limits on daily positions on financial instruments.

b) Risk mitigation techniques

The Bank, in order to minimize the overall credit risk undertaken, requires collateral/security, specifically when the counterparty's creditworthiness is not well, or when it is estimated that the financing or credit limit amount exceeds the personal guarantee limit every time set.
Specific directions and orders concerning acceptable collateral/security have been issued and applied, and their valuation is carefully calculated at the time of approval but also with constant revaluations according to the type of collateral/security. The value which is accounted and calculated in order to minimize the level of risk assumed, is reduced by a specific ratio (haircut), which differs according to the type of collateral/security and is applied in order to offset the value impairment risk in case of mandatory liquidation of the Bank's claims as well as any probable litigation fees.

Collateral/security undertaken include the following main categories:

1. Mortgages on real estate property

2. Pledged
   - Deposits
   - Cheques
   - Stocks
   - Bonds or other financial instruments
   - Mutual fund shares

3. Bank letters of guarantee

4. Assignments of claims against quality certifications

4.1.3 Stress test

Stress tests scenarios are used for the calculation of changes in the estimated loss and capital adequacy of the Bank in case of extreme financial / market conditions, for better risk management purposes.

The Bank according to the Bank of Greece Directives systematically runs **credit risk stress testing exercises**. Moreover, credit risk stress testing exercises for extreme financial / market conditions have been run, the results of which have been taken into account for the calculation of the final amount of allowance for uncollectibility.

4.1.4 Allowance for uncollectibility policies

The Bank applies allowance for uncollectibility policies which aim to the estimation of an adequate amount of allowance which offset the expected loss of uncollectibility. The internal grade credit rating model is used for the estimation of allowance for uncollectibility. Apart from the above, the Bank when required, estimates collectively provisions against risks which are not specifically determined.

The tables below present the Bank's maximum exposure to credit risk as at 31.12.2009 and 31.12.2008 concerning loans and advances to customers, loans and advances to banks and investment securities, without the calculation of any collateral/security or other guarantees and according to their credit scoring. The credit lines are based on their carrying amount.

a) Loans and advances to customers

(Amounts in thousand Euro)		**31/12/2009**		**31/12/2008**	
Grade		**Loans and advances to customers**	**Allowance for uncollectibility**	**Loans and advances to customers**	**Allowance for uncollectibility**
Individually impaired					
A1-A3	**Acceptable risk**	3.989.841	(15.592)	5.260.813	(14.512)
B1-B3	**Low-fair-risk**	6.386.695	(79.264)	6.291.182	(40.890)
Γ1-Γ2	**Mid-fair risk**	6.189.562	(153.377)	4.784.822	(81.435)
Δ1-E1	**High-fair risk**	6.137.217	(460.172)	4.840.149	(240.322)
Z1	**Impaired**	561.896	(423.457)	483.920	(328.784)
		23.265.211	**(1.131.862)**	**21.660.886**	**(705.943)**
Ageing of loans portfolio					
30-90 days		21.326.203	(540.158)	20.301.196	(289.120)
90-180 days		323.990	(11.177)	132.304	(2.923)
180-360 days		429.025	(58.727)	654.106	(163.298)
360 days +		1.185.993	(521.800)	573.280	(250.602)
		23.265.211	**(1.131.862)**	**21.660.886**	**(705.943)**

b) Loans and advances to banks

(Amounts in thousand Euro)		31/12/2009		31/12/2008	
Grade		Loans and advances to banks	Allowance for uncollectibility	Loans and advances to banks	Allowance for uncollectibility
Neither past nor impaired					
A1-A3	**Acceptable risk**	2.369.942	0	1.003.836	0
B1-B3	**Low-fair-risk**	0	0	96	0
		2.369.942	**0**	**1.003.932**	**0**

c) Investment securities

(Amounts in thousand Euro)		31/12/2009		31/12/2008	
Grade		Investment securities	Allowance for impairment	Investment securities	Allowance for impairment
Neither past nor impaired					
A1-A3	**Acceptable risk**	3.230.193	0	1.761.004	0
B1-B3	**Low-fair-risk**	0	0	5.255	0
Γ1-Γ2	**Mid-fair risk**	0	0	9.373	0
E1	**Watch list**	2.406	0	0	0
		3.232.599	**0**	**1.775.632**	**0**

<u>Impairment of loans and advances to banks and customers and investment securities</u>

Impaired loans and investment securities are those for which the Bank considers that the counterparty will not be able to meet interest and capital repayment of his contractual obligations.

<u>Allowance for uncollectibility</u>

Impairment provisions are provided for losses that have been incurred at the balance sheet date. Significant changes in the economy or in the health of a particular industry segment that represents a concentration in the Bank's portfolio, could result in losses that are different provided for at the balance sheet date. Management therefore carefully manages its exposure to credit risk.
Allowance for uncollectibility consists of the allowance for loans and advances which are assessed on an individual basis as material, and of the allowance for loans and advances which are included in categories with similar credit risk characteristics and are collectively assessed.

<u>Write offs</u>

The Bank writes off a loan or an investment security when it is asserted as uncollectible or due to the counterparty's adjective financial adverse in fulfilling his contractual obligations, or when the collateral/security liquidation amount is not adequate for the repayment of his contractual remaining obligation. The Bank continues the monitoring of its write-offs for the case of potential recovery.

<u>Collaterals / Securities</u>

The Bank undertakes collateral/security or and guarantees against its customers' credit risk, reducing the overall credit risk and assuring the on time repayment of its claims. The fair value of collateral/security and guarantees is revaluated regularly. The accepted collateral/security and the respective fair value per category is presented in the table below:

(Amounts in thousand Euro)

	31/12/2009		31/12/2008	
	Loans and advances to customers	**Loans and advances to banks**	**Loans and advances to customers**	**Loans and advances to banks**
Against neither past due nor impaired				
1. Property	8.748.520	0	7.544.520	0
2. Cheques-Cash	281.424	0	354.449	0
3. Debt securities-Equity	65.232	1.047.536	124.753	338.005
4.Other	1.940.840	0	1.677.323	0
5. Sovereign guarantees	6.395.684	0	7.480.128	0
6. Machinery	9.411	0	10.047	0
Total	17.441.111	1.047.536	17.191.220	338.005
Against past due but not impaired				
1. Property	1.035.101	0	894.640	0
2. Cheques-Cash	6.717	0	6.245	0
3. Debt securities-Equity	2.060	0	28.878	0
4.Other	128.846	0	78.351	0
5. Sovereign guarantees	169.318	0	411.486	0
6. Machinery	5.310	0	3.698	0
Total	1.347.352	0	1.423.298	0
Against impaired				
1. Property	15.707	0	1.496	0
2. Cheques -Cash	0	0	9	0
4.Other	56	0	32.855	0
Total	15.763	0	34.360	0
Total	**18.804.226**	**1.047.536**	**18.648.878**	**338.005**

The Bank monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk, at the reporting date (before the deduction of allowance for uncollectibility) is shown below:

(Amounts in thousand Euro)

	Loans and advances to customers		**Loans and advances to banks**		**Available-for-sale securities**		**Held-to-maturity securities**	
	31/12/2009	**31/12/2008**	**31/12/2009**	**31/12/2008**	**31/12/2009**	**31/12/2008**	**31/12/2009**	**31/12/2008**
Concentration by sector								
- Corporate	6.013.779	5.279.682	0	0	52.684	97.410	0	0
- Sovereign	5.934.963	6.230.898	0	0	1.640.361	322.349	804.990	129.905
- Bank	409.278	333.557	2.369.942	1.003.932	734.564	1.225.968	0	0
- Retail	10.907.191	9.816.749	0	0	0	0	0	0
	23.265.211	**21.660.886**	**2.369.942**	**1.003.932**	**2.427.609**	**1.645.727**	**804.990**	**129.905**
Concentration by location								
- Greece	22.821.772	21.252.117	1.222.215	463.900	2.154.555	1.080.876	804.990	129.905
- Europe	87.422	141.778	1.039.784	310.839	137.496	423.681	0	0
- America	111.253	61.898	88.242	142.451	118.499	50.456	0	0
- Other	244.764	205.093	19.701	86.742	17.059	90.714	0	0
	23.265.211	**21.660.886**	**2.369.942**	**1.003.932**	**2.427.609**	**1.645.727**	**804.990**	**129.905**

The concentration risk per geographical sector for loans and advances to customers and banks, is based on the region to which the Bank operates and it is highly correlated to the counterparty's registry office, while for investment securities according to the issuers registered office.

4.2 Liquidity risk

Liquidity risk arises in the general funding of the Bank's activities and in the management of its market positions. The Bank considers liquidity risk as the risk of not being capable of financing an increase in its assets as well as of managing its liabilities on time without any negative influence on its daily business activities and its financial condition.

The Bank has access to a diverse funding base. Funds are raised using a broad range of instruments including deposits, debt securities and share capital. This enhances funding flexibility, limits dependence on any source of funds and generally lowers the cost of funds. The Bank strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. The Bank continually assesses liquidity risk by identifying and monitoring changes in funding required to meet business goals and targets set in terms of the overall Bank strategy.

The Bank calculates and monitors, on a regural basis, the liquidity ratio "Liquid Assets / Total Liabilities" as well as other ratios with a view to detect any potential liquidity problems. The liquidity ratio is the ratio of liquid assets to total deposits and other liabilities with maturity within a year. Liquid assets include cash and cash equivalent as well as investment grade debt securities for which there is an active and liquid market and those loans and advances to banks that their maturity is within next month.

The Bank monitors the liquidity risk by examining and keeping schemes of alternative actions in order to face it. In this frame, the Bank maintains a portfolio of non-trading securities that may be used for liquidity purposes according to 532/2006 of the Bank of Greece directive. Exertion of this ability would increase the above ratio up to 10% at the reference date.

The above mentioned ratio at the reporting date and during the reporting period were as follows:

	31/12/2009	31/12/2008
At 31 December	18,88%	17,03%
Average for the period	19,71%	18,60%
Maximum for the period	24,46%	20,21%
Minimum for the period	14,26%	15,06%

The table below shows the undiscounted cash flows on the Bank's financial liabilities and letters of guarantee on the basis of their earliest possible contractual maturity. Those assets and liabilities lacking actual maturities (e.g. open accounts) or definitive repricing intervals (e.g. sight deposits or saving accounts) are assigned to the time band up to one month. The expected cash flows on these instruments may vary significantly from this analysis. The gross nominal inflow / (outflow) disclosed in the table below is the contractual, undiscounted cash flow on the financial liability or commitment. Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legal enforceable right to offset recognized amounts and the transactions are intended to be settled on a net basis.

(Amounts in thousand Euro)

31/12/2009

	Carrying amount	Gross nominal (inflow) / outflow	Less than 1 month	1 - 3 months	3 - 6 months	6 months to 1 year	More than 1 year
Non-derivative liabilities							
Financial Liabilities at fair value through profit or loss	931.587	931.587	0	0	0	0	931.587
Deposits from banks	6.379.410	6.433.558	1.404.255	1.339.898	573.220	3.116.185	0
Deposits from customers	22.682.801	22.783.415	17.115.546	2.677.658	1.705.484	1.283.826	901
Subordinated loans	248.794	295.575	2.037	0	2.009	4.846	286.683
	30.242.592	**30.444.135**	**18.521.838**	**4.017.556**	**2.280.713**	**4.404.857**	**1.219.171**
Derivative liabilities							
Trading: outflow	104.303	(202.201)	0	(2.201)	0	0	(200.000)
Trading: inflow	(25.838)	150.302	22	2.208	14.832	15.220	118.020
Risk management: outflow	0	(2.414.091)	(25.746)	(71.588)	(47.708)	(133.106)	(2.135.943)
Risk management: inflow	0	2.374.238	23.728	96.998	35.780	110.222	2.107.510
	78.465	**(91.752)**	**(1.996)**	**25.417**	**2.904**	**(7.664)**	**(110.413)**
Letters of guarantee	0	376.582	90.146	250.381	0	28.538	7.517
	30.321.057	**30.728.965**	**18.609.988**	**4.293.354**	**2.283.617**	**4.425.731**	**1.116.275**

31/12/2008

	Carrying amount	Gross nominal (inflow) / outflow	Less than 1 month	1 - 3 months	3 - 6 months	6 months to 1 year	More than 1 year
Non-derivative liabilities							
Deposits from banks	4.907.084	4.925.306	4.681.516	15.159	228.631	0	0
Deposits from customers	20.990.300	21.154.803	16.370.555	2.407.365	1.469.400	905.871	1.612
Subordinated loans	448.353	526.494	4.606	2.537	5.324	210.837	303.190
	26.345.737	**26.606.603**	**21.056.677**	**2.425.061**	**1.703.355**	**1.116.708**	**304.802**
Derivative liabilities							
Trading: outflow	62.405	421.756	114.864	74.978	18.267	22.609	191.038
Trading: inflow	(25.786)	(459.367)	(112.351)	(72.043)	(18.366)	(25.499)	(231.108)
Risk management: outflow	0	1.624.343	2.221	72.462	30.804	108.297	1.410.559
Risk management: inflow	0	(1.631.045)	(1.928)	(70.631)	(31.318)	(107.497)	(1.419.671)
	36.619	**(44.313)**	**2.806**	**4.766**	**(613)**	**(2.090)**	**(49.182)**
	26.382.356	**26.562.290**	**21.059.483**	**2.429.827**	**1.702.742**	**1.114.618**	**255.620**

4.3 Market risk

The Bank takes on exposure to market risks. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The Bank applies modern methods for measuring market risk, such as "Value at Risk" model.

The value at risk valuation estimates the maximum possible loss in the net present value of the portfolio that can occur in a set time period and for a given confidence level, nevertheless it can not measure losses that can arise from extreme financial conditions. The Bank uses a confidence level of 99% in order to carry out value at risk valuation (using the Monte Carlo method) for the daily time horizon.

The trading portfolio of the Bank consists of bonds, shares and derivatives. The value at risk price for the whole trading portfolio as at 31 December 2009 was EUR 2,193 million (2008: EUR 5,082 million) and of which EUR 2,127 million (2008: EUR 2,677 million) related to interest rate risk, EUR 0,023 million (2008: EUR 5,026 million) for foreign exchange risk and EUR 0,233 million (2008: 0, since there were no placements in stocks) for stock market risk. Due to the structure of the trading portfolio as of 31 December 2009 and the level of diversification a reduction of the value-at-risk of EUR 0,190 million (2008: EUR 2,621 million) has been accomplished.

The Bank also applies a program based on backtesting to test the value at risk analysis, by comparing daily the actual change in the value of the portfolio due to the changes in market prices with the respective value- at- risk figure. In 2009, 7 cases occurred where the actual change in the value of the portfolio was larger than the Value-at-Risk estimate, while in 2008 4 instances have been observed.

The above are summarized as follows as at 31 December 2009:

(Amounts in thousand Euro)

	At 31 December	Average	Maximum	Minimum
2009				
Foreign currency risk	23	628	2.443	5
Interest rate risk	2.127	1.464	2.799	410
Other price risk	233	226	297	120
Covariance	(190)	(309)	(719)	(156)
	2.193	**2.009**	**4.820**	**379**
2008				
Foreign currency risk	5.026	2.172	5.026	385
Interest rate risk	2.677	1.644	2.677	575
Other price risk	0	971	2.364	0
Covariance	(2.621)	(1.686)	(2.621)	(876)
	5.082	**3.101**	**7.446**	**84**

4.4 Currency risk

The Bank takes on exposure to the effects of fluctuations in the prevailing exchange rates on its financial position and cash flows. The Board of Directors set limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

The table below summarizes the Bank's exposure to foreign currency exchange risk at 31 December 2009. Included in the table are the Bank's assets and liabilities at carrying amounts, categorized by currency (the amounts are expressed in thousands of Euro):

At 31 December 2009

Assets	**EUR**	**USD**	**GBP**	**OTHER**	**Total**
Cash and balances with Central Bank	992.134	2.484	577	1.370	996.565
Loans and advances to banks	2.185.856	96.367	13.107	74.612	2.369.942
Trading securities	895.635	63	0	0	895.698
Derivative financial instruments	25.838	0	0	0	25.838
Loans and advances to customers	21.980.783	82.342	0	70.224	22.133.349
Investment portfolio	3.489.569	28.863	0	89.647	3.608.079
Investments in subsidiaries and associates	459.662	0	0	0	459.662
Investment property	162.330	0	0	0	162.330
Property, plant and equipment	296.877	0	0	0	296.877
Intangible assets	3.686	0	0	0	3.686
Deferred tax asset	382.359	0	0	0	382.359
Other assets	704.704	0	2	0	704.706
Total assets	**31.579.433**	**210.119**	**13.686**	**235.853**	**32.039.091**
Liabilities					
Deposits from banks	6.214.945	0	0	164.465	6.379.410
Deposits from customers	22.421.309	181.786	14.187	65.519	22.682.801
Liabilities at fair value through profit or loss	931.587	0	0	0	931.587
Derivative financial instruments	104.303	0	0	0	104.303
Provision for employee benefits	8.767	0	0	0	8.767
Other liabilities	327.052	2.335	438	0	329.825
Subordinated loans	248.794	0	0	0	248.794
Total liabilities	**30.256.757**	**184.121**	**14.625**	**229.984**	**30.685.487**
Net on balance sheet position	**1.322.676**	**25.998**	**(939)**	**5.869**	**1.353.604**
Net off balance sheet position	**2.356.959**	**0**	**1.705**	**1.870**	**2.360.534**
At 31 December 2008					
Total assets	27.211.536	356.729	6.045	87.015	27.661.325
Total liabilities	26.443.576	230.668	16.592	81.634	26.772.470
Net on balance sheet position	**767.960**	**126.061**	**(10.547)**	**5.381**	**888.855**
Net off balance sheet position	**2.562.134**	**(119.013)**	**25.710**	**9.325**	**2.478.156**

4.5 Interest rate risk

Interest rate risk refers to financial assets' future cash flow changes due to interest rate fluctuations. These fluctuations also affect the present value of the anticipated cash flows deriving from an investment or a liability.

The Bank applies an interest rate risk management policy that relies on simple maturity and repricing schedules (Interest Rate Gap Analysis).

The table below summarizes the Bank's exposure to interest rate risks and includes the Bank's assets and liabilities at carrying amounts, categorized by the earlier of contractual repricing or maturity dates. Those assets and liabilities lacking actual maturities (e.g. open overdraft accounts) or definitive repricing intervals (e.g. sight depostits or saving accounts) are assigned to the time band up to one month (amounts are expressed in thousands of Euro):

At 31 December 2009

Assets	Up to 1 month	1 - 3 months	3- 12 months	1 - 5 years	Over 5 years	Non-interest bearing	Total
Cash and balances with Central Bank	996.565	0	0	0	0	0	996.565
Loans and advances to banks	1.301.341	200.000	682.835	0	0	185.766	2.369.942
Trading securities	100.015	367.236	39.981	327.006	52.565	8.895	895.698
Derivative financial instruments	25.838	0	0	0	0	0	25.838
Loans and advances to customers	10.593.051	2.040.297	1.769.710	6.088.856	1.641.435	0	22.133.349
Investment portfolio	323.027	661.926	920.572	1.044.924	282.150	375.480	3.608.079
Investments in subsidiaries and associates	0	0	0	0	0	459.662	459.662
Investment property	0	0	0	0	0	162.330	162.330
Property, plant and equipment	0	0	0	0	0	296.877	296.877
Intangible assets	0	0	0	0	0	3.686	3.686
Deferred tax asset	0	0	0	0	0	382.359	382.359
Other assets	0	0	0	0	0	704.706	704.706
Total assets	**13.339.837**	**3.269.459**	**3.413.098**	**7.460.786**	**1.976.150**	**2.579.761**	**32.039.091**
Liabilities							
Deposits from banks	1.399.637	1.332.404	3.647.369	0	0	0	6.379.410
Liabilities at fair value through profit or loss	288.678	0	642.909	0	0	0	931.587
Deposits from customers	17.087.798	2.654.652	2.939.450	901	0	0	22.682.801
Derivative financial instruments	104.303	0	0	0	0	0	104.303
Provision for employee benefits	0	0	0	0	0	8.767	8.767
Other liabilities	0	0	94.652	0	0	235.173	329.825
Subordinated loans	248.794	0	0	0	0	0	248.794
Total liabilities	**19.129.210**	**3.987.056**	**7.324.380**	**901**	**0**	**243.940**	**30.685.487**
Interest sensitivity gap	**(5.789.373)**	**(717.597)**	**(3.911.282)**	**7.459.885**	**1.976.150**	**2.335.821**	**1.353.604**
At 31 December 2008							
Total assets	13.755.247	1.820.573	2.805.968	5.027.782	1.920.112	2.331.643	27.661.325
Total liabilities	21.081.983	2.818.218	1.690.604	861.490	1.604	318.571	26.772.470
Interest sensitivity gap	**(7.326.736)**	**(997.645)**	**1.115.364**	**4.166.292**	**1.918.508**	**2.013.072**	**888.855**

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Bank's financial assets and liabilities to various standard and non-standard interest rate scenarios. Standard scenarios that are considered on a monthly basis include a 100 basis point (bp) parallel fall or rise in all yield curves worldwide and a 50 bp rise or fall in the greater than one year portion of all yield curves.

(Amounts in thousand Euro)

	100 bp parallel increase	100 bp parallel decrease	50 bp increase after 1 year	50 bp decrease after 1 year
2009				
At 31 December	(346.243)	354.701	(195.651)	200.430
Average for the period	(366.677)	375.042	(207.831)	212.577
Maximum for the period	(409.629)	418.668	(227.385)	232.402
Minimum for the period	(339.719)	347.569	(195.651)	200.430
	(1.462.268)	**1.495.980**	**(826.518)**	**845.839**
2008				
At 31 December	(395.566)	405.526	(228.945)	223.322
Average for the period	(397.721)	299.025	(167.058)	166.657
Maximum for the period	(408.035)	405.526	(228.945)	235.363
Minimum for the period	(238.551)	243.012	(135.031)	132.552
	(1.439.873)	**1.353.089**	**(759.979)**	**757.894**

4.6 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Bank's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

Bank's standards for the management of operational risk include:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Compliance with the Bank's standards is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Audit Committee and senior management of the Bank.

4.7 Capital management and capital adequacy

The Bank's objectives when managing capital, are:

- To comply with the capital requirements set by the regulators of the Banking markets where the Bank operates;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are daily monitored by the Bank's management, employing techniques based on the guidelines developed by the Basel Committee and the European Community Directives, as implemented by the Bank of Greece. The required information is filed with the Authority on a quarterly basis.

The bank's capital adequacy is calculated according to the relevant directive by the Bank of Greece (2563/05 & 2587/2007), which is an enforcement of the directive of the European Union for the capital adequacy of financial institutions and investment funds.

The Bank's regulatory capital is divided into two tiers:

- Tier 1 capital
- Tier 2 capital

The risk-weighted assets are measured by means of a hierarchy of five risk weights classified according to the nature of –and reflecting an estimate of credit, market and other risks associated with-each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet exposure, with some adjustments aiming to reflect the nature of potential losses.

The capital adequacy ratio is determined according to Basel II. The new supervisory frame of capital adequacy, applicable from January 1st 2008, introduces capital claims against operational risk and includes amendments in the estimation of capital claims against credit risk.

The table below summarizes the composition of regulatory capital of the Bank for the years ended 31 December 2009 and 2008 respectively.

Tier 1 Capital	**31/12/2009**	**31/12/2008**
Total equity	1.353.604	888.855
Less: Intangible assets	(3.686)	(4.681)
Less: Proposed dividends	(41.425)	0
Adjustment and deductions according to Bank of Greece directive 2563/2005 & 2587/2007	9.188	4.187
	1.317.681	**888.361**
Tier 2 Capital		
Supplementary capital	248.794	448.353
Adjustment and deductions according to Bank of Greece directive 2563/2005 & 2587/2007	(123.822)	(139.163)
	124.972	**309.190**
Deductions from total regulatory capital	**(58.856)**	**(77.156)**
Regulatory capital	**1.383.797**	**1.120.395**
Risk-weighted assets	**14.420.617**	**13.294.359**
Capital adequacy ratio	**9,60%**	**8,43%**

The current capital adequacy ratio for the Bank is estimated to reach 9,60% for 2009, while Tier 1 ratio 9,14%. As at 21/05/2009, the Bank enforced regulatory equity by issuing preference shares of EUR 675 mil. according to article 1, Law 3723/2008 regarding the "Liquidity reinforcement to the economy to face the consequences of the international financial crisis" (Note 37). The regulatory capital of 31/12/2009 does not present equal increase to that of 2008 due to the redemption of a EUR 200 mil. subordinated loan (Tier II), as approved by the Bank of Greece (Note 36), and the loss for the year. The latter results from the increased impairment losses provisions made for the Bank's financial assets.

4.8 Fair value of financial assets and liabilities

The following table summarizes the fair values and the carrying amounts of those financial assets and liabilities that are not presented on the Bank's balance sheet at their fair value.

(Amounts in thousand Euro)

31/12/2009

	Trading	**Designated at fair value**	**Held-to-maturity**	**Loans and receivables**	**Available - for-sale**	**Other amortised cost**	**Total carrying value**	**Fair value**
Cash and balances with Central Bank	0	0	0	0	0	996.565	**996.565**	996.565
Loans and advances to banks	0	0	0	2.369.942	0	0	**2.369.942**	2.371.838
Trading securities	895.698	0	0	0	0	0	**895.698**	895.698
Derivative financial instruments	25.838	0	0	0	0	0	**25.838**	25.838
Loans and advances to customers	0	2.122.509	0	20.010.840	0	0	**22.133.349**	26.126.422
Available-for-sale securities	0	0	0	0	2.803.089	0	**2.803.089**	2.803.089
Held-to-maturity securities	0	0	804.990	0	0	0	**804.990**	761.182
	921.536	**2.122.509**	**804.990**	**22.380.782**	**2.803.089**	**996.565**	**30.029.471**	**33.980.632**
Deposits from banks	0	0	0	0	0	6.379.410	**6.379.410**	6.405.629
Deposits from customers	0	0	0	0	0	22.682.801	**22.682.801**	22.757.209
Liabilities at fair value through profit or loss	0	931.587	0	0	0	0	**931.587**	931.587
Derivative financial instruments	104.303	0	0	0	0	0	**104.303**	104.303
Subordinated loans	0	0	0	0	0	248.794	**248.794**	272.897
	104.303	**931.587**	**0**	**0**	**0**	**29.311.005**	**30.346.895**	**30.471.625**

31/12/2008	Trading	Designated at fair value	Held-to-maturity	Loans and receivables	Available - for-sale	Other amortised cost	Total carrying value	Fair value
Cash and balances with Central Bank	0	0	0	0	0	1.226.862	**1.226.862**	1.226.862
Loans and advances to banks	0	0	0	1.003.932	0	0	**1.003.932**	1.006.337
Trading securities	342.527	0	0	0	0	0	**342.527**	342.527
Derivative financial instruments	25.786	0	0	0	0	0	**25.786**	25.786
Loans and advances to customers	0	1.658.519	0	19.296.424	0	0	**20.954.943**	24.599.839
Available-for-sale securities	0	0	0	0	2.003.037	0	**2.003.037**	2.003.037
Held-to-maturity securities	0	0	129.905	0	0	0	**129.905**	74.869
	368.313	**1.658.519**	**129.905**	**20.300.356**	**2.003.037**	**1.226.862**	**25.686.992**	**29.279.257**
Deposits from banks	0	0	0	0	0	4.907.084	**4.907.084**	4.915.615
Deposits from customers	0	0	0	0	0	20.990.300	**20.990.300**	21.086.542
Derivative financial instruments	62.405	0	0	0	0	0	**62.405**	62.405
Subordinated loans	0	0	0	0	0	448.353	**448.353**	483.189
	62.405	**0**	**0**	**0**	**0**	**26.345.737**	**26.408.142**	**26.547.751**

- Fair value of loans and advances to banks and due to banks is based on discounting cash flows using money market rates for debts with similar remaining maturity.
- Fair value of loans and advances to customers is estimated by discounting expected future cash flows using suitable interest rates for instruments with similar maturity.
- Fair value for held to maturity portfolio is estimated using market prices.
- Fair value of due to customers is based on discounted cash flows using appropriate money market rates for instruments with similar maturity.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The Bank upon preparing the financial statements makes estimates and judgments that affect the reported amounts of assets and liabilities within the next financial year. These estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Impairment losses on loans and advances to customers

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. If such evidence exists, the recoverable amount of the financial asset or group of financial assets is calculated and an impairment provision is accounted. The impairment is recorded in the income statement. The estimates, judgments and the methodology implemented are assessed regularly so as the deviations between the impairment provision and the actual losses incurred are minimized.

5.2 Fair value

For the presentation of assets and liabilities at fair value, the Bank used current market prices for every financial instrument. For those assets and liabilities that their current market price was not available, the values that were derived by applying valuation methods do not differ much from their carrying values. Specifically:

- The listed securities are valued at fair value, which is determined according to the current market price on the day of the balance sheet date.
- Non listed securities are valued at cost of acquisition less any impairment.
- Land and property is presented at deemed cost, which does not differ substantially from fair value

5.3 Impairment of available for sale portfolio

The available for sale portfolio is measured at fair value with any changes in fair value recorded in a corresponding reserve. Impairment arises when there is a significant or prolonged decline in fair value below its cost. In such case the corresponding reserve is transferred to the income statement. The Bank has an approved policy by ALCO to recognize the impairment for securities classified as "Available-for-sale securities". Furthermore, estimates are used to determine the fair value of securities which are not quoted in active markets. For these financial instruments, fair value is calculated using financial models along with estimates for future segment variations and prospects, as well as the financial condition of the companies that are included in the Bank's portfolio.

5.4 Fair value of financial assets

The Bank's policy concerning the measurement of financial assets is presented in Note 3.11. The Bank recognises financial assets at fair value based on the classification introduced by the IFRS 7 amendment as follows:

Level 1: measurement at fair value using quoted prices in active markets for identical assets or liabilities.
Level 2: measurement at fair value using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: measurement at fair value using inputs that are not based on observable market data.

The table shown below presents the Bank's financial assets classified according to objectivity of fair value determination.

(Amounts in thousand Euro)

		31/12/2009			
	Note	**Level 1**	**Level 2**	**Level 3**	**Total**
Trading securities	20	895.698	0	0	**895.698**
Derivative financial instruments	21	2.933	22.905	0	**25.838**
Loans and advances to customers	22	0	2.122.509	0	**2.122.509**
Available for sale portfolio	23.1	2.802.099	990	0	**2.803.089**
		3.700.730	**2.146.404**	**0**	**5.847.134**
Liabilities at fair value through profit or loss	33	931.587	0	0	**931.587**
Derivative financial instruments	21	226	104.077	0	**104.303**
		931.813	**104.077**	**0**	**1.035.890**

5.5 Income tax

The Bank is subject to income tax according to the tax legislation in Greece. The Bank's tax obligations will be considered to be final after the completion of the relevant tax audit.

Due to the method that the tax obligations are finalized in Greece the Bank remains contingent liable to additional taxes and penalties which may be assessed upon such examination. The Bank has accounted a provision for the unaudited fiscal years due to historical data. Any differences that may arise from the tax audits for the unaudited fiscal years will be accounted in the year they arise.

6. SEGMENT REPORTING

The Bank has 5 operating segments, as described below, which are considered to be its strategic sectors. These segments provide different services which are managed separately because different standards and promotion policy are required. For every single strategic sector, the Management assesses the internal reports on a monthly basis.

The segments are briefly described below:

a) Retail Banking – comprises individuals, free-lancers and private companies. This segment manages all the deposit and financing products of this certain group of customers.

b) Small and Medium Enterprises – comprises all the associate small and medium enterprises. This segment manages all the deposit and financing products of this certain group of customers.

c) Corporate Sector – comprises all the associate large companies. This segment manages all the deposit and financing products as well as the letters of guarantee of this certain group of customers.

d) Public Sector – comprises financing of the public sector as well as of the companies under state control. This segment manages all the deposit and financing products as well as other operations such as payroll, payment of agricultural subsidies etc.

e) Treasury – comprises financing activities, investment banking, dealing room's activities in the interbank market (interbank placements and loans, bonds and derivative financial instruments transactions etc) and the Bank's property management.

(Amounts in thousand Euro) **31/12/2009**

	Retail banking	Small and medium enterprises	Corporate sector	Public sector	Treasury	Total
Net interest income	366.333	101.460	83.752	129.182	48.836	729.563
Net fee and comission income	17.481	7.462	9.811	25.308	1.032	61.094
Dividend income	0	0	0	0	17.531	17.531
Net trading income	0	0	0	0	130.503	130.503
Other operating income	4.257	467	981	1.096	7.755	14.556
Total operating income	**388.071**	**109.389**	**94.544**	**155.586**	**205.657**	**953.247**
Operating expenses	(319.059)	(43.262)	(64.893)	(54.078)	(59.486)	(540.778)
Impairment losses	(163.353)	(64.751)	(295.942)	(22.752)	(272.428)	(819.226)
Profit/(loss) before tax	**(94.341)**	**1.376**	**(266.291)**	**78.756**	**(126.257)**	**(406.757)**
Tax						21.904
Profit/(loss) after tax						**(384.853)**
Bonds	0	0	0	0	4.119.402	4.119.402
Treasury	0	0	0	0	2.168.567	2.168.567
Loans	10.620.513	2.469.849	4.239.886	5.934.963	0	23.265.211
Total assets	**10.620.513**	**2.469.849**	**4.239.886**	**5.934.963**	**6.287.969**	**29.553.180**
Treasury	0	0	0	0	6.377.558	6.377.558
Deposits	19.571.480	844.512	355.746	1.911.063	0	22.682.801
Subordinated loans	0	0	0	0	248.794	248.794
Total liabilities	**19.571.480**	**844.512**	**355.746**	**1.911.063**	**6.626.352**	**29.309.153**

(Amounts in thousand Euro) **31/12/2008**

	Retail banking	Small and medium enterprises	Corporate sector	Public sector	Treasury	Total
Net interest income	409.934	48.157	80.673	51.989	15.374	606.127
Net fee and comission income	15.958	7.668	18.271	27.418	1.466	70.781
Dividend income	0	0	0	0	27.761	27.761
Net trading income	0	0	0	0	(20.180)	(20.180)
Other operating income	5.419	1.746	2.852	1.600	18.243	29.860
Total operating income	**431.311**	**57.571**	**101.796**	**81.007**	**42.664**	**714.349**
Operating expenses	(310.773)	(40.404)	(60.607)	(50.506)	(42.765)	(505.055)
Impairment losses	(94.884)	(15.612)	(30.747)	0	(54.202)	(195.445)
Profit/(loss) before tax	**25.654**	**1.555**	**10.442**	**30.501**	**(54.303)**	**13.849**
Tax						11.419
Profit/(loss) after tax						**25.268**
Bonds	0	0	0	0	2.118.159	2.118.159
Treasury	0	0	0	0	769.939	769.939
Loans	9.403.230	2.044.239	3.982.519	6.230.898	0	21.660.886
Total assets	**9.403.230**	**2.044.239**	**3.982.519**	**6.230.898**	**2.888.098**	**24.548.984**
Treasury	0	0	0	0	4.905.257	4.905.257
Deposits	18.287.672	899.099	279.734	1.523.795	0	20.990.300
Subordinated loans	0	0	0	0	448.353	448.353
Total liabilities	**18.287.672**	**899.099**	**279.734**	**1.523.795**	**5.353.610**	**26.343.910**

The Bank's main activities are in Greece with minor presence in Germany, therefore, geographical segment results are not presented.

7. NET INTEREST INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Interest and similar income:		
Loans and advances to customers	1.017.376	959.599
Loans to banks	27.343	52.565
Debt instruments	96.944	180.726
	1.141.663	**1.192.890**
Interest expense and similar charges:		
Customer deposits	(315.764)	(456.624)
Bank deposits	(80.091)	(106.958)
Subordinated loans	(14.489)	(20.120)
Financial leasing (Lessor)	(1.756)	(3.061)
	(412.100)	**(586.763)**
Net interest income	**729.563**	**606.127**

8. NET FEE AND COMMISSION INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Fee and commission income		
Loans and advances to customers	47.193	35.487
Custody services	1.971	4.335
Import-exports	998	1.123
Letters of guarantee	6.996	4.793
Money transfers	14.718	12.701
Other	20.576	42.672
	92.452	**101.111**
Fee and commission expenses		
Contribution to Savings Guarantee Fund	(14.285)	(12.604)
Other	(17.073)	(17.726)
	(31.358)	**(30.330)**
Net fee and commission income	**61.094**	**70.781**

9. NET TRADING INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Trading Portfolio		
Gain minus Losses		
Derivative financial instruments	(13.346)	10.878
Foreign exchange differences	18.139	(10.731)
Sales		
Equity instruments	1.625	(19.671)
Debt instruments	67.793	14.826
Valuation		
Equity instruments	(922)	(9.285)
Debt instruments	25.088	(28.642)
Derivative financial instruments	18.351	15.027
	116.728	**(27.598)**

10. NET INVESTMENT INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Available for sale securities		
From sale		
Equity instruments	2.128	859
Debt instruments	14.914	(622)
Other	(3.267)	7.181
	13.775	**7.418**

11. DIVIDEND INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Trading securities	369	3.061
Available for sale securities	16.382	20.466
Subsidiaries and associates	780	4.234
	17.531	**27.761**

12. OTHER OPERATING INCOME

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Gain from the sale of fixed assets	3.492	13.121
Income from investment property	4.017	3.357
Income from sequential activities	3.665	7.658
Telecommunication fees	556	406
Other	2.826	5.318
	14.556	**29.860**

13. STAFF COST

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Wages and salaries	(248.482)	(206.789)
Social security costs	(111.005)	(106.550)
Defined benefit plan costs (note 34)	(1.614)	(1.535)
Other staff costs	(32.274)	(32.117)
	(393.375)	**(346.991)**

The number of persons employed by the Bank as at 31/12/2009 was 6.500 (31/12/2008: 6.395).

14. OTHER EXPENSES

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Third party fees	(29.583)	(32.124)
Advertising and promotion expenses	(15.218)	(22.733)
Telecommunication expenses	(10.648)	(11.901)
Insurance fees	(2.239)	(2.016)
Repairs and maintenance	(11.944)	(11.079)
Travel	(8.774)	(11.399)
Stationery	(3.906)	(2.695)
Utility services	(3.973)	(3.858)
Operating lease rentals	(13.495)	(13.782)
Other taxes	(7.002)	(6.305)
Other	(10.738)	(11.900)
	(117.520)	**(129.792)**

15. IMPAIRMENT LOSSES

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Loans and advances to customers	(588.062)	(190.301)
Available-for-sale securities	(168.518)	0
Participation to non listed entities	(7.285)	(1.250)
Subsidiaries impairment	(40.760)	0
Other	(14.601)	(3.894)
	(819.226)	**(195.445)**

16. TAX

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Non deductible taxes	(1.885)	0
Extraordinary contribution	(769)	0
Tax provision for unaudited financial years	(2.000)	(4.000)
Deferred tax	26.558	15.419
	21.904	**11.419**

The tax of the year was calculated on the basis of the current tax rate of 25% applicable from January 2007. According to Law 3697/2008, the tax ratio diminishes one percent every year from 2010 to become 20% in 2014.

In Greece the results reported to the tax authorities by an entity are considered provisional and subject to revision until such time as the tax authorities examine the books and records of the entity and the related tax returns are accepted as final. The Bank has been audited by the tax authorities and has settled all its tax obligations up until 31 December 2004, while it is currently audited by the tax authorities for the fiscal years from 2005 to 2008. Due to the method under which the tax obligations are ultimately concluded in Greece, the Bank remains contingently liable for additional taxes and penalties for the fiscal years 2005-2009.

For the unaudited years the relative provision has been accounted and as at 31/12/2009 it amounts to EUR 11,6 mil.

During the year, an extraordinary contribution was imposed upon the amount of the companies' earnings which exceeds the amount of EUR 5 mil. The Bank was charged with the amount of EUR 769 thousand for this purpose.

The reconciliation of the effective tax rate is as follows (in thousands of Euro):

Profit/(loss) before tax	(406.757)	13.849
Income tax at 25% (2008: 25%)	0	(3.462)
Tax exempt revenues (corresponding tax)	4.266	8.708
Non-deductible expenses (corresponding tax)	(6.151)	(5.246)
Provision for unaudited tax years	(2.000)	(4.000)
Effect on deferred tax due to changes in tax rates	0	(19.099)
Extraordinary contribution	(769)	0
Effect of deferred tax on income statement	26.558	34.518
Tax	**21.904**	**11.419**

17. BASIC AND DILUTED EARNINGS/(LOSSES) PER SHARE

	1/1 - 31/12/2009	**1/1 - 31/12/2008**
Earnings/(losses) after tax (in thousands of euro)	(384.853)	25.268
Minus: Dividend to preference shareholders	(41.425)	0
Earnings/(losses) after tax attributable to the holders of common stocks	(426.278)	25.268
Weighted average of number of shares in issue	905.444.444	905.444.444
Basic and diluted earnings/(losses) per share (expressed in euro)	**(0,4708)**	**0,0279**

Basic EPS is calculated by dividing the net profit by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Bank and held as treasury shares.

Diluted EPS is determined by adjusting the weighted average number of ordinary shares in issue during the year to dilutive potential ordinary shares. The latter are the preference shares issued to the Greek Government (Note 37). The conversion of the preference shares into ordinary ones as at 31/12/2009 was made based on article 1 of 54201/B 2884/26.11.2008 decision of the Ministry of Economy and Finance.
The diluted EPS is higher than the basic one and according to IAS 33 its disclosure is not obligatory.

18. CASH AND BALANCES WITH CENTRAL BANK

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Cash in hand	424.828	393.428
Balances with Central Bank	571.737	833.341
Mandatory deposits at Central Bank	0	93
	996.565	**1.226.862**

To compose the Statement of Cash Flows, the Bank considers as cash and cash equivalents the following:

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Cash and balances with Central bank	996.565	1.226.862
Purchase and resale agreements of trading securities	794.553	123.021
Short-term placements with other banks	1.096.921	541.264
	2.888.039	**1.891.147**

19. LOANS AND ADVANCES TO BANKS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Current accounts	201.375	233.993
Other placements	1.015.742	426.918
Purchase and resale agreements of trading securities	1.152.825	343.021
	2.369.942	**1.003.932**

20. TRADING SECURITIES

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Greek government bonds	719.869	157.847
Corporate Bonds	166.934	184.680
Equity securities	8.895	0
	895.698	**342.527**

The Bank, in consistency with IAS 39, as applied in 2008, proceeded to a few reclassifications as mentioned in Note 24.

21. DERIVATIVE FINANCIAL INSTRUMENTS

(Amounts in thousand Euro)	**2009**		**2008**	
	Fair Value		**Fair Value**	
	Asset	**Liability**	**Asset**	**Liability**
Foreign exchange derivatives				
Swaps	0	0	0	690
Options	243	178	0	0
Forward contracts				
Futures	2.933	226	0	0
Interest rate derivatives				
Swaps	22.662	103.899	25.786	61.715
	25.838	**104.303**	**25.786**	**62.405**

The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate fair values of derivative financial assets and liabilities, may significantly fluctuate from time to time.
The Bank does not apply hedge accounting, therefore the gains and losses arising on derivative financial instruments are recognized in net trading income.

22. LOANS AND ADVANCES TO CUSTOMERS

(Amounts in thousand Euro)

22.1 Loans per sector	31/12/2009	31/12/2008
Credit cards	554.456	451.709
Consumer loans	1.417.498	1.160.340
Mortgages	6.752.280	6.137.103
Loans to private individuals	**8.724.234**	**7.749.152**
Loans to the agricultural sector	2.182.955	2.067.597
Corporate loans	4.076.300	3.982.519
Small and medium sized firms	2.346.759	1.630.720
Loans to corporate entities	**8.606.014**	**7.680.836**
Loans to the public sector	5.934.963	6.230.898
	23.265.211	**21.660.886**
Less: allowance for uncollectibility	(1.131.862)	(705.943)
	22.133.349	**20.954.943**

Further analysis of credit risk from loans and advances to customers and of the way they are managed is provided in Note 4.1.4.

22.2 ALLOWANCE FOR UNCOLLECTIBILITY

Movement in the allowance for uncollectibility	2009	2008
Balance at 1 January	**705.943**	**922.137**
Provision for impairment	588.062	190.301
Written-offs	(162.143)	(406.495)
Balance at 31 December	**1.131.862**	**705.943**

In order for a write off to be materialized, a proposal is submitted by the Write off Committee, which is subsequently verified by the Asset and Liability Management Committee (ALCO) and the Board of Directors. Write offs are recorded on off balance sheet accounts in order to be monitored for prospective legal actions and probable collections.

23. INVESTMENT PORTFOLIO

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Available-for-sale securities	2.803.089	2.003.037
Held-to-maturity securities	804.990	129.905
	3.608.079	**2.132.942**

23.1 AVAILABLE-FOR-SALE SECURITIES

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Debt securities:		
Greek Government bonds	1.640.360	322.349
Other issuers	787.249	1.323.378
	2.427.609	1.645.727
Equity securities:		
Listed	340.190	310.669
Unlisted	990	12.657
Equity funds	19.503	21.386
	360.683	344.712
Mutual fund units	14.797	12.598
	2.803.089	**2.003.037**

All available-for-sale securities are carried at fair value, except for the unlisted equity securities of EUR 990 thousand (31/12/2008: 12.657 thousand), which are carried at cost because fair value can not be determined.

The Bank during 2009 estimating the greek and international financial environment and the ASE Index decline, and accordingly to its impairment policy as approved by ALCO, proceeded to the impairment of:
- non-listed securities of its portfolio of € 7.285 thousand
- listed securities of € 159.034 thousand
- corporate bonds of € 9.484 thousand.

The movement in the available-for-sale securities is summarized as follows:

(Amounts in thousand Euro)

	2009	2008
At 1 January	**2.003.037**	**1.183.005**
Additions	1.612.562	1.240.837
Disposals	(832.651)	(48.660)
Transfer due to IAS 39	0	203.816
Impairment	(7.285)	(1.250)
Gains/(Losses) from changes in fair value	27.426	(574.711)
31 December	**2.803.089**	**2.003.037**

Analysis of additions and disposals follows:

(Amounts in thousand Euro)

	Additions	Disposals
Greek Government bonds	1.374.100	0
Equity Fund	858	(4.346)
Corporate bonds	233.185	(810.618)
Listed securities	4.100	(12.987)
Unlisted securities	319	(4.700)
	1.612.562	**(832.651)**

23.2 HELD TO MATURITY SECURITIES

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Greek Government bonds	804.990	129.905
	804.990	**129.905**

Held to maturity securities include Greek Government Bonds, that are held by the Bank from the issue date and that the Bank intends to hold until their maturity. The fair value of the above mentioned bonds as of 31/12/2009 is EUR 761.182 thousand (31/12/2008: EUR 74.869 thousand).

The above portfolio includes Greek Government bonds of € 675 mil. which the Bank received from the Greek State during its share capital increase through the issuance of preference shares (Note 37).

24. AMENDMENTS TO THE BANK'S FINANCIAL INSTRUMENTS

As at 01/07/2008 and 01/10/2008, according to the IAS 39 amendments, the Bank reclassified its listed shares as well as other debt securities from "Trading securities" to "Available for sale securities", the fair value of which at 31/12/2009 is estimated to EUR 140,9 million. Their positive valuation of EUR 9,3 million for the period 01/01/2009 – 31/12/2009 is recognized on "Available-for-sale reserve" (the accumulated loss of valuation for the period 01/07/2008 – 31/12/2009 which is recognised on the same reserve is EUR 20,2 million). This reserve was positively influenced by EUR 8,0 mil. from securities sales and by EUR 8,9 mil. from the impairment provision made for debt securities, which is presented in the income statement of 31/12/2009.

In addition, as at 31/12/2009 "Loans and advances to customers" includes debt securities of fair value EUR 71,4 million (amortised cost EUR 68,2 mil.) which were reclassified from "Trading securities" (31/12/2008: amortised cost EUR 67,9 mil., fair value EUR 49,6 mil.). Also, Loans and advances to customers" includes debt securities of EUR 61,9 million which were reclassified from "Available for sale securities" since these securities are not negotiated in an active market and for which an allowance for uncollectibility of EUR 43,2 million was formed in fiscal year 2008.
The Bank has the intention and ability to retain the above-mentioned securities for the foreseeable future.

25. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

(Amounts in thousand Euro)

	% Paricipation	2009	2008
ATE LEASING	99,41%	170.318	170.318
ATE-Cards	98,00%	1.882	1.882
ATE AEDAK	54,00%	613	613
ATE Tecniki Pliroforiki	82,73%	3.557	3.557
ATE A.X.E.P.E.Y.	66,58%	22.205	22.205
ATE Insurance	84,08%	490.815	490.815
ABG FINANCE INT.	100,00%	37	37
FIRST BUSINESS BANK	49,00%	71.908	71.908
Hellenic Sugar Company	82,33%	228.664	228.664
DODONI	67,77%	12.799	12.799
SEKAP	44,25%	5.613	5.595
ELVIZ	99,82%	2.154	2.154
ATE ADVERTISING	48,62%	520	510
ATExcelixi	95,00%	285	285
ATEBANK ROMANIA	74,13%	71.485	71.485
AIK BANKA	20,83%	116.629	116.629
		1.199.484	**1.199.456**
Less: Provision for impairment		**(739.822)**	**(699.062)**
		459.662	**500.394**

Participation on subsidiaries and associates companies is recorded at cost value less any impairment that has incurred.

As at 31/12/2009 the Bank recognised impairment losses of subsidiaries and associates total value of of € 40.760 thousand.

Further information about movement of investments in subsidiaries and associates is provided below:

(Amounts in thousand Euro)

	1/1 - 31/12/2009	1/1 - 31/12/2008
Subsidiaries		
Opening balance	306.262	309.468
Additions	10	0
Disposals	0	(3.206)
Impairment	(20.454)	0
Closing balance	**285.818**	**306.262**
Associates		
Opening balance	194.132	169.274
Additions	18	24.858
Impairment	(20.306)	0
Closing balance	**173.844**	**194.132**
	459.662	**500.394**

The main transactions of the year regarding the subsidiaries and associates of ATEbank's Group are as follows:

a. Increase of the participation to ATE ADVERTISING S.A. by 0,82% for the amount of EUR 9,6 thousand.

b. Increase of the participation to SEKAP S.A. by 0,15% for the amount of EUR 18,2 thousand.

26. INVESTMENT PROPERTY

(Amounts in thousand Euro)

	Land	Buildings	Total
At 1 January 2008			
Cost	125.076	74.078	199.154
Accumulated Depreciation	0	(29.496)	(29.496)
Net book value	**125.076**	**44.582**	**169.658**
2008			
Opening net book value	125.076	44.582	169.658
Additions	3.352	4.384	7.736
Disposals	(7.964)	(3.658)	(11.622)
Depreciation charge	0	(4.111)	(4.111)
Depreciation of disposals	0	1.977	1.977
Transfer	(427)	(291)	(718)
Net book value	**120.037**	**42.883**	**162.920**
31 December 2008			
Cost	120.037	74.513	194.550
Accumulated Depreciation	0	(31.630)	(31.630)
Net book value	**120.037**	**42.883**	**162.920**
2009			
Opening net book value	120.037	42.883	162.920
Additions	1.812	6.041	7.853
Disposals	(2.678)	(1.919)	(4.597)
Depreciation charge	0	(3.792)	(3.792)
Depreciation of disposals	0	700	700
Transfer	(754)	0	(754)
Net book value	**118.417**	**43.913**	**162.330**
31 December 2009			
Cost	118.417	78.635	197.052
Accumulated Depreciation	0	(34.722)	(34.722)
Net book value	**118.417**	**43.913**	**162.330**

Investment property is held by the Bank either to earn rental income or capital appreciation.

The Bank has recognised as investment property, land and buildings that have come into its possession from the foreclosure of non-performing loans. In accordance with local banking regulations banks are required to dispose of foreclosed property within three years, however, extensions to this holding period can be approved by the Bank of Greece. The net book value of this property as at 31 December 2009 was EUR 93.593 thousands (31/12/2008: EUR 91.670 thousand).

27. PROPERTY, PLANT AND EQUIPMENT

(Amounts in thousand Euro)

	Land	Buildings	Furniture and Equipment	Leasehold Improvements	Under Construction	Total
At 1 January 2008						
Cost	110.217	180.332	92.361	23.201	16.082	422.193
Accumulated Depreciation	0	(48.259)	(63.532)	(11.873)	0	(123.664)
Net book value	**110.217**	**132.073**	**28.829**	**11.328**	**16.082**	**298.529**

2008						
Opening net book value	110.217	132.073	28.829	11.328	16.082	298.529
Additions	750	4.713	12.839	2.708	644	21.654
Disposals	(472)	(923)	(1.929)	(346)	0	(3.670)
Depreciation charge	0	(9.362)	(9.333)	(2.595)	0	(21.290)
Depreciation of disposals	0	382	668	69	0	1.119
Transfer	514	13.863	0	1.103	(14.762)	718
Net book value	**111.009**	**140.746**	**31.074**	**12.267**	**1.964**	**297.060**
31 December 2008						
Cost	111.009	197.985	103.271	26.666	1.964	440.895
Accumulated Depreciation	0	(57.239)	(72.197)	(14.399)	0	(143.835)
Net book value	**111.009**	**140.746**	**31.074**	**12.267**	**1.964**	**297.060**
2009						
Opening net book value	111.009	140.746	31.074	12.267	1.964	297.060
Additions	503	7.683	9.122	3.186	2.571	23.065
Disposals	(93)	(646)	(6.545)	(468)	0	(7.752)
Depreciation charge	0	(9.352)	(10.465)	(3.397)	0	(23.214)
Depreciation of disposals	0	275	6.428	261	0	6.964
Transfer	754	461	0	76	(537)	754
Net book value	**112.173**	**139.167**	**29.614**	**11.925**	**3.998**	**296.877**
31 December 2009						
Cost	112.173	205.483	105.848	29.460	3.998	456.962
Accumulated Depreciation	0	(66.316)	(76.234)	(17.535)	0	(160.085)
Net book value	**112.173**	**139.167**	**29.614**	**11.925**	**3.998**	**296.877**

Property plant and equipment includes fixed assets amounting to EUR 26.877 which have been acquired through financial leasing. These fixed assets are depreciated according to the duration of lease contracts.

28. INTANGIBLE ASSETS

(Amounts in thousand Euro)

	2009	2008
Cost - Software	24.641	22.759
Accumulated amortization	(20.955)	(18.078)
Net book value	**3.686**	**4.681**

29. DEFERRED TAX ASSET

Deferred tax assets and liabilities are attributable to the following:

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Deferred tax asset:		
Intangible assets	122	490
Provision for impairment losses on customer loans	224.511	182.478
Trading securities	92.000	142.489
Employee benefits	1.812	2.325
Other items	6.413	592
Tax losses carry forward	68.661	85.688
	393.519	**414.062**
Deferred tax liability:		
Property, plant and equipment	2.303	7.501
Derivative financial instruments	8.857	6.489
	11.160	**13.990**
Net deferred tax asset	**382.359**	**400.072**

Movement in temporary differences during the year

(Amounts in thousand Euro)

	Balance 1 January 2009	Recognized in income	Recognized in equity	Balance 31 December 2008
Intangible assets	490	(6)	(362)	122
Provision for impairment losses on customer loans	182.478	42.033	0	224.511
Employee benefits	2.325	(513)	0	1.812
Other items	592	5.821	0	6.413
Tax losses carry forward	85.688	(17.027)	0	68.661
Property, plant and equipment	(7.501)	5.198	0	(2.303)
Derivative financial instruments	(6.489)	(2.368)	0	(8.857)
Trading securities	142.489	(6.580)	(43.909)	92.000
	400.072	**26.558**	**(44.271)**	**382.359**

	Balance 1 January 2008	Recognized in income	Recognized in equity	Balance 31 December 2008
Intangible assets	1.000	(27)	(483)	490
Provision for impairment losses on customer loans	278.904	(96.426)	0	182.478
Employee benefits	2.873	(548)	0	2.325
Other items	5.658	(5.066)	0	592
Tax losses carry forward	27.203	58.485	0	85.688
Property, plant and equipment	(5.681)	(1.820)	0	(7.501)
Derivative financial instruments	(3.419)	(3.070)	0	(6.489)
Trading securities	0	61.891	80.598	142.489
Provisions for contingent liabilities	(2.000)	2.000	0	0
	304.538	**15.419**	**80.115**	**400.072**

According to Law 3697/2008 regarding the gradual reduction of the tax ratios from 2010 till 2014, the Bank reestimated its deferred tax assets and liabilities based on the new tax ratios and recorded the impact from the reduction on the financial statements.

The temporary differences, arising from the valuation of securities, result from taxation imposed by the Law 3634/2008, given that the Bank has listed shares in the Athens Stock Exchange and it is likely to offset gains from their sale with the loss from their valuation.

30. OTHER ASSETS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Prepaid expenses	1.145	1.158
Tax advances and other tax receivables	44.701	29.860
Accrued interest and commissions **(30.1)**	197.369	138.777
Other receivables from public sector	151.367	145.708
Cheques and notes receivables	16.084	23.655
Receivables from pension fund	96.745	89.336
Customers	17.131	19.659
Additional contribution to Savings Guarantee Fund	108.053	50.415
Other	72.111	110.638
	704.706	**609.206**

30.1 ACCRUED INTEREST AND COMMISSIONS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Accrued interest from Public sector	75.400	14.246
Accrued interest from Private sector	11.277	18.833
Accrued interest from loans	101.967	103.161
Accrued interest from money market	1.562	2.210
Public sector commissions	6.930	252
Other	233	75
	197.369	**138.777**

31. DEPOSITS FROM BANKS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Term deposits	6.377.558	4.905.257
Due to Central Bank	1.852	1.711
Other borrowings	0	116
	6.379.410	**4.907.084**

32. DEPOSITS FROM CUSTOMERS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Retail customers:		
Current accounts	211.536	144.967
Saving accounts	11.827.490	10.989.874
Term deposits	7.532.454	7.152.831
	19.571.480	**18.287.672**
Private sector entities:		
Current accounts	606.147	883.103
Term deposits	594.111	295.730
	1.200.258	**1.178.833**
Public sector entities:		
Current accounts	1.710.498	1.373.767
Term deposits	200.565	150.028
	1.911.063	**1.523.795**
	22.682.801	**20.990.300**

At 31 December 2009 the term deposits includes repo deposits amounting to EUR 8.371 thousand (31/12/2008: EUR 24.205 thousand). The majority of the repurchase agreements expire within one month of the balance sheet date.

33. LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 31/12/2009 the Bank had open selling positions in bonds of total amount of EUR 970,8 mil. whose fair value rised to EUR 931,6 mil.

34. PROVISION FOR PENSION LIABILITIES

(a) Defined contribution plans

- Main Pension Plan

According to law 3522/22.12.2006, effective 1st January 2007, the pension segment of the Main Employee Pension Fund of the Bank acceded to the Social Insurance - Common Employee Pension Fund (IKA- ETAM).

The employer and employees contributions rates are reduced to the respective effective ones in IKA-ETAM, promptly for the employees as of 01.01.2007, and gradually in equal portions for the employer (ATE Bank) within 5 years starting as of 01.01.2007.

Besides the above mentioned regular contributions, the Bank will continue to pay annually as a fixed contribution to IKA- ETAM, an amount of EUR 28 million for fifteen years.

- Medical fund

The medical fund of the Bank, "TYPATE", provides for defined contributions to be made by the Bank at a rate of 6.25% of the employee's salary. Employees contribute at a rate of 2%.

(b) Defined benefit plans

- Early Retirement Plan

As of January 2007 the insured employees and pensioners of ATE Bank's Auxiliary Pension Plan (ELEM) must compulsory accede to the Bank Employee Fund (E.T.A.T). The financial burden of E.T.A.T. and E.T.E.A.M. from the accession of the insured employees and pensioners of ATE Bank besides the regular contributions is covered from a payment that ATE Bank occurred in the amount of Euro 280 million for which the Bank had already formed a provision according to an actuarial study for that purpose. In addition to this amount, the Bank will make 10 annual, equal payments of Euro 10 million as extraordinary contribution.

The Bank's contribution gradually decreases from 9% to 7,5% within 3 years performed from 01.01.2007.

- Lump Sum granted on retirement

The Bank also sponsors a funded plan that provides for the payment of a lump sum to retiring employees. The payment is determined based on the employee's length of service and salary on the date of retirement.

The amounts recorded in the financial statements with respect to the defined benefit plans are as follows:

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Present value of funded obligations	21.166	20.118
Fair value of plan assets	(11.220)	(10.453)
Unrecognised actuarial gains and (losses)	(1.179)	(274)
Recognised liability for defined benefit obligations	**8.767**	**9.391**

Movement in the net liability for defined benefit obligations recognised in the balance sheet

	31/12/2009	31/12/2008
Net liability for defined benefit obligations at 1 January	9.391	9.811
Expense recognised in the income statement	1.614	1.535
Contributions received	(2.238)	(1.955)
Net liability for defined benefit obligations at 31 December	**8.767**	**9.391**

Expense recognised in the income statement	**31/12/2009**	**31/12/2008**
Current service cost	1.082	1.078
Interest on obligation	1.107	935
Expected return on plan assets	(575)	(478)
	1.614	**1.535**

The principal actuarial assumptions at the balance sheet date are:

	2009	**2008**
ACTUARIAL STUDY	**Funded**	**Funded**
Discount rate	**6,00%**	**5,50%**
Future salary increases	**4,22%**	**4,22%**
Expected return on plan assets	**6,00%**	**5,50%**

35. OTHER LIABILITIES

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Prepaid expenses and deferred income	94.652	124.134
Creditors and suppliers	8.953	10.631
Tax and duties payable (except income tax)	22.786	25.476
Due to public sector	43.395	30.675
Finance lease payable	42.854	47.574
Other	117.185	116.447
	329.825	**354.937**

36. SUBORDINATED LOANS

(Amounts in thousand Euro)

	31/12/2009	31/12/2008
Subordinated loan due 2018	248.794	248.392
Subordinated loan due 2014	0	199.961
	248.794	**448.353**

The subordinated loans represent the proceeds received from the issuance of subordinated floating rate notes by the Bank's subsidiary ABG FINANCE INTERNATIONAL PLC, which are guaranteed by the Bank. The proceeds of these notes are loaned to the Bank on exactly the same terms as the notes issued.

On 21 July 2008 a subordinated loan of EUR 250 mil. was raised, with maturity in 2018 and replaced another loan which was redeemed on 24 December 2007 and it is part of supplementary capital (Tier 2). The loan carries interest at Euribor increased by a margin of 2,45% and pays off quarterly. The Bank has the right to redeem it after the 22nd of July 2013. If the loan is not redeemed, its interest rate will rise from 2,45% to 3,75%.

As at 19/08/2009 the Bank redeemed, as was entitled to, the subordinated loan due in August 19, 2014 of EUR 200 mil.

The subordinated loans are carried at amortized cost. The costs related to the issue of the notes are amortized as interest expense using the effective interest method over the period of the placement to the first redemption option.

37. SHARE CAPITAL

On 12.01.2009 the Shareholders' General Meeting approved the increase of the Bank's share capital by the amount of EUR 675 mil. with the issuance of 937.500.000 preference shares of nominal value of EUR 0,72 per share, by abolition of the preference right according to article 1 of the Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis".

According to the above-mentioned law, the preference shares provide a fixed return of 10% over the contributed capital and must compulsory be repurchased by the Bank at the issue price after a 5-year period or optionally prior to the end of this period. In case the Bank cannot repurchase the preference shares due to capital adequacy, then the preference shares are converted into common shares.

It should also be mentioned that the preference shares cannot be transferred from the Greek State to third parties or introduced in an active market. The 10% fixed return is calculated on an accrued annual basis and is paid within one month from the approval of the annual financial statements by the General Shareholders Meeting while it stands under the prerequisite of the existence of distributable amounts, in compliance with the article 44 of L. 2190/1920.

In the context of this law and the contractual agreement between the Bank and the Greek State as signed on 14/05/2009, the Bank acquired a 5-year term Greek Government Bond of nominal value of EUR 675 mil. with a floating rate. At the same time, a multiple share was issued by the Bank, which equals the total preference shares of the Greek State. The share capital increase was fully certified as at 21/05/2009, with the Board of Director's approval.

Based on the article 39 of the Law under passage "The adjustment of the Greek legislation to 2006/123 Directive of the E.U. concerning services in the internal market and other provisions", which was filed at the Greek Parliament on 15 March 2010 and amends the Law 3723/2008, the banks have the right not to repurchase the preference shares from the Greek Sate within a 5-year period but are obliged to impose gradual accumulative increase of 2% per year to the annual fixed return of 10% over the contributed capital.

As at 31 December 2009, the net of tax dividend attributable to preference shareholders amounted to EUR 31,07 mil.

Following the above, as at 31 January 2009 the share capital of the Bank is EUR 1.326.919.999,69 and consists of 905.444.444 authorized and issued common shares of nominal value of EUR 0,72 per share and 937.500.000 preference shares of nominal value of Euro 0,72 per share, fully paid.

38. RESERVES

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Statutory reserve	57.768	56.505
Tax free reserves	61.115	61.115
Revaluation reserve available-for-sale investments	(146.756)	(322.395)
Other reserves	816	816
	(27.057)	**(203.959)**

Statutory reserve: In accordance with Greek corporate law entities are required to transfer 5% of their annual profits after tax to a statutory reserve. This obligation ceases when the statutory reserve amounts to one third of the Bank's share capital. This reserve is not available for distribution, but it may be applied to extinguish losses.

Tax free reserves: In accordance with Greek tax law certain types of income and profits are not taxed if retained and recorded to a specific reserve account. In the event that these reserves are distributed or capitalized they will be taxed at the rate applicable on the date of distribution or capitalization.

Available-for-sale reserve: This reserve arises from the changes in valuation of available-for-sale securities. It is transferred to income statement when the relevant securities are sold or in case there is an impairment. Further information on the movement of the available-for-sale reserves is provided in the Statement of Comprehensive income.

39. DIVIDEND PER SHARE

The annual Shareholders' Meeting of 15 May 2009 decided not to distribute dividends for the fiscal year of 2008.

40. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Litigation

The Bank is a defendant in certain claims and legal actions arising in the ordinary course of business. In the opinion of management, after consultation, with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Bank.

(b) Letters of credit and guarantee

The contractual amounts of the Bank's off-balance sheet financial instruments that commit it to extend credit to customers are as follows:

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Letters of guarantee	376.582	303.639
Letters of credit	639	837
	377.221	**304.476**

(c) Assets pledged

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Loans to customers	3.538.708	5.314.757
Trading bonds	0	159.000
Available-for-sale bonds	1.410.000	1.111.100
Held to maturity bonds	130.000	140.000
Loans to customers according to Law 3723/2008	1.241.437	0
	6.320.145	**6.724.857**

The Bank has collateralized customer loans to the Bank of Greece in accordance with the Monetary Policy Council Act No 54/27.2.2004 as in force, and following its amendment by Monetary Policy Council Act 61/6.12.2006. With this act the Bank of Greece accepts as collateral for monetary policy purposes and intraday credit non marketable assets, which should meet the terms and conditions of the above act. In this frame the Bank has collateralised customer loans and securities in the Bank of Greece with a view to raise its liquidity either intradaily or via participation in main or exceptional or long-term refunding from the European Central Bank and as a guarantee to customers' repos-deposits.

Furthermore, on 31/03/2009 the Bank entered into a loan facility with the Greek State of EUR 807 million in accordance to the article 3 of the Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", which is kept by the European Central bank as a collateral for the liquidity reinforcement. The loan period was determined between 1/4/2009 and 23/12/2011. According to the above, the Bank has additionally pledged customer receivables of EUR 1,2 bil. as a collateral to the Greek Government.

41. RELATED PARTY TRANSACTIONS

The Bank is controlled by the Greek State that holds 77,3% of the share capital. The remaining share capital is widely held.

Related parties include a) BoD Members and members of the key management personnel, b) close members of the family and financial dependant of the above, c) subsidiaries and associate companies of the Group.

The balances of the related party transactions of the Bank are:

a) With BoD Members and members of the key management personnel, and close members of the family and financial dependant of the above

(Amounts in thousand Euro)

	31/12/2009	**31/12/2008**
Loans and advances	99	566
Deposits	635	875

Key Management Personnel Fees	**31/12/2009**	**31/12/2008**
Fees	(546)	(676)
Other	(182)	(205)

b) With its subsidiaries and associates

(Amounts in thousand Euro)

ASSETS	**31/12/2009**	**31/12/2008**
Loans to banks	0	77.000
Loans and advances to customers	854.881	620.566
Other assets	2.450	2.391
Total assets	**857.331**	**699.957**

LIABILITIES		
Deposits from customers	202.851	74.418
Other liabilities	47.241	66.799
Subordinated loans	248.794	448.353
Total liabilities	**498.886**	**589.570**

INCOME STATEMENT	**31/12/2009**	**31/12/2008**
Income		
Interest and similar income	31.392	32.573
Fee and commission income	3.369	6.509
Dividends received	780	4.234
Operating income	4.570	3.472
Total income	**40.111**	**46.788**
Expenses		
Interest and similar expenses	(19.176)	(27.028)
Fee and commission expense	(14.121)	(15.946)
Operating expenses	(24.608)	(28.650)
Total expenses	**(57.905)**	**(71.624)**

Besides the above mentioned transactions, ATEbank also performs transactions with a large number of companies under state control in the framework of its business (loans granted, deposits, other transactions such as wage payments, subsidy payments to farmers etc.)

42. SUBSEQUENT EVENTS

As at 15/01/2010 the Luxemburg Stock Exchange approved the Base Prospectus of the Euro Medium Term Notes (EMTN) Programme of EUR 5 bil. The Issuers of the EMTN programme are ATEBANK S.A. and its subsidiary ABG Finance PLC. Any issuance of ABG Finance PLC is guaranteed by ATEBANK S.A. In this frame, ABG Finance International Plc issued securities of EUR 1,4 bil. nominal value with maturity at 18/02/2012.

As at 25/02/2010 and 23/03/2010 the Board of Directors decided the acquisition of the issued shares of its subsidiaries ATE Leasing S.A. (0,59%), ATE Cards S.A. (2,00%) , ATE AXEPEY S.A. (33,41%), ATE Techniki Pliroforiki S.A. (10,34%), ATExcelixi S.A. (5,00%), ATE AEDAK S.A. (46,00%) and ATE Advertising S.A. (16,41%) that are currently owned by other subsidiaries of ATEbank Group.

There are no other significant issues occurred after the balance sheet date that require reporting.

Athens, 30 March 2010

THE GOVERNOR	THE VICE CHAIRMAN	THE HEAD OF FINANCE DEPARTMENT
THEODOROS PANTALAKIS	ADAMANTINI LAZARI	CHRISTOS STOKAS

7. Financial Information for the period from 1 January to 31 December 2009

(according to Codified Law 2190/20, article 135)

AGRICULTURAL BANK OF GREECE S.A.
R.N.S.A. 24402/06/B/91/39
23 PANEPISTIMIOU STR., 105 64, ATHENS

FINANCIAL FIGURES AND INFORMATION FOR THE YEAR FROM 1 JANUARY TO 31 DECEMBER 2009

(According to Codified Law 2190/20 article 135 for companies preparing annual financial statements, consolidated or non according to the I.A.S.)

All figures mentioned underneath aim at providing information relating to the financial position and results of AGRICULTURAL BANK OF GREECE S.A. and of the GROUP of AGRICULTURAL BANK OF GREECE S.A. Therefore, we recommend to the reader, before any investment decision or transaction is performed with the Bank, to visit the web site of the Bank, where the Financial Statements as well as the auditor's report, are available.

Supervising Authority	: Ministry of Economy, Competitiveness and Shipping
Municipality	: Municipality of Athens
Web site address	: www.atebank.gr
Date of approval of Financial Statements by the Board of Directors (from which all financial figures were derived)	: 30 March 2010
Certified Auditors	: Nikolaos Tsiboukas (A.M. SOEL: 17151)
	: Harry Sirounis (AM SOEL: 19071)
Audit Company	: KPMG Certified Auditors S.A. (A.M. SOEL 114)
Type of Auditor's audit report	: Unqualified opinion

STRUCTURE OF THE BOARD OF DIRECTORS

Theodoros N. Pantalakis	: Chairman - Executive member - Governor of ATE
Adamantini K. Lazari	: Vice-Chairman - Executive member
Nikolaos A. Zachariadis	: Vice-Chairman - Non executive member
Konstantinos P. Ganiaris	: Non-executive member
Georgios V. Sagris	: Non-executive member
Tzanetos D. Karamichas	: Non-executive member
Konstantinos P. Amountzias	: Non-executive member
Theodoros I. Sarris	: Non-executive member
Andreas K. Davillas	: Non-executive member
Ioannis G. Mourgelas	: Non-executive independent member
Vasilios Ch. Goutis	: Non-executive independent member
Evripidis P. Ampatzis	: Greek State Representative (based on article 1, of L. 3723/2008)

STATEMENT OF FINANCIAL POSITION (Consolidated and non consolidated)

Amounts in thousand Euro

	GROUP		BANK	
	31.12.2009	**31.12.2008**	**31.12.2009**	**31.12.2008**
ASSETS				
Cash and balances with the Central Bank	1.029.928	1.277.038	996.565	1.226.862
Loans and advances to banks	2.429.149	957.446	2.369.942	1.003.932
Loans and advances to customers	21.910.078	20.853.981	22.133.349	20.954.943
Financial assets at fair value through profit or loss				
- Trading securities	901.782	342.661	895.698	342.527
- Derivative financial instruments	25.838	25.786	25.838	25.786
Investment portfolio				
- Available-for-sale securities	3.145.963	2.340.002	2.803.089	2.003.037
- Held-to-maturity securities	849.416	175.082	804.990	129.905
Investments in subsidiaries and associates	188.147	204.700	459.662	500.394
Property, plant and equipment	506.908	498.748	296.877	297.060
Investment property	197.386	187.985	162.330	162.920
Intangible assets	26.698	29.082	3.686	4.681
Other assets	1.211.026	1.140.746	704.706	609.206
Deferred tax asset	416.224	440.589	382.359	400.072
TOTAL ASSETS	**32.838.543**	**28.473.846**	**32.039.091**	**27.661.325**
EQUITY AND LIABILITIES				
Deposits from banks	6.478.819	4.971.653	6.379.410	4.907.084
Deposits from customers	22.595.987	20.965.347	22.682.801	20.990.300
Financial liabilities at fair value through profit or loss	931.587	0	931.587	0
Subordinated loans	248.794	444.156	248.794	448.353
Provisions / Other liabilities	474.104	477.405	338.592	364.328
Derivative financial instruments - liabilities	104.303	62.405	104.303	62.405
Insurance reserves	643.690	622.224	0	0
Total liabilities (a)	31.477.284	27.543.190	30.685.487	26.772.470
Share capital	1.326.920	651.920	1.326.920	651.920
Other equity elements	(24.159)	214.792	26.684	236.935
Equity attributable to the Bank's equity holders (b)	1.302.761	866.712	1.353.604	888.855
Minority interests (c)	58.498	63.944	0	0
Total equity (d) = (b) + (c)	1.361.259	930.656	1.353.604	888.855
TOTAL EQUITY & LIABILITIES (a) + (d)	**32.838.543**	**28.473.846**	**32.039.091**	**27.661.325**

STATEMENT OF COMPREHENSIVE INCOME (Consolidated and non consolidated)

Amounts in thousand Euro

	GROUP		BANK	
	01.01-31.12.2009	**01.01-31.12.2008**	**01.01-31.12.2009**	**01.01-31.12.2008**
Interest and similar income	1.169.768	1.220.102	1.141.663	1.192.890
Interest expense and similar charges	(419.486)	(594.671)	(412.100)	(586.763)
Net interest income	**750.282**	**625.431**	**729.563**	**606.127**
Fee and commission income	116.096	120.839	92.452	101.111
Fee and commission expenses	(39.281)	(31.427)	(31.358)	(30.330)
Net fee and commission income	**76.815**	**89.412**	**61.094**	**70.781**
Net trading income	115.833	(27.924)	116.728	(27.598)
Net gain/(loss) on disposal of non-trading financial instruments	17.245	9.301	13.775	7.418
Dividend income	17.175	24.167	17.531	27.761
Other operating income	62.237	86.502	14.556	29.860
Operating income	**1.039.587**	**806.889**	**953.247**	**714.349**
Staff cost	(432.085)	(398.530)	(393.375)	(346.991)
Other expenses	(157.853)	(164.803)	(117.520)	(129.792)
Depreciation	(41.223)	(37.079)	(29.883)	(28.272)
Impairment losses	(825.329)	(204.196)	(819.226)	(195.445)
Operating profit/(loss)	**(416.903)**	**2.281**	**(406.757)**	**13.849**
Share of profit of associates	(2.575)	13.069	0	0
Profit/(loss) before tax	**(419.478)**	**15.350**	**(406.757)**	**13.849**
Tax	14.413	14.419	21.904	11.419
Profit/(loss) after tax (A)	**(405.065)**	**29.769**	**(384.853)**	**25.268**
attributed to:				
- Bank's Equity Holders	(401.533)	27.849	-	-
- Minority interests	(3.532)	1.920	-	-
Other comprehensive income net of tax (B)	**162.508**	**(552.553)**	**175.639**	**(494.428)**
Total comprehensive income net of tax (A) + (B)	**(242.557)**	**(522.784)**	**(209.214)**	**(469.160)**
attributed to:				
- Bank's Equity Holders	(237.914)	(517.043)	-	-
- Minority interests	(4.643)	(5.741)	-	-
Basic Earnings / (Losses) per share (in euro)	(0,4789)	0,0308	(0,4708)	0,0279

STATEMENT OF CHANGES IN EQUITY (Consolidated and non consolidated)

Amounts in thousand Euro

	GROUP		BANK	
	31.12.2009	**31.12.2008**	**31.12.2009**	**31.12.2008**
Equtiy at the beginning of the year (01.01.2009 and 01.01.2008 respectively)	930.656	1.521.058	888.855	1.449.042
Total comprehensive income net of tax	(242.557)	(522.784)	(209.214)	(469.160)
Deferred tax on entries recognized directly to equity	(362)	(483)	(362)	(483)
Dividends paid	(803)	(92.332)	0	(90.544)
Share capital increase	674.325	0	674.325	0
Changes in Group's participations	0	25.253	0	0
(Purchases) / Disposals of own shares	0	(56)	0	0
Equity at the end of the year 31.12.2009 and 31.12.2008 respectively)	**1.361.259**	**930.656**	**1.353.604**	**888.855**

STATEMENT OF CASH FLOWS (Consolidated and non consolidated)

Amounts in thousand Euro

	GROUP		BANK	
	01.01-31.12.2009	**01.01-31.12.2008**	**01.01-31.12.2009**	**01.01-31.12.2008**
Net cash flows from operating activities (a)	1.978.814	108.630	1.944.401	(32.105)
Net cash flows from investing activities (b)	(768.549)	(214.020)	(745.939)	(127.939)
Net cash flows from financing activities (c)	(196.978)	203.101	(200.675)	203.120
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**1.013.287**	**97.711**	**997.787**	**43.076**
Effect of exchange rate changes on cash and cash equivalents	(3.002)	(2.194)	(896)	(1.115)
Total increase/(decrease) in cash and cash equivalents	**1.010.285**	**95.517**	**996.891**	**41.961**
Cash and cash equivalents at the beginning of the year	**1.970.324**	**1.874.807**	**1.891.147**	**1.849.186**
Cash and cash equivalents at the end of the year	**2.980.609**	**1.970.324**	**2.888.038**	**1.891.147**

ADDITIONAL FIGURES AND INFORMATION:

1. On 21 May 2009, the share capital increase by the amount of EUR 675 mil. with the issuance of preference shares by abolition of the preference right of the existent shareholders according to article 1 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis" was fully paid, according to the Shareholders' General Meeting approval as of 12 January 2009. Further analysis about the preference shares' issue is detailed in notes 38 of the Group and 37 of the Bank's Financial Statements as of 31.12.2009 respectively.

2. As at 31 December 2009, the net of tax dividend attributable to preference shareholders amounted to EUR 31,07 mil.

3. On 31 March 2009 the Bank entered into a lending facility with the Greek Government of EUR 807 mil. in accordance to Law 3723/2008.

4. The Group during 2009 estimating the greek and international financial environment and the ASE Index decline and accordingly to its impairmen policy as approved by ALCO, proceeded to an impairment of available for sale securities of approximately EUR 176 mil. Since the fair value of these securities had already been recognized in available for sale reserve, there was no additional charge in Group's Equity.

5. The companies included in the Consolidated Financial Statements, their registration offices, the percentage of participation in them, the activities and the consolidation method are mentioned in note 1 of the Consolidated Financial Statements as of 31.12.2009.

6. ATE INSURANCE S.A.'s subsidiary in Romania, ATE INSURANCE S.A ROMANIA, is for first time included in ATEbank's Consolidated Financial Statements as of 31.12.2009. Furthermore, ZO. DO. S.A., a DODONI S.A. newly established subsidiary which established by the 11 February 2009 decree of the relevant authorities, is included in ATEBank's Consolidated Financial Statements. Further analysis is available in note 1 of the Consolidated Financial Statements as of 31.12.2009.

7. Further analysis about the Basic and Diluted Earnings per share is detailed in note 17 of the Group and the Bank's Financial Statements as of 31.12.2009 respectively.

8. A separate mention for the Group and the Bank's unaudited tax years is provided in the Consolidated Financial Statements as of 31.12.2009, in note 16.

9. The total number of personnel for the Group and the Bank is as follows:

	GROUP		BANK	
	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08
Permanent personnel:	9.157	8.879	6.500	6.395
Seasonal personnel:	746	579	0	0
Total personnel:	9.903	9.458	6.500	6.395

10. The amounts and the nature of Other comprehensive income net of tax for the Group and the Bank are as follows:

	GROUP		BANK	
(amounts in thousand euro)	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08
Exchange rate differences:	(15.995)	(35.671)	0	0
Revaluation reserve available-for-sale investments:				
- Valuation for the year	29.045	(608.256)	27.426	(574.711)
- (Gain)/Loss transferred to income statement on disposal of available-for-sale securities	26.478	(350)	23.604	(315)
- Impairment for the year	168.518	0	168.518	0
- Tax related	(45.512)	91.910	(43.909)	80.598
Share of other comprehensive income of associates:	(26)	(186)	0	0
Other comprehensive income net of tax:	162.508	(552.553)	175.639	(494.428)

11. All transactions (income and expenses) from the beginning of the year as well as the assets and liabilities of the Group and Bank at the end of the year resulting from their related parties transactions, according to IAS 24, with separate indication of BoD and key management personnel fees, their transactions and their claims and obligations are shown below:

	OTHER RELATED PARTIES	
	GROUP	BANK
	31-Dec-09	31-Dec-09
a) Income:	€ 3,47 mil.	€ 40,11 mil.
b) Expenses:	0	€ 57,90 mil.
c) Assets:	€ 80,00 mil.	€ 857,33 mil.
d) Liabilities:	€ 0,05 mil.	€ 498,89 mil.

	BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL	
	GROUP	BANK
	31-Dec-09	31-Dec-09
a) Fees:	€ 3,81 mil.	€ 0,73 mil.
b) Loans:	€ 3,48 mil.	€ 0,10 mil.
c) Deposits:	€ 8,13 mil.	€ 0,63 mil.

12. The accumulated provisions made for each of the following cases are:

	GROUP	BANK
	31-Dec-09	31-Dec-09
Litigations:	€ 17,60 mil.	€ 3,20 mil.
Unaudited tax years:	€ 20,83 mil.	€ 11,57 mil.
Other provisions:	€ 48,58 mil.	€ 42,67 mil.
	€ 87,01 mil.	€ 57,44 mil.

13. As at 31.12.2009, the Group owns 2.120.825 treasury shares with cost € 8.338 th. that are deducted from equity.

14. The accounting policies, applied in the Financial Statements as at 31.12.2009 are consistent with those stated in the respective financial statements for the year ended 31.12.2008 and are available on the web site of the Bank, with the exception of the impact of new IFRS adoption as presented in note 3 of Group and Bank's Financial Statements as at 31.12.2009. The Group and the Bank during the second semester of 2008, applied the amendments of IAS 39 and IFRS 7 and the impact in the Financial Statements is presented in note 24 of the Group and the Bank's Financial Statements as of 31.12.2009 respectively.

15. On 19 August 2009 the Bank redeemed, as was entitled to do so, all the outstanding Notes with maturity 19 August 2014, at their nominal amount of EUR 200 mil. issued by ABG FINANCE INTERNATIONAL PLC, subsidiary of ATEBank, and guaranteed by AGRICULTURAL BANK OF GREECE S.A.

16. As at 15/01/2010 the Luxemburg Stock Exchange approved the Base Prospectus of the Euro Medium Term Notes (EMTN) Programme of EUR 5 bil. The Issuers of the EMTN programme are ATEBANK S.A. and its subsidiary ABG Finance PLC. Any issuance of ABG Finance PLC is guaranteed by ATEBANK S.A. In this frame, ABG Finance International Plc issued securities of EUR 1,4 bil. nominal value with maturity at 18/02/2012.

17. As at 25/02/2010 and 23/03/2010 the Board of Directors decided the acquisition of the issued shares of its subsidiaries ATE Leasing S.A. (0,59%), ATE Cards S.A. (2,00%) , ATE AXEPEY S.A. (33,41%) , ATE Techniki Pliroforiki S.A. (10,34%), ATExcelixi S.A. (5,00%), ATE AEDAK S.A. (46,00%) and ATE Advertising S.A. (16,41%) that are currently owned by other subsidiaries of ATEbank Group.

ATHENS, 30 MARCH 2010

THE GOVERNOR	THE VICE CHAIRMAN	THE HEAD OF FINANCE DEPARTMENT
THEODOROS N. PANTALAKIS	ADAMANTINI K. LAZARI	CHRISTOS STOKAS
I.D. AE 119288/07	I.D. AB 205785/06	I.D. Ξ 414057/87

8. Information to article 10 of Law 3401/2005

INFORMATION ACCORDING TO ARTICLE 10 OF LAW 3401 / 2005

The Announcements of the year 2009 are available on the Athens Stock Exchange website address as well as on the Bank's website address www.atebank.gr

SUBJECT	DATE
Extraordinary General Shareholders Meeting Resolutions Concerning the Bank's Share Capital Increase, Modification In Articles of Association and Issuance Approval of Covered Bond and EMTN Programmes.	12/1/2009
Notification of Full Year 2008 Group and Bank Financial Results Announcement Date and Annual Ordinary General Shareholders' Meeting.	18/3/2009
Announcement of Full Year 2008 Group and Bank Financial Results.	27/3/2009
Appointment of an Extra Member at the B.o.D as Representative of the Hellenic State.	27/3/2009
Invitation for the Bank's Ordinary General Shareholder' Meeting on 15/5/2009.	10/4/2009
Commentary on Press Reports.	27/4/2009
Announcement Concerning Dividend's Distribution.	8/5/2009
Notification of Q1 2009 Group and Bank Financial Results Announcement Date.	8/5/2009
Announcement of Q1 2009 Group and Bank Financial Results.	14/5/2009
Acceptance of a B.o.D. Member Resignation and Election of a New Vice President.	14/5/2009
Annual Ordinary General Shareholders' Meeting Resolutions	15/5/2009
Certification by the B.o.D. for the Payment of Amount by the Hellenic State for the Bank's Share Capital.	22/5/2009
Notification of First Half 2009 Results Announcement Date.	17/7/2009
Revoke of Bond issued by ABG Finance International plc, Guaranteed by ATEbank SA.	20/7/2009
H1 2009 Group and Bank Financial Results.	26/8/2009
Commentary on Press Reports	13/10/2009
Notification of 9month 2009 Group and Bank Results Announcement Date.	23/10/2009
Announcement of 9 Month 2009 Group and Bank Financial Results.	12/11/2009
Approval by the B.o.D. of the EMTN Prospectus for the Issuance of Medium Term Notes Program.	12/11/2009
Invitation to the Bank's Extraordinary General Shareholders Meeting on 8/12/2009	16/11/2009
Participation in PYRRICHOS REAL ESTATE S.A. Share Capital Increase.	17/11/2009
Extraordinary General Shareholders's Meeting Resolutions of 08/12/2009.	8/12/2009
Announcement of the Composition of the New B.o.D.	8/12/2009
Notification of the Appointment of New Internal Audit Division Acting and Deputy Director.	24/12/2009

9. Availability of the Annual Financial Report

AVAILABILITY OF THE ANNUAL FINANCIAL REPORT

The Annual Financial Report which includes:

- The Statements of the Board Of Directors Members
- The Board of Directors' Report
- The Independent Auditor's Report
- The Annual Financial Statements of the Bank and the Group
- The Financial Information for the period from 1 January to 31 December 2009

are available on the Bank's website address www.atebank.gr

The Annual Financial Statements, the Independent Auditors' Reports and the Board of Directors' Management Reports of consolidated companies are available on the Bank's website address www.atebank.gr