REPORT
of the Board of Directors of
"ALPHA BANK A.E." ("*ALPHA BANK*")

to the
Extraordinary General Meeting of its Shareholders, dated April 26, 2012,
(including any Iterative or Adjourned Meetings)

on Item No 1 of the Agenda:

"Cessation of the operations and the merger procedure of "Alpha Bank A.E." by way of absorption of "EFG Eurobank Ergasias S.A.". Revocation of all resolutions of the 2nd Iterative Extraordinary General Meeting of "Alpha Bank A.E." dated November 15, 2011 and disengagement of the latter from all contractual commitments towards or in favour of "EFG Eurobank Ergasias S.A.". Grant of relevant authorisations."

Dear Shareholders,

We hereby submit the following, reasoned, Report of the Bank's Board of Directors, which is to be read together with the Board proposals filed under article 27 para. 3 section (d) of codified law 2190/1920 on the Agenda of the General Meeting, with a view to explaining and (as the case may be) documenting the Board proposals on the above-mentioned Item No 1.

1. The Boards of Directors of "Alpha Bank A.E." (henceforth *"the Bank"*) and "EFG Eurobank Ergasias S.A." (henceforth "*Eurobank*" and, collectively with the Bank, the "*Parties*"), at their August 29, 2011 meetings, resolved, pursuant to arts. 68 para. 2, 69-70 and 72-77a of codified law 2190/1920 in conjunction with arts. 16 paras. 1-2, 5-14 and 18 of law 2515/1997, as in force, to initiate a merger procedure involving the Bank and Eurobank, by way of absorption of the latter by the former, upon merger balance sheets dated (for each Party) December 31, 2010 and a proposed share exchange ratio being seven (7) common voting Eurobank shares for five (5) new, common voting Bank shares.

2. It is reminded that, as of July 21, 2011, the details of the 'Private Sector Involvement' ("*PSI*"), i.e. the resolution of the Eurozone Leaders' Summit on the restructuring of the Greek public debt through the voluntary participation of the private sector had been publicized, which resulted in, and accounted for, a value loss in Hellenic Republic issued and Party held bonds of around 17% - 21%.

   On the basis of the respective economic condition of each Party on a post-PSI basis, each of the Bank's Board of Directors and the audit firm "Ernst & Young" (acting on the Bank's behalf), together with Eurobank's Board of Directors and the audit firm "Deloitte" (acting on Eurobank's behalf), drafted the relevant Board's report (article 69 para. 4 of codified law 2190/1920) to justify the merger and, respectively, the fairness opinion on the proposed share exchange ratio (article 16 para. 5 of law 2515/1997).

In furtherance of the foregoing and following drafting of the Draft Merger Agreement, having the same registered in the Société Anonymes Register and having a summary thereof published in a financial newspaper, the Parties had Extraordinary General Meetings convened, on September 30, 2011, to discuss the relevant agenda.

3. While the General Meetings were pending, i.e. on October 26, 2011, the Eurozone Leaders sketched, at a Summit, a new PSI ("*PSI 1*"), without specifying (at that or any other decision thereof, till the date the General Meetings convened) material terms thereof such as, indicatively, the term and interest rate of the new bonds, the perimeter and any credit enhancements, by reference to which the extent of the (accounting and financial) loss from bond possession was to be determined.

   In view of the apparent incompleteness of the terms:

   (i) Each Party's Board of Directors acting, under article 69 para. 5 of codified law 2190/1920, notified, in identical terms, the Board of Directors of the other Party and the respective Shareholders that, owing to the current uncertainty about the (implementation terms of the) PSI+, both Parties were unable to determine *"…the materiality or non-materiality of the [PSI 1 brought about] changes…*", and

   (ii) None of the main listed banks on the Athens Exchange was able, in connection with their interim financial statements for the 3rd quarter 2011, and even by November 30, 2011 (i.e. at a date subsequent to the actual meeting of the General Meetings of the Parties), to enter into their accounting books the impact of the PSI 1, even by November 30, 2011, this being a clear indication of the ongoing uncertainty until that time.

4. On November 15, 2011, General Meetings of the Parties took place, of which that of the Bank was the 2nd iterative, while that of Eurobank was the 1st (adjourned) iterative, meeting. Said Meetings approved the resolutions mentioned hereinbelow, having regard to the reports of each respective Board of Directors (as per article 69 para. 4 of codified law 2190/1920), in addition to that of the respective audit firm (Ernst & Young and Deloitte), all of which were based on the financial data of that time and the PSI impact, excluding the recently announced PSI 1.

   In short, the resolutions of the General Meetings dated November 15, 2011 did not take into account, nor did they quantify the (potential) impact of the PSI 1 on each Party, as well as on an aggregate basis on the (financial, regulatory, etc.) position of the single (post-merger) bank. On the contrary, in respect of the PSI matters, they relied on data developed as of July 21, 2011 (i.e. the PSI adoption) and incorporated, as a basic premise, into the Board and audit firm reports of both Parties.

   In light of the foregoing, the General Meeting of each Party, at its meeting dated November 15, 2011, approved the Party merger (henceforth the "*Merger*"), through absorption of Eurobank by the Bank, together with various corporate actions (i.e. share capital increase, change of the Bank's name, etc.).

5. On January 23, 2012, the Merger was cleared by the Hellenic Competition Commission and, thereafter, the Parties exchanged views on the new circumstances having developed or would otherwise soon develop (the "*PSI+*") having a direct and material impact on the Merger and the premise it was based. In the course of the exchanges, the Parties found themselves in disagreement over the matters in question, which has since been reflected in diverging public statements.

6. In the Bank's view, it is now evident that a material change has occurred of the financial circumstances and other facts upon which: (i) the Board proposal and the November 15, 2011 resolution of the General Meeting of the Bank regarding the financial advisability, business rationale and expected benefits of the Merger, and (ii) the capital enhancement plan of the single (post-merger) entity, being an integral part of the entire project, were premised.

   Hence, the Bank considers the Merger not only failing to add value, but also causing a loss to the Bank and to its Shareholders, with a result it can no longer be justified from a financial viewpoint either, as is more particularly reasoned in the Board Report to the present General Meeting.

   More specifically (*inter alia*):

   (A) In consequence of the Parties' participation in the PSI+ the Common Core Tier I capital of both Parties has suffered a definitive and permanent decrease. Furthermore, such is the extent of the additional loss that will be incurred by the post-merger entity that the Bank's Shareholders will derive no benefit from participating therein, even if the merger synergies were to be taken into account. In particular, the post-merger entity would suffer an additional, PSI+ caused, loss of around Euro 9 billion (on a pre-tax basis) compared to the initial calculations upon which the initial merger agreement was premised. Furthermore, the participation ratio of the Bank Shareholders in the additional loss is materially disproportionate to the Merger resulting benefits.

   (B) In light of the enhanced requirements to have the capital adequacy ratios of the post-merger entity restored to the minimum designated threshold, the initially envisaged, in regard to the Merger, capital enhancement plan of Euro 3.9 billion cannot be implemented and is, in any case, inadequate.

   In addition, there are certain matters between the Parties relating to non-performance by Eurobank, as the Bank deems, of contractual obligations of the latter stemming from an agreement between the Parties (as is usual in these transactions) incorporating (without prejudice to the law) standard clauses regarding representations and warranties, sanctions upon breach of obligations etc.

   In view of the foregoing, the fiduciary duty of the Board of Directors requires that it apprises the Shareholders of all these matters and seeks their decision, by means of a Board proposal. More specifically, its fiduciary duty towards the legal entity, i.e. its commitment to promote the corporate interests (article 2 para. 1 of law 3016/2002), requires it, should it deem it reasonable (as is the case here), to introduce anew the matter to the General Meeting,

so that all Bank Shareholders, upon review of the Board's proposal (to be tabled in furtherance of the protection of the legal entity's and its Shareholders' interests) may resolve, on an updated basis and having regard to the latest information and data brought to its consideration, about the Merger and/or (any) modification of its terms.

7. Accordingly, it is proposed that the General Meeting approves:

(A) The cessation of operations and the overall Merger procedure,

(B) The revocation of all resolutions of the General Meeting dated November 15, 2011, in all respects,

(C) The grant of authority to the Bank's Board, lawfully represented and acting in the name and on the Bank's behalf, to terminate all contractual and other commitments of the Bank towards or in favour of Eurobank with regard to the Merger, insofar as these have not been extinguished by the aforementioned resolutions, and

(D) The grant of authority to the Board of Directors to do all is necessary, in terms of juridical or other acts, declarations or otherwise, with a view to implementing the resolutions of this General Meeting, including (by way of illustration) the consequent revision of the Bank's Articles of Incorporation.