ATEbank
AGRICULTURAL BANK OF GREECE

2010

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 2011

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 2010

Ladies and Gentlemen,

During 2010, the global economy recovered faster than expected, at a 5,0% growth rate. This multispeed recovery gives way to emerging economies while developed ones follow a milder pace. In 2011, according to the International Monetary Fund recent economic forecasts, global GDP is projected to expand by 4,5%. However, downside risks posed to the global economy remain elevated. Economic policies to redress fiscal imbalances, the reform of financial systems in advanced economies and the continuing progress in the critical area of fiscal consolidation at European level are prerequisites for strong global growth. Rising inflation, mainly due to rising oil and food prices, leads to monetary policy review and possible interest rate increase in 2011.

In 2010, the eurozone recovery stood at a lower level, 1,7%, compared to the international economy and varied considerably between countries in the center and the periphery because of budgetary imbalances. The eurozone periphery debt crisis of 2010, led to strict fiscal adjustment programs, which are expected to have a rather negative effect on its GDP growth rate, estimated at 1,6% in 2011. According to recent developments, progress is being made to address the debt crisis affecting the countries of the euroarea periphery through the implementation of a comprehensive European solution.

In the EU summit held on 24th and 25th of March 2011 in Brussels, the original agreement to strengthen the European Stability Mechanism (EFSF) was made in conjunction with measures to control budget deficits and debt. Greece won easier repayment terms on EU bailout loans, since the Extraordinary European Summit held on 11th of March 2011. Greece will be able to pay back the emergency aid, € 110 billion, over an extended time period and at 1% less than the original agreement, in return for a €50 billion privatisation programme including sale of prime state-owned properties. At the same time, eurozone countries, facing problems relating to the sale of bonds in the primary market, gained access to the European Stability Mechanism.

At a national level in 2010, the risk of collapse of the Greek economy was avoided at the cost of the implementation of a rigorous program of economic adjustment for the period 2010 - 2014, which was agreed by the Greek government, the European Commission (EC), the European Central Bank (ECB) and the International Monetary Fund (IMF), that is the three (3) regulatory bodies which have provided the necessary funding of €110 billion, at a time when the country had no access to international markets and the cost of drawing liquidity had become prohibitive.

The programme's main objective is the reduction of general government deficit below 3% of GDP by 2014. It also provides for stringent measures to cut public spending, increase of revenues and restructure of public administration.

In 2010, the annual growth of Greek GDP decelerated to 4,5% and is expected to stand at 3% in 2011. Recession has already affected negatively citizens' income, the consumption and investment activities, and, as a result, has significantly affected economic activity in key sectors of the Greek economy such as tourism, construction and retail trade.

The Greek economy downturn had a negative impact on the Greek banking system performance. The annual growth rate of total domestic financing of the private sector slowed down in December 2010 and fell to – 0,1% compared to 4,1% in December 2009. Greek banks' key priorities, highlighted by the current recession, are capital adequacy strengthening, liquidity safeguarding and monitoring of non-performing loans increasing trend.

The continuous downgrading of the country's sovereign rating and the subsequent negative impact on greek banks' credit rating, has effectively disabled the greek banks to raise capital from international markets. At the same time, customer deposits decreased by € 36,4 billion to € 242,4 billion in December 2010 compared to € 278,8 billion in December 2009. As a result, Greek banks turned to ECB, to meet their increased liquidity requirements, mainly through the Greek government's package of measures aimed at boosting liquidity of the economy (Law 3723/2008).

To deal with these persisting problems and to safeguard adequate liquidity in the economy, the text of the third review of the Memorandum of Economic and Financial Affairs, provides for:

- the extension of Greek government guarantees to non-covered banks' bonds totalling € 30 billion, following the approval by the European Commission,
- the formulation and submission of a medium term financing plan by greek banks and gradual reduction of their dependence on government guarantees and Eurosystem liquidity providing operations.

The Memorandum of Economic and Financial Policy, provides, especially for ATEbank, a share capital strengthening by a seasoned equity offering, taking into account the results of an independent audit, conducted by a prestigious accounting firm in January 2011, and the additional evaluation of the Bank of Greece. The seasoned equity offering will be approved by the European Commission as well.

ATEbank's BoD, intends to propose at the forthcoming Ordinary General Shareholders Assembly a € 1,26 billion share capital increase through a pre-emptive equity rights issue in cash. Out of those funds, € 675 million will be used for the repayment of Greek government preference shares while the remaining € 585 million represent a net inflow of new funds which are necessary to restore ATE Group capital adequacy ratio.

As soon as ATEbank's management assumed its duties, it has highlighted the need for capital strengthening, which had been also outlined after the announcement of ATEbank's performance on the adverse economic scenarios simulation tests (stress tests) held in July 2010 in all EU countries. In the second half of 2010, ATEbank proceeded to the formulation of a restructuring plan, recently submitted to the European Commission, in order to meet the European Union rules on state aid, resulting from the Bank's participation in the Greek government's package of measures aimed at boosting liquidity under Law 3723/9-12-08.

As soon as the restructuring plan is implemented, ATEbank will be transformed into a smaller but more flexible and productive organization operating exclusively in the financial sector in terms of products and services. ATEbank's strategic focus is gradually shifting to attract new clients in developing sectors of the new economy (green economy, renewable energy and waste resources management, organic-geothermal farming, alternative forms of tourism, etc).

More specifically, ATEbank's restructuring plan goals are:

- Safeguarding long term viability and capital adequacy
- Improving Group's operating efficiency, enhancement of productivity and efficiency ratios
- Achieving satisfactory profitability

The basic means for the achievement of the said goals are:

- Asset deleveraging, via sale of non-strategic assets and balanced asset-liability management
- Operational cost cutting
- Organizational and operational restructuring of the Group

In addition to the restructuring plan, in 2010, ATEbank's management continued safeguarding the quality of its balance sheet by preserving an enhanced provisioning stance and establishing new procedures for effective management of risk exposures on one hand and control of non performing loans on the other hand.

Simultaneously, ATEbank's increased liquidity requirements, that occurred due to: i) the decrease in deposits as a result of economic uncertainty ii) the increase in collateral required by ECB as a result of greek government bonds rating downgrade and of the respective increase of haircuts on those bonds, were successfully met.

Despite of the Group's significant improvement in operating profitability in 2010, enhanced provisioning in conjunction with significant trading portfolio losses due to economic recession, led to a loss after tax and minority interests amounting to € 438,0 million compared to losses of € 451,7 million in 2009. The Group total equity, affected by the negative valuation of the Greek government bonds portfolio, amounted to € 749,4 million, a total reduction of € 561,7 million compared to 2009. As a result, the total capital adequacy ratio is estimated to be at 7,4% and after the proposed seasoned equity offering, the ratio (proforma) stands at 12,54% respectively.

Pre provision operating profit (excluding trading losses) amounted to € 393.0 million compared to € 275,3 million in 2009, which represents an annual increase of 42,7%. Net interest income increased y-o-y by 9,8% due to an interest income increase by 3,3% and a significant containment of cost of funding by -8,3%. The net interest margin in the fourth quarter stood at 2,81%, increased by 5 basis points compared to third quarter of 2010.

Net trading portfolio loss amounted to € 193,4 million compared to profits of € 52,1 million in 2009, due to the decline of Greek government bonds' prices in conjuction with the derivative products used to hedge interest rate risk deriving from loans.

In particular, the Group proceeds with interest rate swaps (IRS) transactions to hedge interest rate risk deriving from fixed-rate loans, converting the fixed rate flows to floating rate, based on Euribor (benchmark) + margin. During 2010, the interest rate differential (fixed rate paid by the Group minus floating rate received) was not favourable for the Group and consequently it has negatively affected the results by € 42 mlllion. This amount relates to both actual cash flows and derivatives revaluation. Additionally, the Group used futures on german government bonds in order to hedge the interest rate risk incorporated in the portfolio of Greek government bonds, the prices of which increased disproportionally to the ones of greek government bonds, resulting to the recognition of losses amounting to € 53,3 million. The sale and negative valuation of trading portfolio bonds resulted in € 57,5 million losses.

Operating expenses amounted to € 597,8 million compared to € 631,2 million in 2009, a 5,3% y-o-y decrease. This successful cost containment confirms the effective implementation of the Group's restructuring policy. It should be noted that additional cost savings resulting from a 10% cutting in staff costs (Law 3899/2010) and massive retirement (501 people) in 2010 are not depicted in 2010 financial report.

The cost to income ratio, excluding trading losses, fell to 59,8% in December 2010 compared to 68,3% in 2009.

The adverse economic conditions throughout 2010, affected loan demand and supply and led, like the rest of the market, to the reduction of loan portfolio by 1,2% y-o-y, that is to € 22,9 billion in 2010, (market: - 0,1%).

The portfolio of loans to private individuals remained the same compared to December 2009 and amounted to € 8,8 billion, while the market presented a 1,3% reduction. Mortgages amounted to €

6,8 billion, a 0,9% y-o-y increase versus a 0,4% market reduction. Consumer loans amounted to € 1,9 billion, a 3,2% y-o-y decrease versus a 4,2%.market decline. Loans to small and medium sized firms amounted to € 2,4 billion, a 8,0% y-o-y decrease, while the corporate loans and loans to the public sector amounted to € 9,2 billion, an 0,8% y-o-y overall increase versus a 0,9% market increase. Finally, loans to the agricultural sector decreased by 5,0% amounting to € 2,1 billion.

Non performing loans increased to 11,08% in 31.12.2010 due to adverse market conditions. The new non-performing loans depicted a relative increase mainly in the retail banking sector.

Economic environment uncertainty as well as the need for loan portfolio improvement led to stringent provisions in 2010. More specifically, asset's impairment provision amounted to € 604,0 million out of which € 468,6 million related to provisions for bad debt loan receivables and € 135,4 million related to impairment of investment portfolio, shares and other assets (compared to € 619,5 million and € 205,8 million respectively in 2009). It should be noted that in forming accumulated provisions ATEbank has taken into account the conclusions of a special loan portfolio audit undertaken by a chartered accountants international company as well as those of the Bank of Greece, in accordance with the Memorandum of Economic and Financial Affairs prerequisites related to the estimation of ATEbank's capital strengthening.

The coverage ratio of bad debts through provisioning fell slightly, to 67,3%, among the highest across the market. Accumulated provisions represent 7,5% of the entire loan portfolio versus 5,4% in 2009. Retail banking, including loans to small and medium sized firms, depicted the largest y-o-y increase in non performing loans, amounting to 51,1%. Non performing corporate loans increased to 19,8%.

The containment of non-performing-loans growth is one the Group's main priority. To achieve this in the current economic recession, ATEbank facilitated its clients loan service during 2010, by launching new products that constitute a restructuring of previous loan terms.

Monitoring and loan restructuring units were established for the direct supervision and restructuring of corporate and retail loans, that due to the economy's downturn present repayment problems. The new units intend to fully supervise the loans that have arrear, even for a single day and also to restructure them and hence provide payment facilities to the customers who face temporary liquidity problems. In 2010, an independent Arrears (non performing loans) Retail Banking Division was established to supervise effectively and manage loans in arrears over 90 days.

The uncertainty originating from the current economic recession affected the depositors economic decision making, thus reducing Group's deposits in 2010 by 12,9% y-o-y, closely following the market trend (12,2%). More specifically, saving accounts decreased by 6,6% y-o-y, showing a smaller reduction compared to the market which presented 12,0% decrease. Term deposits decreased, as a result of Bank's low interest rate policy, by 17,2% y-o-y, compared to a 12,1% market reduction. Current accounts depict a significant reduction by 28,2% y-o-y, directly affected by market conditions. Current account balances were significantly higher during 2009 due to end of year seasonality, which did not take place this year.

Despite the deposits balances reduction, the Group's liquidity was maintained at adequate levels, the loans (after provisions)/deposits ratio amounting to 107,7% and the liquidity ratio, which is directly supervised by the Bank of Greece, to 35%.

In order to meet increased liquidity needs deriving from the reduction of deposits, ATEbank participated in the Liquidity Reinforcement Program, aiming to support the liquidity of the Greek economy (Law 3723/9.12.2008). Until now, the Bank has raised € 675 million via preference shares owned by the Greek State, and has borrowed Greek government bonds worth of € 1,4 billion, under Article 3 of the above mentioned law, in order to pledge them and draw liquidity from European Central Bank. Moreover, ATEbank, through its EMTN programme, has also issued special securities which bear the Greek Government's guarantee with a total nominal value of € 4,7 billion, pursuant to

Article 2 of Law 3723. The total cost of participation in these support measures, which was directly paid to the Greek government amounted to € 15 million.

The ECB total lending to ATE Group in 2010 amounted to € 8,3 billion compared € 4,5 billion in 2009. As soon as the global financial market conditions normalise, ATE Group intends to diversify gradually its funding sources through the issuance of publicly offered covered and medium term bonds, and as a result to reduce dependence from ECB funding.

The most significant developments during 2010 are as follows:

- ATEbank acquired shares in subsidiaries held by other Group companies or third parties. Specifically, the following acquisitions have taken place:

  - Acquisition of 0,59% of shares in subsidiary A.T.E. LEASING S.A. ATEbank now owns 100% of the share capital
  - Acquisition of 2,00% of shares in subsidiary A.T.E. CARDS S.A. ATEbank now owns 100% of the share capital
  - Acquisition of 5,00% of shares in subsidiary ATExcelixi S.A. ATEbank now owns 100% of the share capital
  - Acquisition of 10,34% of shares in subsidiary ATE TECHNIKI PLIROFORIKI S.A. ATEbank now holds 93,07% of the share capital
  - Acquisition of 16,41% of shares in subsidiary ATE ADVERTISING S.A. ATEbank now holds 65,04% of the share capital
  - Acquisition of 33,41% of shares in subsidiary A.T.E. A.X.E.P.E.Y. S.A. ATEbank now owns 100% of the share capital
  - Acquisition of 46,00% of shares in subsidiary A.T.E. AEDAK. ATEbank now owns 100% of the share capital.

Moreover, in the context of the takeover bid option to ATE INSURANCE S.A. shareholders, ATEbank acquired 15,92% of the company's share capital and voting rights after an over-the-counter share transfer. ATEbank in 2010 owned 100% of the company's share capital.

ATEbank did not participate in its Group Company, First Business Bank € 35,0 million capital increase. As a result, its stake in its affiliate was reduced to 39,09%, compared to 49,00% before the capital increase.

ELVIZ S.A. subsidiary of ATEbank has increased its share capital amounting to € 16.593 thousand, which was covered entirely by ATEbank. As a result ATEbank now owns 99,98% of the share capital versus 99,82% before the increase.

During 2010, ATE ADVERTISING S.A. and ATE RENT S.A. were set to liquidation procedure. In particular, ATE ADVERTISING S.A. entered into liquidation procedure on October 19th 2010, while ATE RENT S.A. on the 31st of October 2010. ATE Leasing SA subsidiary has acquired ATE RENT's assets at cost, and as a result the financial position of the Group was not affected.

The Board of Directors of ATE TECHNIKI PLIROFORIKI S.A. at its meeting in January 2011 decided to take steps for liquidation of the company in 2011.

During February 2011, the Bank's management announced that it would initiate the necessary procedures (selection of consultants, etc.) in order to sell the non-profitable subsidiaries such as Greek Sugar Industry S.A. and ELVIZ SA.

At the end of December 2010, the Group's subsidiaries held 2.107.292 shares of ATEbank, with an acquisition cost of € 8.281.822 and a market value of € 1.559.396. It is worth noting that the acquisition cost of own shares is deducted from equity.

ATEbank's branch network consists of 483 branches operating in Greece and 36 branches operating abroad, out of which 35 in Romania (ATEbank Romania) and 1 in Germany. The branch network offers a wide range of banking services and products to its clients. Additionally, ATEbank operates 947 ATMs (Automatic Teller Machines) in Greece and 43 in Romania. Approximately 45% of the branches are privately owned.

A. According to article 2, paragraph 4 of Law 3016/2002, the outstanding balances of the Group's 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 31 December 2010, are formed as follows:

amounts in thousand €

Loans & advances to customers	4.213
Deposits from customers	10.675
Key management personnel fees	4.186

B. Furthermore, according to the same article (article 2, paragraph 4 of Law 3016/2002) the outstanding balances and the corresponding results of the most significant transactions with subsidiaries are as follows:

ATEbank S.A. - INTERCOMPANIES TRANSACTIONS

ASSETS & LIABILITIES

amounts in thousand €	Loans & Advances to Banks	Other assets	Loans & advances to customers	Deposits from customers	Subordinated loans	Other liabilities
A.T.E. LEASING S.A.	0	0	446.976	84.115	0	35.305
A.T.E. CARDS S.A.	0	0	0	2.017	0	739
A.T.E. AEDAK	0	390	0	2.660	0	0
ATE TECHNIKI PLIROFORIKI S.A.	0	138	1.278	2.336	0	2.232
A.T.E. A.X.E.P.E.Y.	0	113	0	1.850	0	168
ATE INSURANCE S.A.	0	1.338	0	71.746	0	1.108
HELLENIC SUGAR COMPANY S.A.	0	0	151.121	2.851	0	0
DODONI S.A.	0	0	39.463	869	0	0
ELVIZ S.A.	0	0	7.860	2.633	0	732
ATE RENT S.A.	0	0	0	0	0	0
ATE ADVERTISING S.A.	0	0	0	0	0	0
ATEbank ROMANIA S.A.	95.000	0	77.000	0	0	0
ATExcelixi S.A.	0	145	0	135	0	891
ABG FINANCE INTL PLC	0	0	0	0	249.196	0
TOTAL:	**95.000**	**2.124**	**723.698**	**171.212**	**249.196**	**41.175**

ATEbank S.A. - INTERCOMPANIES TRANSACTIONS

I N C O M E

amounts in thousand €	Fee & commission expense	Fee & commission income	Interest expense & similar charges	Interest & similar income	Other operating expenses	Other operating income	Dividend income
A.T.E. LEASING S.A.	0	0	3.606	9.003	0	0	0
A.T.E. CARDS S.A.	9.222	0	0	0	0	1.373	0
A.T.E. AEDAK	0	940	0	0	0	0	0
ATE TECHNIKI PLIROFORIKI S.A.	0	0	0	0	4.216	0	0
A.T.E. A.X.E.P.E.Y.	246	0	0	0	205	145	0
ATE INSURANCE S.A.	0	3.643	1.499	0	10.654	2.908	0
HELLENIC SUGAR COMPANY S.A.	0	0	0	8.511	0	438	0
DODONI S.A.	0	0	0	2.449	0	226	0
ELVIZ S.A.	0	0	0	1.489	0	167	0
ATE RENT S.A.	269	0	0	0	0	0	0
ATE ADVERTISING S.A.	0	0	0	0	1.459	0	0
ATEbank ROMANIA S.A.	0	0	0	4.235	0	0	0
ATExcelixi S.A.	0	0	0	0	3.140	1.018	0
ABG FINANCE INTL PLC	840	840	16.492	7.486	0	0	176
T O T A L :	**10.577**	**5.423**	**21.597**	**33.173**	**19.674**	**6.275**	**176**

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 31.12.2010, stood at one billion three hundred twenty six million nine hundred nineteen thousand nine hundred ninety nine euro and sixty-nine cents (1.326.919.999,69) 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 and 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.

The Bank's ordinary shares provide to shareholders all of the rights set out by law and statute, 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
- minority rights as defined in statutes and Law 2190/1920, as it is effective
- the right to participate in the Ordinary General Meeting of the Bank's Shareholders

The preference shares, which are not traded on a regulated market in Greece or elsewhere, were issued under the decision of the Extraordinary General Shareholders Meeting on 12.01.2009 to increase the Bank's share capital, under Article 1 of Law 3723/2008, by six hundred seventy five million euro (675.000.000) by issuing nine hundred thirty seven million five hundred thousand (937.500.000) preference shares with a face value of seventy two cents (0,72) each, owned by the Greek State. The preference shares undertaken by the Greek State 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.

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 statute, given 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 ordinary nominal shares and 100% of its preference shares under Law 3723/2008.

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 rights provided by the Greek State preference shares under Law 3723/2008.

V. Restrictions to the right to vote

No provision is made in the Bank's statute 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 no agreement 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

The General Shareholders Meeting, according to paragraph 1 of Article 7 of the Statute, decides the share capital increase, according to paragraph 3 and 4 of Article 29 and paragraph 2 of Article 31 of Codified Law 2190/1920, it may authorize the BoD to decide the price of newly issued shares and/or the interest and how it is determined, if the issue of shares with right to receive interest is within a period set by the General Shareholders Meeting and which can not exceed one (1) year.

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.

DECLARATION ON CORPORATE GOVERNANCE (Art. 2, par. 2, LAW 3873/2010)

1. Code of Corporate Governance applied by the Bank

Corporate Governance is defined as the set of rules, principles and audit mechanisms, based on which a company should be organized and managed, through the adoption of such structure that renders it transparent to the investors, acknowledges and respects the rights of those directly affected by its operation and ensures the legitimate interests of the Shareholders. The Board of Directors (BoD) is responsible for the effective management of the Company. The members of the BoD are elected by the General Assembly of the Shareholders and in point of fact the appropriate governance structures are established. The duties of the Board of Directors include inter alia, the establishment of the strategic objectives of the company, guidance for achieving them, monitoring of the overall management of the company and reporting to the General Assembly of the Shareholders.

The principle of Corporate Social Responsibility complements the principles of Corporate Governance. It includes practices which the company implements and contributes to the development of its employees, the environmental protection and the society. These actions reflect the company's ethics enhance the trust relationship with its human resources and contribute to strengthening of the image of the company towards its partners, the customers with whom transactions are effectuated and the public opinion, resulting to long term benefits for both the society and the company itself.

The cornestone on which Corporate Governance is founded in order to be effective are: the Board of Directors, the senior Management, the Internal and External auditors of the company.

The Bank has adopted the present Corporate Governance System the basic principles of which are described here below:

Shareholders' Rights and Equitable Treatment
The Bank has established rules to ensure that the shareholders are fully informed of the financial condition of the Bank, as well as of the Management decisions, which significantly affect its further course. All shareholders, irrespective of the percentage they possess, have equal rights and obligations.

Board of Directors
The Board of Directors consists of executive, non-executive and independent non-executive members, in accordance to Law 3016/17.05.2002, as in force.

Management
The Bank's management is exercised by the Board which may delegate the exercise of all or part of the powers and duties to one or more members of the Board. These members may further delegate the exercise of the powers conferred on other members of the Board, employees of the Bank or others as provided that this is allowed by the relevant decision of the Board of Directors. The BOD's decision No. 28 dated 08.12.2009, delegated to the Chairman – Governor, and in case of his absence or impediment, to the executive Vice President, all the powers under Articles 23 and 24 of the Statute. The Governor of the Bank is the Supreme executive body of the decisions of the Board and in case of his absence or impediment he is replaced by the Vice Chairman.

Credit Committee – Arrears' Committee - Management Board
The Board of Directors has established, through its relevant decisions: a) the Credit Committee b) the Arrears' Committee, c) the Management Board.(το c δεν υπάρχει στο ελληνικό κείμενο)

Other Committees established by the BOD
The Board of Directors has established the Risk Management Committee, the Assets – Liabilities Committee (ALCO), the Audit Committee, the Investment Committee, the Bad Debts Writing-Off Committee and the Information System Committee.

Duties of the Board of Directors
The Board decides on all matters relating to the Bank within the framework of its purpose, apart from those which, in accordance with the law and the statutes, are of the exclusive responsibility of the

General Assembly. The Board sets the vision, mission, and strategy of the Bank and seeks to enhance the long-term economic value and to defend the general corporate interest.

Conflict of interest
The members of the Board of Directors and any third person to whom have been assigned authorities of the Board are prohibited to pursue personal interests that contradict the interests of the Bank and its affiliated companies. The members of the Board of Directors submit a written statement to the Secretary of the Board of Directors notifying the other Members of any form of conflict of interest against the interests of the Bank and its affiliated companies, as well as the interests resulting from significant transactions of the Bank, that they are aware of.

Transactions with affiliated Companies
The Board of Directors draws up, on an annual basis, a report describing in detail the Bank's transactions with its affiliated companies, in accordance to the concept of article 42e, par. 5 of the Cod. Law 2190/1920.

Remuneration of Board Members
The remuneration of the Members is determined by the General Assembly of Shareholders. The disclosure of the remunerations of the Members of the Board of Directors is effected through the financial statements.

Management Executives
The Management Executives of the Bank are employees who rise to higher grade, according to procedures described in the Company's regulations. Recruitment procedures are also included in the Bank's regulations and are subject to the provisions of the Bank's regulations as well as to the laws, applicable at all times, which concern the recruitment of personnel. The Bank has established procedures for the assessment of performance of Management Executives.

Internal control system
The Bank has an adequate internal control system, which fully implements the Bank of Greece Directive No. 2577/2006. In this context, the Bank within has included three independent divisions in its organization structure: a) the Internal Audit Division, b) the Risk Management Division and c) the Compliance Subdivision, which consist the 3 pillars of the internal control system.

Procedures for monitoring and reporting of transactions
The members of the Board of Directors, the management executives, the individuals who have a special relationship with the Bank as well as those who have "close ties" with the above mentioned individuals disclose their transactions in accordance to the laws in force (Law 3016/2002, Law 3340/2005, and any other relevant law) and the Code of Corporate Governance and the Internal Regulation of the Bank.

Shareholders' Service
The Bank has established a Shareholders' Service and a Department of Corporate Announcements.

2. Policies and corporate governance practices applied by the Bank

The Bank, in its effort to achieve a high level of corporate governance and compliance with the international banking standards in general, has also adopted the following policies:

- Policy of conflict of interests and personal transactions in accordance with Law 3606/2007 (MiFID Directive)
- Policy against money laundering and financing terrorism
- Code of Ethical Conduct and Ethics
- Policy for the optimal execution of orders
- Inducements' policy

- Complaints’ and termination management policy
- Outsourcing policy
- Custody policy
- Risk management policy
- Liquidity policy
- Policy for impairments

In addition, the Bank:

- has defined, following the decision of the Board of Directors, the concept of Main Client and Main Supplier in order to monitor the economic activities between them and the Bank’s management executives, as required by Law 3340/2005. The definitions of these concepts have been adopted by the Board of Directors and they are included in the Code of Corporate Governance and the Internal Regulation.
- It has established Corporate Social Responsibility practices for the determination of the target and the core values that govern the activities of both the Bank and its subsidiaries

3. Main features of the Bank's internal control system over the process of financial reporting

The Bank maintains an effective system of internal control for the effective management of available resources, in accordance with the decisions of the Board of Directors, and in order to address the major risks that might arise.

The internal control system is composed of the procedures implemented by the Board of Directors and the Bank’s staff and aims at ensuring the effectiveness and efficiency of the corporate operations, the reliability of financial reporting and the compliance with applicable laws and regulations.

Through the Audit Committee, the Assets – Liabilities Committee (ALCO) and Risk Management Committee, the Board of Directors ensures that:

- It identifies and manages risks effectively
- The Bank’s and the group’s resources (assets) are protected and used efficiently
- The financial and management information is reliable, accurate and updated
- The staff complies with the policies, procedures and standards of the Bank
- The Bank complies with the regulatory framework governing its operation

The Internal Audit Division, which is included in the organization chart of the Bank, has the authority foreseen by the Bank of Greece Directive 2577/2006. In particular, the role of the Internal Audit Division is the investigation of cases, conducting periodic on site inspections of the Bank’s Divisions, the Branches and its Subsidiaries as well as of the information systems of the Group, based on a documentary evidence.

The purpose of audit activity is to ensure compliance with internal and external rules, assessing the degree of risk reduction (identification, recording, management, prevention), of the level of operational safety, of the quality and efficiency of the Bank’s Divisions, Branches and Subsidiaries.

The Internal Audit Division performs its task in the context of the requirements of the Greek institutional framework and of the Greek Authorities and, by no means, is involved in any way with executive activities.

The authorized persons to perform audit projects provide to the Board of Directors as well as to the management and the administrative bodies of the units under audit, documented and impartial information about the quality of operations and the level of the Internal Control System of the Bank's Divisions, Branches and Subsidiaries.

The Internal Audit Division, during the audit process, submits proposals for the continuous improvement of internal control systems aiming to achieve high productivity and efficiency. In addition, it monitors the proper implementation of the recommendations given, as well as the corrective action program of the Bank's Divisions, Branches and Subsidiaries.

The Risk Management Division formulates and recommends the policy and the procedures related to the independent identification, measurement and monitoring of the risks relevant to the business activity (Business Strategy) and the modus operandi of the Bank and the Group.

The Compliance Subdivision aims to:

a. The compliance of the Bank, of the companies of the Group as well as the companies with which the Bank has outsourcing contracts, based on the current institutional framework, the internal regulations and the codes of banking conduct in order to ensure the interests of the Group, of the shareholders and the customers with whom transactions are effectuated.

b. The application of the regulatory framework, by the Bank and the companies of the Group, related to the prevention and elimination of money laundering and especially the prevention of financing of terrorism.

The Board of Directors assesses the adequacy and effectiveness of the internal audit system on an annual basis and outlines the strategy for improving it, taking into consideration the audit reports, the suggestions and the comments of the Audit Committee. The evaluation of the adequacy of the internal audit system, on both Bank and Group basis, is assigned periodically (every three years) to a third party other than statutory auditors. The Bank of Greece is apprised of the related evaluation report.

4. Operation of the Shareholders' General Assembly

According to the Statute of the Bank:

The General Assembly of the Shareholders is the supreme body of the Bank and has the right to decide upon any matter that concerns the Bank.

The General Assembly is authorized to decide on:

- Extension of duration, merger, split, conversion, revival or termination of the Bank.
- Modification of the Statute.
- Increase or decrease of the share capital.
- Issue of bonds.
- Election of Members of the Board of Directors.
- Election of Auditors.
- Distribution of net profits.
- Approval of annual financial statements.
- Appointment of liquidators.

The provisions of the preceding paragraph shall not apply to:

- Share capital increase decided by the Board of Directors in accordance with paragraphs 1 and 14 of Article 13 of the Cod. Law 2190/1920 as well as share capital increase imposed by the provisions of other laws.

- Statute modifications made by the Board of Directors in accordance with paragraph 5 of Article 11, paragraphs 2 and 13 of Article 13 and paragraph 4 of Article 17b of the Cod. Law 2190/1920.

- The election of Members of the Board of Directors in accordance with paragraph 7 of Article 18 of the Cod. Law 2190/1920 to replace members that resigned, deceased or have lost their membership due to any other way.

- The merging by absorption in accordance with Article 78 of the Cod. Law 2190/1920 by another corporation that owns 100% of its shares and

- The possibility of profit distribution or distribution of reserves during the current financial year through a decision of the Board of Directors, if there is a relevant authorisation deriving from the General Assembly.

The Greek State, as a shareholder of the Bank exercises the rights conferred by the Bank's Statute and the relevant provisions of the Societe Anonyme companies' law through the Minister of Finance or his legal representative.
The Board of Directors convenes the General Assembly of the Shareholders which meets regularly at the headquarters of the Bank or any other municipality in the district within the county of residence or another neighbouring municipality at least once a year, always within the first semester from end of each financial year. The General Assembly may also meet in the municipality which is the seat of the Stock Exchange. The General Assembly may also convene in another place in Greece or abroad, when in the Assembly are present or there is representation of the Shareholders who represent the entire share capital with voting rights, and there is no objection about the actualisation of the meeting and making decisions upon it.

The Board of Directors may convene an Extraordinary General Assembly, if it is deemed appropriate.

The General Assembly, with the exception of repetitive meetings and those treated as such should be called at least twenty (20) days prior to the designated date of the meeting, including the non working days. The date of publishing the invitation and the day of the meeting are excluded.

The invitation of the shareholders for a G.A. includes at least the date, the day, the time, the premises with exact address where the G.A. will convene, the agenda of the subjects with clear description, the Shareholders that have the right to participate, information about Shareholders' rights and the time within which may be exercised, the procedure for exercising the voting by proxy and the proxy forms to be used, the site where all documents and draft decisions are available and explicit reference to the internet site, where the full text of the invitation as well as the required information are available. Summary of the invitation is published in accordance with law 2190/20 and the Statute of the Bank.
The invitation is published at least ten (10) days prior to the Assembly, to the Government's Gazette in the issue for Societe Anonymes and Limited Liability Companies and at least twenty (20) days prior the Assembly at a daily political newspaper printed in Athens which the Board of Directors assess that it circulates widely throughout the country and at a daily financial newspaper, which meets the requirements of paragraph 2 of article 26 of the Cod. Law 2190/1920 and also it is posted at a visible place in the offices of the Bank. It is also posted on the website of ASE.

In cases of repetitive General Assemblies, the above mentioned deadlines are shortened to the half.

It is not required an invitation for convening a General Assembly, when in the General Assembly are presented or represented all the Shareholders of the bank and none of them objects to its realization and to making decisions.

The exercise of voting rights in the G.A. does not presuppose any binding of the shares of the beneficiary or limitation of the ability to transfer them during the period between the date of registration and the G.A. The vote is either in person or through a proxy. The entities participating in G.A. may designate as representatives up to 3 individuals.
A representative who acts for more than one Shareholder may vote differently for each of them. The designation or revocation of a representative is effected in writing (or by electronic means) and is communicated to the bank in the same manner at least 3 days before the General Assembly.

The proof of share status is shown by the presentation of a written acknowledgment of the body which holds the securities of the company and the bank has to bear this proof not later than the third day prior to the General Assembly.

Twenty-four (24) hours prior to each General Assembly, a duly compiled list of Shareholders, entitled to vote, is posted in a visible place in the offices of the Bank, with all the information required by law.

This list should contain the names of Shareholders and any representatives of them, the number of shares and votes that each one has and the addresses of shareholders and their representatives.

The General Assembly forms quorum and convenes validly on the subjects of the agenda when they are present or they are represented shareholders who possess at least twenty percent (20%) of the paid-up share capital.

If such a quorum fails to be formed at the first meeting, a repetitive Assembly convenes within twenty (20) days from the date of the meeting that was cancelled and an invitation is sent at least ten (10) days prior to the Assembly. The repetitive Assembly is in a quorum and convenes validly on the issues of the original agenda, irrespective of the portion of the share capital is represented therein.

The decisions of the General Assembly are made through the absolute majority of the shareholders who attend or are represented to the Assembly and are compulsory for everyone, even for those who are absent or disagree.

it is not required a new invitation if the initial one stated the method and time of the repetitive meetings in the absence of quorum.

The General Assembly is in quorum and convenes validly on the subjects of the agenda, if the two-thirds (2/3) of the paid up share capital is represented and the decisions are made by the majority of the two thirds (2/3) of the votes represented at the Assembly, when it comes to decisions upon:

- Extension of duration, merge, split, conversion, revival or termination of the Bank.
- Change of nationality of the Bank.
- Change the object and purpose of the Bank.
- Seasoned equity offering, unless required by law or made through capitalization of reserves and reduction of share capital, unless it is effected in accordance with paragraph 6 of Article 16 Cod. Law 2190/1920.
- The provision or renewal of authority to the Board of Directors for the effectuation of seasoned equity offering effectuation of seasoned equity offering, in accordance with paragraph 1 of Article 13 of the Cod. Law 2190/1920.
- Change the way of distributing the profits and
- Increase of the obligations of Shareholders.

If the required quorum of the preceding paragraph, does not occur, within twenty (20) days from the meeting and following an invitation of at least ten (10) days prior the meeting, the first repetitive meeting is held, which is in a quorum and convenes validly on the issues of the original agenda, when it is represented by at least half (1/2) of the paid up share capital.

Failing such a quorum then, within twenty (20) days, the second repetitive Assembly will be held following an invitation at least ten (10) days before. The meeting will have a quorum and will be validly convened on the issues of the original agenda, when in this represented by at least one third (1/3) of the paid up share capital.
In any case, the General Assembly at the last repetitive meeting is in a quorum when they participate or they are represented shareholders representing one fifth (1/5) at least of the paid up share capital.

The temporary Chairman of the General Assembly is the Chairman of the Board or, if he is impeded, his deputy. Secretarial duties are performed temporary by a person appointed by the Chairman.
Once the list of shareholders entitled to vote is approved, the Assembly elects the Chairman and up to two (2) secretaries, who execute also the duties of vote-tellers.
For the items discussed and decided in the Assembly concise minutes are kept, signed by the Chairman and the Secretaries.
The copies and extracts of the minutes are certified by the Chairman of the Board or his deputy.

According to the Statute and the provisions of the Cod. Law 2190/1920 as in force, the minority interests include inter alia:

- The right of shareholders representing 1/20 of the paid up share capital to request the entry of any additional subjects in the agenda, following a request submitted to the Board of Directors at least 15 days prior the G.A.
- The right of shareholders, representing 1/20 of paid up share capital, to request to have access to the draft decisions on issues which were included in the original or the revised agenda, following their request to the Board 7 days prior the G.A.
- The right of every shareholder that submitted at least 5 days prior to the G.A. to request from the Board of Directors to provide the G.A. with the requested specific information about the company affairs to the extent that they are useful for the actual appraisal of the subjects in the agenda.
- The right of shareholders who represent 1/5 of paid up share capital to request, at least 5 days prior to the G.A. from the BoD to provide the G.A. with information about the course of corporate affairs and the financial position of the company.

5. Composition, Operation of the Board of Directors and other Bodies.

5$^{\alpha}$. Board Composition

According to the Statute of the Bank:

The Board of Directors consists of nine (9) to fifteen (15) Members. According to the decision of the General Assembly No 37 dated 28.4.2010, the current Board of Directors consists of 13 members. A representative of the Hellenic Republic participates as an additional member of the Board in accordance to article 1 of Law 3723/2008.

The members of the Board of Directors are elected by the General Assembly of the shareholders for a term of three years which is automatically extended until the end of the period within which the next Annual General Assembly must convene. The Board of Directors consists of:

a) The Chairman - Governor,
b) One (1) to three (3) Vice-Chairmen,
c) Seven (7) to thirteen (13) Members.

The Board of Directors consists of executive and non executive members. Executive members are those that deal with the everyday issues of management of the bank, whereas the non-executive are responsible for the promotion of all corporate issues. The number of non-executive members should not be less than the 1/3 of the total number of members. Among the non-executive members there must be at least two independent members.

The status of the members as executive or non-executive is designated by the Board. The independent members are appointed by the General Assembly. At the Extraordinary General Assembly held at 8/12/2009 Messrs Vasilios Goutis, Ioannis Mourgelas were elected as independent non-executive Members

An entity may also be a Board member . In this case, the entity must designate an individual to exercise the powers of the entity as a member of the Board. The Board of Directors immediately after its election, holds up as a body and appoints the Chairman and the Vice Chairmen.

The term of this Board expires on 8/12/2012 and its composition is consisted of the following members:

NAME	POSITION IN THE BoD – MEMBER'S CAPACITY	DATE OF ELECTION	END OF TERM
THEODOROS N. PANTALAKIS	Chairman – Executive Member	8/12/2009	8/12/2012
ADAMANTINI K. LAZARI	Vice Chairman – Executive Member	8/12/2009	8/12/2012
NIKOLAOS A. ZACHARIADIS	Vice Chairman – Non Executive Member	8/12/2009	8/12/2012
IOANNIS G. MOURGELAS	Independent Non Executive Member	8/12/2009	8/12/2012
VASILIOS CH. GOUTIS	Independent Non Executive Member	8/12/2009	8/12/2012
KONSTANTINOS P. GANIARIS	Non Executive Member	8/12/2009	8/12/2012
TZANETOS D. KARAMICHAS	Non Executive Member	8/12/2009	8/12/2012
KONSTANTINOS P. AMOUNTZIAS	Non Executive Member	8/12/2009	8/12/2012
THEODOROS I. SARRIS	Non Executive Member	8/12/2009	8/12/2012
ANDREAS K. DAVILLAS	Non Executive Member	8/12/2009	8/12/2012
ILIAS I. MPETSIS	Non Executive Member	27/5/2010	8/12/2012
KONSTANTINOS D. FILIPPOU	Non Executive Member	27/5/2010	8/12/2012
ALEXANDROS TH. ANTONOPOULOS	Non Executive Member	31/1/2011	8/12/2012
EFSTRATIOS I. GOUDINAKOS	Representative of the Hellenic Republic as an additional member	30/6/2010	Upon ATEbank's exit from the provisions of the Law 3723/2008

Under Article 30 of the Bank's Statute is prohibited to the members of the Board of Directors and the Executive Management to perform professionally, without the prior permission of the General Assembly, for their own account or on behalf of third parties, any activities that are also pursued by the Bank, or to participate as partners in companies pursuing such purposes, with the exception of par. 3 of article 30.

The Members of the Board of Directors and any other person entrusted with responsibilities of the Board, are required to disclose promptly to the other Board members the interests that may arise from transactions with the Bank within their duties as well as any other conflict of interest with the Bank or its affiliated companies within the meaning of paragraph 5 of Article 42 of Law 2190/1920.

In case of violation of this provision, the member of the Board is deprived from its position by a decision of the General Assembly and the Bank has a claim for compensation in accordance with Article 23 paragraph 2 and 3 of Cod. Law 2190/1920.

The Chairman, the Vice Chairmen, the Members of the Board and the employees of the Bank may be elected as Board members of companies, to which the Bank participates.

The Board of Directors of the Agricultural Bank of Greece SA conducted during 2010 a total of twenty one (21) meetings.

5b. Board of Directors Meetings

The Board of Directors meets at the headquarters of the Bank at least once a month. It is convened by the Chairman and in the event of impediment or absence by the Vice Chairmen or if it is requested by two (2) at least Members.

The Board also validly meets outside the headquarters in another location, either domestically or abroad, as long as at the meeting all its Members are present or represented and no one objects to holding the meeting and decision making.

The Board may meet by teleconference. In that case the invitation to members of the Board of Directors includes the information necessary for their participation in the meeting.

The Board of Directors is convened by the Chairman or his deputy by invitation communicated to the members two (2) working days at least before the meeting. The invitation must clearly specify the issues of the agenda, otherwise the decision making is allowed only if all members of the Board are present or represented and no one objects to making decisions.

The convening of the Board may be requested by two (2) of the members on their request to the Chairman or his deputy, who are required to convene the Board of Directors in order for the Board to take place within seven (7) days from the submission of application. In the application, under penalty of inadmissibility, must be mentioned clearly the issues to be addressed at the Board. If the Board is not convened by the Chairman or his deputy within the said period, the members who have requested the convention of such a meeting may convene the meeting within five (5) days following the expiry of that period of seven (7) days and they notify the other members of the Board through invitation.

An absent Member may be represented by another Member, through a specific written authorization for that particular meeting. Each Member may represent only one Member.

The Board is in quorum and convenes validly when they are present or represented at this half plus one (1) of the Members, however the number of Members who are present in person may, never, be less than three (3).

The Board decisions are taken by absolute majority of the Members both present and those are represented.

For the discussions and the decisions of the Board minutes are kept, which are recorded in the Minutes Registry and it is mandatory to be signed by all the present Members. Any Member that disagrees may request the inclusion of his opinion. If a Member refuses to sign the minutes, that must be mentioned in the minutes which are signed by other members.

If a member does not participate or not represented at Board meetings for more than six (6) months shall be deemed to have resigned. The removal from the Board would be effective upon the date of the declaratory ruling of the Board and inclusion in the Minutes Registry.

5c. Board Responsibilities

The Board of Directors, in accordance with Article 23 of the Bank's Statute is empowered to decide on any action relating to the Management and representation of the Bank, to the management of the assets and generally to pursuit its objective, without any restriction (except for the matters falling within the exclusive competence of the General Assembly).

The Board may delegate the exercise of all or part of the powers of management and representation in one or more persons, members of the Board or not, employees of the company or third parties, determining the extent of the conferred powers. The persons who are assigned the above mentioned powers bind the bank, to the extent of their responsibilities.

The Board of Directors may establish committees to support the preparation of decisions and to ensure effective management of potential conflicts of interest in the decision making process.

5[d]. Tasks and behaviour of the members of the Board

Each member of the Board has a duty of loyalty to the Bank. The Board members act with integrity and in the interest of the Bank and preserve the confidentiality of non-publicly available information.

The Chairman heads the Board of Directors. He has the responsibility of setting the agenda, ensuring the proper organization of work of the Board, and the effective conduct of its meetings. Also the responsibility of the Chairman is to ensure the timely and accurate information of the members of the Board, and effective communication with all shareholders, based on fair and equitable treatment of interests of all shareholders.

Other professional obligations of the Board members (including significant non-executive commitments to companies and non-profit institutions) must be notified to the Board, before their appointment. Changes on these commitments should be reported to the Board as soon as they emerge. The non-executive Directors at their appointment must ensure they have sufficient time to perform their duties.

The appointment of an executive member as non-executive member in a company not a subsidiary or affiliate must be approved by the Board.

5[e]. Credit Committee, Arrears' Committee

The Board of Directors has established, with relevant decisions: a) the Credit Committee and b) the Arrears' Committee.

A. Credit Committee

The Credit Committee is the Supreme Credit Body of the Bank. Its purpose is to decide on requests and issues of credit for the Bank's clients (which exceed the liability limits of the lower level divisions) as well as the appropriate measures in case of temporary facilities delay which is responsibility of Customer Divisions and the determination of the relevant terms and conditions to address them. The decisions of the Credit Committee on the above mentioned issues are the resultant of individual views and Credit Regulations set by the Bank's staff and is the harmonization of strictly technocratic proposals of Rapporteurs of the respective credit policy followed, for the effective safeguarding of the interests of the Bank.

The current composition of this Committee is as follows:

Chairman	Chairman of the BoD
Member	Vice Chairman of the BoD
Member	Head of Credit Division
Member	Head of Retail Banking Division
Member	Head of Business' Division
Member	Head of Corporate Banking Division
Member	Head of Public Sector Division (when it is required)
Member	Head of Risk Management Division (with voting right per case)

The Credit Committee held during 2010 a total of fifty eight (58) meetings. The Chairman of the Committee, also Chairman of the Board of Directors participated in fifty five (55) meetings. The Vice Chairman participated in forty eight (48) meetings.

B. Arrears' Committee

The Arrears' Committee is the Supreme Body of the Bank in matters under the authority of the Arrears' Divisions. The purpose of the operation of the Arrears' Committee is the formation of Policies for Arrears, and the establishment of priorities in cases of arrears. In addition, the decision making upon requests and arrears' issues of the Bank's clients under the authority of the Arrears' Divisions (which exceeds the liability limits of the lower official units) and the setting of the terms and conditions to address them.

The current composition of this Committee is as follows:

Chairman	Chairman of the BoD or Vice Chairman of the BoD
Member	Head of the Retail Arrears' Division
Member	Head of the Business Arrears' Division
Member	Head of Retail Banking Division
Member	Head of Businesses Division
Member	Head of Risk Management Division (with voting right per case)

The Arrears' Committee held during 2010 a total of twenty three (23) meetings. The Chairman of the Committee and the members participated in all meetings.

6. Other management and supervisory bodies

The Board of Directors may decide to set up committees responsible for personnel, scheduling, auditing or other functions as it deems necessary to serve the purpose of the Bank. The detailed terms of reference, the composition, the term, the presidency and the frequency of reporting to the Board of such committees are defined by the Board at the time of their appointment. The committees are advisory and submit their recommendations to the Board for consideration and appropriate action. Exceptionally, the Board may delegate to the committees executive and / or decision powers in cases permitted by law and the Statute.

According to relevant decisions, the Board of Directors has established the following management and supervisory committees: 1) Risk Management Committee, 2) Assets-Liabilities Committee (ALCO), 3) Audit Committee, 4) Investment Committee, 5) Bad Debts Writing-Off Committee and 6) Information System Committee.

A. Risk Management Committee

Pursuant to the provisions of the Bank of Greece Directive 2577/2006, the Risk Management Committee is appointed by the Board of Directors, and is comprised of two to three members, of whom at least one Member is an executive and another is non executive.
The Head of Risk Management Division participates to the meetings of the Risk Management Committee.
The Members of the Risk Management Committee are subject to the obligations of professional confidentiality.

Indicative tasks of the Risk Management Committee are:

- Formulates the strategy for undertaking any form of risk and capital management that meets the business objectives of the Bank and the adequacy of resources related to technical means and personnel.
- Takes care of the development of the internal risk management System and its integration in decision making process across the range of activities and units of the institution and its subsidiaries.
- Defines the principles that should govern the risk management in what concerns their identification, prediction, measurement, monitoring, control and response, in consistency with the existing business strategy and the adequacy of available resources.
- Receives and evaluates the reports submitted every six months, from the Risk Management Division in order to assess the adequacy and effectiveness of risk management policy of the Bank and the Group as well as the capital adequacy in relation to the amount and type of risks undertaken.
- Informs the Board of Directors regarding the major risks undertaken by the Bank ensuring for effective response to those risks.
- Foresees for the conduct of at least annual simulations of crisis situations (stress tests) for market, credit, liquidity and related techniques for operational risk.

<u>OPERATION</u>
The Risk Management Committee convenes regularly or occasionally as long as deemed necessary. The exact time schedule is determined by the Committee. It invites any member or employee considers appropriate. The Committee keeps minutes of all meetings and reports to the Board of Directors the results of its work.

The secretary duties of the Risk Management Committee are performed by a Bank employee who is appointed by decision of the Board of Directors (BoD 14/23.06.2006).

The said Committee is currently composed of the following members:

Chairman	Theodoros Pantalakis
Member	Vasilios Goutis
Member	Ioannis Mourgelas

The Risk Management Committee held during 2010 a total of four (4) meetings; the Chairman and the Members attended in all the meetings.

B. Asset - Liabilities Committee (ALCO)
The purpose of this Committee is to formulate the strategy and tactical policy of the Bank in matters related to the structure and management of assets and liabilities in order to maximize the earnings in accordance with the overall strategy and financial policy of the Bank and the existing restrictions. In this context defines and quantifies targets for the next period through certain financial indicators, regarding the composition, distribution and desired degree of liquidity of individual Assets - Liabilities and formulates policies to be followed in relation to the balance sheet structure in the next period. It also identifies sources of funds, sets the policy for financing and investments and outlines the general interest rate policy and the pricing policy of the Bank based on current financial conditions. Controls and directs the management of financial risks undertaken by the Bank in its operations domestically and abroad and approves the pricing system for moving funds between units of the Bank (Transfer Pricing) as well as it introduces in the market new banking products and specifies the framework and the general terms for supplying them.

The Committee's Chairman may at his discretion invite other participants also, like managers of the Bank or the Group for the presentation of specific topics.
The decisions of the Assets – Liabilities Committee (ALCO) are taken by a majority of voting members and in the event of tie the Chairman's vote prevails.

The Assets – Liabilities Committee (ALCO) usually meets on a monthly basis. When required by market conditions, the Committee meets at more frequent intervals.

This Committee is currently composed of the following members:

Chairman	Chairman of the BoD
Member	Vice Chairman of the BoD
Member	Head of Treasury Division
Member	Head of Retail Banking Division
Member	Head of Businesses Division
Member	Head of Corporate Banking Division
Member	Head of Public Sector Division
Member	Head of Consumer Credit Division
Member	Head of Finance Division
Member	Head of Retail Arrears' Division
Member	Head of Businesses Arrears' Division
Member	Head of Risk Management Division
Member	Head of Strategic Planning, Analysis & Investor Relations Division
Member	Head of Credit Division

Also, they are participating without a voting right the Head of the Internal Audit Division and the Head of the Compliance Subdivision.

The Assets – Liabilities Committee (ALCO) during 2010 held a total of seventeen (17) meetings. The Chairman participated in sixteen (16) meetings and the Vice Chairman in fourteen (14) meetings. Thirteen (13) meetings were attended by all Committee members.

C. Audit Committee

The Audit Committee is composed by members of the Board and is set up to assist in fulfilling its obligations to provide oversight in the area of Internal Audit, providing guidelines for practices which should be followed by the Bank in terms of financial management and reporting, quality and accuracy of financial results of the Bank. It also identifies the strategy for periodic reviews conducted internally by the internal audit department of the Bank while all procedures and policies are subject to supervision by regulatory authorities.

The Members of the Audit Committee are appointed by the General Assembly of Shareholders. The Audit Committee consists of two (2) at least non-executive Members and an independent non-executive Member who chairs the meetings and has sufficient knowledge and experience in accounting and auditing issues.

The term of the members of the Audit Committee lasts three years and may be altered by a decision of the Board of Directors. The Committee's members should not hold other posts or hold other capacities or enter into transactions that could be considered incompatible with the mission of the Committee. The participation in the Audit Committee does not preclude participation in other committees of the Board.

The Committee reports to the Board at regular intervals after each of its meeting so that the Board is informed about current activities.

The Chairman of the Audit Committee convenes the Committee, chairs the meetings, suggests topics to be discussed and generally coordinates and supervises the work of the Committee and its Secretariat. The Chairman of the Committee informs the Board of Directors for the work of the Committee during the course of the Board's meetings.

The Audit Committee meets periodically and at least four times a year. The exact time schedule is determined by the Committee itself. The Committee has a quorum when the meeting is attended by the Chairman and one of the other two members. The Committee's decisions are taken by majority vote. The Committee keeps minutes of its meetings which every calendar quarter are submitted to the Board in order for the members to be informed.

The Audit Committee, under the current regulatory framework and rules of its operation, deals with the following:

- Annual action plan and annual progress report on internal control
- Quarterly information reports on the audit work
- Annual report of Internal audit Division within the context of Bank's of Greece Directive 2577/2006 in relation to the adequacy and effectiveness of internal control system of the Bank and the companies of the Group
- Evaluation of the adequacy of internal control system of the Bank and its Group companies by an external auditor, which takes place every three years.
- Annual reports of Internal Audit Division in the framework of the Bank's of Greece Directive 2640/2011 related to the control and operation of the information systems of the Bank
- Reports of the Internal Audit Division related to the functions of the Bank's Central Divisions, the Branches and its Subsidiaries
- Reception and evaluation of anonymous reports deriving from employees of the Bank
- Monitoring and evaluation of the procedures for the preparation of the annual and interim financial statements of the Bank and the Group
- Recommendation to the Board of Directors related to the submission of proposal to the General Assembly for the election of Auditors
- Auditor's Report on the procedures and internal control systems of the Bank
- Confirmation of the independence of the Auditors
- Annual report on compliance issues under the Bank of Greece Directive 2577/2006

- Annual evaluation report on the appropriateness of the Bank's measures for the retention of client assets during the provision of investment services, in the context of Annex 7 of the Bank's of Greece Directive 2597/2007
- Annual progress report of the authorised official regarding the prevention of money laundering and terrorism financing in the framework of the Decision 281/17.03.2009 of the Committee of Banking and Credit Matters of the Bank of Greece

The current composition of this Committee is as follows:

Chairman	Vasilios Goutis
Member	Ioannis Mourgelas
Member	Theodoros Sarris

The Audit Committee held during 2010 a total of twenty (2) meetings. The Chairman of the Committee participated in 20 meetings. Each of the other members of the Committee participated in 19 meetings.

D. Investment Committee

The purpose of this committee is to formulate the investment policy and strategy for the establishment, structure and management of the Available for Sale (AFS) and Trading Portfolio of the Bank. It is responsible for making any decision related to the implementation of the investment strategy of the Bank, the new investments, the liquidation of existing investments and other related activities.

The current composition of this Committee is as follows:

Chairman	Chairman of the BoD
Member	Vice Chairman of the BoD
Member	Head of Finance Division
Member	Head of Treasury
Member	Head of Corporate Banking Division
Member	Head of Legal Division
Member	Head of Strategic Planning, Analysis & Investor Relations Division

The Investment Committee meets at least once (1) a month, following the invitation of its Chairman. Depending on the circumstances, the Committee may be convened more regularly or at an ad hoc basis.

The Investment Committee held in year 2010 a total of seven (7) meetings. The Chairman of the Committee participated in (6) meetings.

E. Bad Debts Writing-Off Committee

The purpose of this committee is to decide on the definite write off of bad debts as well debts that are unenforceable to be collected.

The current composition of this Committee is as follows:

Chairman	A BoD member with executive authority
Member	A BoD member with non executive authority
Member	Head of the Internal Audit Division
Member	Head of the Finance Division
Member	Head of the Legal Division
Member	Head of the Risk Management Division
Member	Head of the Businesses Arrears' Division
Member	Head of Retail Arrears' Division

The Bad Debts Writing-Off Committee held during 2010 one (1) meeting.

F. Information Systems Committee

The Information Systems Committee determines the objectives, the strategy, the priorities and the projects' development program of the Bank's Information Systems, in order for the operational objectives and institutional commitments to be met and monitors the progress of the materialization of the program.

The current composition of this Committee is as follows:

Chairman	Vice Chairman of the BoD
Member	Head of the IT Systems Division
Member	Head of Electronic Banking Division
Member	Head of Retail Banking Division
Member	Head of Businesses Division
Member	Head of Consumer Credit Division
Member	Head of Continuous Improvement Division
Member	Head of Risk Management Division
Member	Head of Internal Audit Division

The Committee held in 2010 a total of three (3) meetings and was attended by the Chairman and all Members.

7. Remunerations' Policy

The remuneration of the Chairman, the Vice Chairmen and the Board members is defined by the General Assembly.

Any other payment or compensation of the Members of the Board is charged on the Bank's expenses only if it is approved by a specific decision of the General Assembly.

Any credit facility granted by the Bank to the members of the Board, to persons who exercise control over the Bank, their spouses and relatives of such persons by blood or marriage to the third degree, as well as to entities controlled by the above is prohibited. Any other contract of guarantee or other security between the Bank and the above mentioned is subject to the limitations to the relevant Directives of the Bank of Greece in respect of transactions complemented by Article 23a paragraph 2 of Law 2190/1920.

8. Information in accordance with the Directive 2004/25

The Bank has issued 905.444.444 common shares with voting rights at the General Assembly of the shareholders. Each common share entitles one vote in the General Assembly. The common shares are traded on the Athens Stock Exchange since January 2001. The Greek State is the main shareholder of the Bank holding the 77,31% of the share capital (Greek State: 75,18%, State Company of Securities SA (D.E.K.A. SA): 2,13%). None of the other legal and natural persons holds more than or equal to 1% of the share capital. The composition of capital dated 31/1/2011 is as follows:

Shareholders	Number of Shareholders	Number of Shares (common)	Percentage %
Greek State	1	680.682.960	75,18
State Company of Securities SA	1	19.333.333	2,13
Other Entities	497	40.001.303	4,42
Individuals	88,344	165.426.848	18,27
Total	**88,843**	**905.444.444**	**100,00**

The bank's shares are registered, transferable and indivisible. The transfer of the shares is done as prescribed by law and there is no statute limitations for their transfer due to the fact that they are dematerialized shares listed on the Athens Stock Exchange. In addition, neither there are bank shares which give their holders special rights of control nor there are any restrictions on voting rights deriving from the shares. However, pursuant to Law 3723/2008 (Article 1), the share capital of the bank increased by the decision of the Extraordinary General Assembly of shareholders held at 12/1/2009, by the amount of 675.000.000 Euros through the issue of 937.500.000 preference shares with a par value of seventy two cents (0,72) each. In the context of the above mentioned Law and according to the contract signed between the bank and the Greek State at 14/5/2009 it was transferred to the Bank in full the ownership of a Greek State bond of a total par value of 675 million euros, with a five-year maturity and floating rate, with a simultaneous issue of a multiple share which equals the sum of preferred shares owned by the Greek State. By decision of the Board of Directors held at 21/5/2009 it was certified the full payment of the share capital.

The new preference shares bear the following privileges:
a) Payment to the Greek State of a fixed income amounting to ten percent (10%) on the price of each of the Preference Shares:
(i) before the common shares
(ii) before the dividend amount paid in accordance with paragraph 3 of Article 1 of Law 3723/2008 and
(iii) irrespective of any distribution of dividend payments to other shareholders of the Bank, and provided that upon payment of the said income to the Greek State, the Bank's capital adequacy indices meet the designated by the Bank of Greece minimum indicators, on a consolidated basis.
The constant yield is calculated on an annual accrual basis in proportion to the time spent by the Greek State as a preference shareholder and paid within one month following the approval of annual financial statements by the General Assembly, subject to the condition of funds available for distribution according to the Article 44a of Cod. Law 2190/1920 and in particular profit of the last or previous years or reserves, provided there is a prior decision on their distribution by the General Assembly of the Bank. The inadequacy of such distributable amount provides a preferential right (before common shareholders) for entitlement to reimbursement of these amounts up to their exhaustion.
b) Voting at the General Assembly of preferred shareholders in the cases stipulated by Cod. Law 2190/1920,
c) The right to participate in the Board of Directors, through a representative, designated as additional member of the Board,
d) The right of veto of the designated Board member – the representative of the state - in any decision relating to dividends and policy for the benefits to President, CEO and other members of the Board of Directors and the Heads of the Divisions as well as their Deputies, by decision of the Minister of Finance and Economics, or if the representative believes that the decision of the Board may jeopardize the interests of depositors or to affect the solvency and proper functioning of the Bank,
e) The right of representation at the General Assembly of common shareholders of the Bank and veto during the discussion and decision on these same issues,
f) The right of the state representative to have access to the books and the records of the Bank for the purposes of Law 3723/2008,
g) The right to preferential satisfaction from the proceeds of liquidation vis-à-vis all other shareholders, if the Bank enters into liquidation.
As a result, the bank's share capital amounts to 1.326.919.999,68 euros, allocated respectively to 905.444.444 ordinary shares with a nominal value of seventy two cents (0.72) each and 937.500.000 preference shares with a nominal value of seventy two cents (0,72) each (Articles 6, 8 and 10 of the Statute of the bank).

For more information on policies and corporate governance practices applied by the Bank, the Bank's internal regulation, the committees' regulation and the compliance issues the reader may visit the website www.atebank.gr

On behalf of the Bank's BoD

Mr Theodore Pandalakis

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

Στρατηγού Τόμπρα 3
153 42 Αγία Παρασκευή
Ελλάς
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Telephone Τηλ: +30 210 60 62 100
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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 Consolidated 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 2010 and the consolidated statements of income and 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 Consolidated 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, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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 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 company'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.

KPMG Certified Auditors AE, a Greek Societe Anonyme and a member firm
of the KPMG network of independent member firms affiliated with KPMG
International Cooperative ("KPMG International"), a Swiss entity.

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 accompanying consolidated financial statements give a true and fair view of the financial position of AGRICULTURAL BANK OF GREECE A.E. as of 31 December 2010 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.

Report on Other Legal and Regulatory Requirements

(a) The Board of Directors' Report includes a corporate governance statement, which provides the information set by paragraph 3d of article 43a and 3f of article 107 of C.L. 2190/1920.

(b) We verified that the contents of the Board of Directors' Report are consistent and correspond with the accompanying consolidated financial statements within the scope set by articles 37, 43a and 108 of C.L. 2190/1920.

Athens, 30 March 2011

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 31.12.2010

Consolidated
Financial Statements
31 December 2010

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 statement of financial position
As at 31 December 2010
(Amounts in thousands of Euro)

	Note	2010	2009
Assets			
Cash and balances with the Central Bank	**18**	873.905	1.029.928
Loans and advances to banks	**19**	1.042.668	2.429.149
Trading securities	**20**	209.542	901.782
Derivative financial instruments	**21**	20.953	25.838
Loans and advances to customers	**22**	21.202.815	21.943.088
Investment portfolio	**23**	5.389.146	3.995.379
Investments in associates	**25**	174.341	188.147
Investment property	**26**	229.240	197.386
Property, plant and equipment	**27**	479.804	506.908
Intangible assets	**28**	14.102	26.698
Deferred tax asset	**29**	441.920	429.774
Other assets	**30**	1.142.217	1.114.281
Total assets		**31.220.653**	**32.788.358**
Liabilities			
Deposits from banks	**31**	9.246.982	6.478.819
Deposits from customers	**32**	19.682.635	22.595.987
Liabilities at fair value through profit or loss	**33**	53.414	931.587
Derivative financial instruments	**21**	145.276	84.242
Provision for employee benefits	**34**	37.531	40.121
Other liabilities	**35**	402.687	454.044
Subordinated loans	**36**	249.196	248.794
Insurance reserves	**37**	653.522	643.690
Total liabilities		**30.471.243**	**31.477.284**
Equity			
Share capital	**38**	1.326.920	1.326.920
Treasury shares		(8.282)	(8.338)
Share premium		92.678	92.711
Reserves	**39**	(194.631)	(86.607)
Accumulated surplus / (deficit)		(517.616)	(72.110)
Equity attributable to the Bank's equity holders		**699.069**	**1.252.576**
Minority interests		50.341	58.498
Total equity		**749.410**	**1.311.074**
Total equity and liabilities		**31.220.653**	**32.788.358**

The accompanying notes (pages from 6 to 58) are an integral part of these consolidated financial statements.

Consolidated income statement
For the year ended 31 December 2010
(Amounts in thousands of Euro)

(Amounts in thousands of Euro)	Note	2010	2009
Interest and similar income		1.208.377	1.169.768
Interest expense and similar charges		(384.634)	(419.486)
Net interest income	**7**	**823.743**	**750.282**
Fee and commission income		106.995	116.096
Fee and commission expense		(35.074)	(39.281)
Net fee and commission income	**8**	**71.921**	**76.815**
Net trading income	**9**	(193.363)	52.098
Net investment income	**10**	9.053	17.245
Dividend income	**11**	7.529	17.175
Other operating income	**12**	87.610	62.237
Other income		**(89.171)**	**148.755**
Operating income		**806.493**	**975.852**
Staff cost	**13**	(439.202)	(432.085)
Other	**14**	(119.070)	(157.853)
Depreciation	**26, 27, 28**	(39.500)	(41.223)
Impairment losses	**15**	(603.993)	(825.329)
Operating profit/(loss)		**(395.272)**	**(480.638)**
Share of profit of associates		1.010	(2.575)
Profit/(loss) before tax		**(394.262)**	**(483.213)**
Tax	**16**	(46.340)	27.963
Profit/(loss) after tax		**(440.602)**	**(455.250)**
Attributable to:			
Equity holders of the Bank		(438.034)	(451.718)
Minority interests		(2.568)	(3.532)
Profit/(loss)		**(440.602)**	**(455.250)**
Basic and diluted earnings/(losses) per share (expressed in Euro per share)	**17**	(0,5417)	(0,5345)

The accompanying notes (pages from 6 to 58) are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income
For the year ended 31 December 2010
(Amounts in thousands of Euro)

	2010	2009
Profit/(loss) after tax	**(440.602)**	**(455.250)**
Other comprehensive income		
Exchange rate differences	(19.507)	(15.995)
Revaluation reserve available-for-sale investments:		
- Valuation for the period	(250.933)	29.045
- (Gain)/Loss transferred to income statement on disposal of available-for-sale securities	41.530	26.478
- Impairment for the year	107.079	168.518
- Tax related	11.881	(45.512)
Share of other comprehensive income of associates	(41)	(26)
Other comprehensive income net of tax	**(109.991)**	**162.508**
Total comprehensive income net of tax	**(550.593)**	**(292.742)**
Attributable to:		
Equity holders of the Bank	(546.110)	(288.099)
Minority interests	(4.483)	(4.643)
Total comprehensive income and expences	**(550.593)**	**(292.742)**

The accompanying notes (pages from 6 to 58) are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2010

(Amounts in thousands of Euro)

	Share capital	Treasury shares	Share premium	Available for sale securities Reserve	Foreign Currency Reserve	Other Reserves	Accumulated surplus/(deficit)	Total	Minority interests	Total Equity
Balance at 1 January 2009	**651.920**	**(8.338)**	**93.748**	**(347.793)**	**(36.253)**	**131.420**	**382.008**	**866.712**	**63.944**	**930.656**
Total comprehensive income:										
Loss for the period 1/1 - 31/12/2009	0	0	0	0	0	0	(451.718)	(451.718)	(3.532)	(455.250)
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	(451.744)	(288.099)	(4.643)	(292.742)
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**	**(72.110)**	**1.252.576**	**58.498**	**1.311.074**
Balance at 1 January 2010	**1.326.920**	**(8.338)**	**92.711**	**(169.833)**	**(50.568)**	**133.794**	**(72.110)**	**1.252.576**	**58.498**	**1.311.074**
Total comprehensive income:										
Loss for the period 1/1 - 31/12/2010	0	0	0	0	0	0	(438.034)	(438.034)	(2.568)	(440.602)
Other comprehensive income net of tax	0	0	0	(90.443)	(17.592)	0	(41)	(108.076)	(1.915)	(109.991)
Total comprehensive income net of tax	0	0	0	(90.443)	(17.592)	0	(438.075)	(546.110)	(4.483)	(550.593)
Transactions with the shareholders recognized directly to equity										
Transfer to reserves due to distribution	0	0	0	0	0	148	(148)	0	0	0
Deferred tax on entries recognized directly to equity	0	0	(33)	0	0	0	0	(33)	0	(33)
Changes in Group's participations	0	56	0	0	0	(137)	(7.283)	(7.364)	(2.876)	(10.240)
Dividends paid	0	0	0	0	0	0	0	0	(798)	(798)
Total transaction with Shareholders	0	56	(33)	0	0	11	(7.431)	(7.397)	(3.674)	(11.071)
Balance at 31 December 2010	**1.326.920**	**(8.282)**	**92.678**	**(260.276)**	**(68.160)**	**133.805**	**(517.616)**	**699.069**	**50.341**	**749.410**

The accompanying notes (pages from 6 to 58) are an integral part of these consolidated financial statements.

Consolidated statement of cash flows
For the year ended 31 December 2010
(Amounts in thousands of Euro)

	Note	31/12/2010	31/12/2009
Operating activities			
Profit / (Loss) before tax		(394.262)	(483.213)
Adjustment for:			
Depreciation and amortization	**26,27,28**	39.500	41.223
Impairment losses	**15**	603.993	825.329
Changes in provisions		(28.469)	(39.429)
Change in fair value of trading investments		68.380	2.123
(Gain)/loss on the sale of investments, property and equipment		12.710	(113.129)
Changes in operating assets and liabilities			
Net (increase)/decrease in loans and advances to banks		141.763	(214.308)
Net (increase)/decrease in trading securities		80.130	(504.993)
Net (increase)/decrease in loans and advances to customers		267.778	(1.630.337)
Net (increase)/decrease in other assets		(45.939)	(38.493)
Net increase/(decrease) in deposits from banks		2.768.652	1.509.674
Net increase/(decrease) in deposits from customers		(2.912.652)	1.633.136
Net increase/(decrease) in other liabilities		(380.445)	991.231
Cash flows from operating activities		**221.139**	**1.978.814**
Investing activities			
Acquisition of intangible assets, property and equipment		(41.963)	(71.829)
Proceeds from the sale of intangible assets, property and equipment		25.985	26.574
(Purchases)/Proceeds of held to maturity portfolio		(650.565)	0
(Purchases)/Sales of available for sale portfolio		(952.263)	(739.673)
Dividends received		6.926	16.407
Purchases of subsidiaries and associates		(8.759)	(28)
Cash flows from investing activities		**(1.620.639)**	**(768.549)**
Financing activities			
Share capital return - Dividends paid		(798)	(803)
Share capital increase expenses		0	(675)
Proceeds / (Redemptions) from debt issued		0	(195.500)
Cash flows from financing activities		**(798)**	**(196.978)**
Effect of exchange rate changes on cash and cash equivalents		(400)	(3.002)
Net increase/(decrease) in cash flows		**(1.400.698)**	**1.010.285**
Cash and cash equivalents at 1 January		2.980.609	1.970.324
Cash and cash equivalents at 31 December	**18**	**1.579.911**	**2.980.609**

The accompanying notes (pages from 6 to 58) 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	
			31/12/2010	31/12/2009
Financial Sector				
FIRST BUSINESS BANK	Bank	Athens	39.09%	49,00%
A.T.E. LEASING A.E.	Leasing	Athens	100,00%	99,91%
A.T.E. CARDS A.E.	Credit Cards Management	Athens	100,00%	99,68%
A.T.E. A.X.E.P.E.Y.	Brokerage Services	Athens	100,00%	94,68%
A.T.E. AEDAK	Mutual Funds Management	Athens	100,00%	92,68%
ATE TECHNIKI PLIROFORIKI	Real Estate	Athens	93,07%	91,42%
ATE RENT	Leasing	Athens	100,00%	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	100,00%	84,08%
ATE INSURANCE S.A. ROMANIA	Insurance	Bucharest	100,00%	84,16%
HELLENIC SUGAR COMPANY	Sugar Production	Thessaloniki	82,33%	82,33%
SEKAP	Cigarette Production	Xanthi	44,33%	44,33%
DODONI	Dairy Production	Ioannina	67,77%	67,77%
ZO.DO	Feedstuff Production & Commerce	Ioannina	67,77%	67,77%
ELVIZ	Feedstuff Production	Plati	99,98%	99,82%
ATE ADVERTISING	Advertising	Athens	65,14%	63,10%
ATExcelixi	Educational services	Athens	100,00%	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. During 2010, subsidiaries ATE ADVERTISING S.A. and ATE RENT S.A. were teriminated and liquidated. In particular, ATE ADVERTISING S.A. was set under liquidation at 19 October 2010, whereas ATE RENT S.A. at 31 October 2010.

The Group has a network of 483 branches in Greece and 36 abroad, 35 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 947 ATMs (Automatic Teller Machines) in Greece and 43 in Romania. Approximately 45% of the branches are privately owned.

The Group has 8.915 employees, of which 6.764 are in the banking and finance sector.

The Group is managed by the Bank's 13-membered Board of Directors, elected by the Shareholders' General Meeting on December 08, 2009 and modified by the Shareholders' General Meeting on April 28, 2010, ends in 2012 and 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
Tzanetos D. Karamichas
Konstantinos P. Amountzias
Theodoros I. Sarris
Andreas K. Davillas
Ilias I. Mpetsis
Konstantinos D. Filippou
Alexandros Th. Antonopoulos

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

GREEK GOVERNMENT REPRESENTATIVE (based on article 1 of L.3723/2008)
Efstratios I. Goudinakos

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 2011 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 Comparative items

In those circumstances whenever considered necessary, comparable items of the previous year are restated in order to render these items uniform and comparable with the respective items of the current period. During 2010, some items of both the Statement of Financial position and Income Statement were restated in order to stress the change in interest rate hedging policy. Restatement impact is extensively described in note 45.

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.

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) Acquisition of entities under joined control

The merger of entities according to which there is a transfer of percentages of entites controlled by the Group and are being accounted as the merger has beed realized at the beginning of the prior year or at the time of the acquisition of the Group’s control. Therefore, prior year’s figures are being readjusted.

The balance sheet figures acquired are being recorded at carrying amount, while the shareholders’ equity in Group’s shareholders’ equity and possible profits or losses are being recorded in shareholders’ equity as well.

(e) Loss of entities control

In case the Group looses control of a subsidiary entity, ceases consolidating it and each surplus or deficit which arises from the loss of the entity’s control is being recorded in current year’s income statement.

In case the Group maintains a percentage of participation in the ex-subsidiary, then this percentage is valuated at fair value at the date of the loss of control. Afterwards is being recorded in account "Investments in subsidiaries" or "Available-for-sale securities", according to the percentage of participation which has been maintained.

(f) Funds under management

The Group manages funds in the form of 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 it manages.

(g) 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 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 income statement, 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.

<u>(a) Goodwill</u>

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.

<u>(b) Software</u>

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

New standards have been issued, or there are changes to the standing standars whose inicial enforcement date is posterior to 31 of December 2010 and are not taken into account for the preparation of the financial statements. None of those new standards is expected to have significant impact on the Group's financial statements, except from IRFS 9 "Financial Instruments", which will be compulsory for the preparation of 2013 financial statementsand will possibly alter the classification and admesurement of financial instuments of the asset side of the balance sheet. The Group is not expected to adopt the new standard before that date, so its degree of effect has not been calculated.

Particularly IFRS 9 provides for the following:

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

The most important types of financial risk to which the Group is exposed are :

- credit risk
- liquidity risk
- market risk
- operational risk
- insurance risk

The above risks along with the methods that the management implements so as to control them are described below :

Risk Management context

Group's business activity and profitability are directly intertwined with financial risk undertaking.

Group's Risk Management framework 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 policy 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 subject 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).
- <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 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 31.12.2010 and 31.12.2009 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 thousands of Euro)		31/12/2010		31/12/2009	
Grade		Loans and advances to customers	Allowance for uncollectibilit	Loans and advances to customers	Allowance for uncollectibilit
A1-A3	Acceptable risk	5.066.229	(39.492)	4.157.545	(16.400)
B1-B3	Low-fair-risk	5.682.043	(114.910)	6.485.063	(81.251)
Γ1-Γ2	Mid-fair risk	4.838.075	(189.087)	5.585.924	(156.155)
Δ1-E1	High-fair risk	6.120.585	(687.023)	6.187.071	(463.760)
Z1	Impaired	1.204.863	(678.468)	778.312	(533.261)
		22.911.795	**(1.708.980)**	**23.193.915**	**(1.250.827)**
Ageing of loans portfolio					
30-90 days		19.785.959	(578.641)	21.211.197	(593.546)
90-180 days		458.693	(79.527)	330.536	(12.933)
180-360 days		959.432	(280.642)	448.380	(82.983)
360 days+		1.707.711	(770.170)	1.203.802	(561.365)
		22.911.795	**(1.708.980)**	**23.193.915**	**(1.250.827)**

b) Loans and advances to banks

As at 31 December 2010, the Group posesses an amount of EUR 1.560 mil. (2009: EUR 3.028 mil.) as loans and advances to banks which represent the maximum credit risk from this asset class. Balances with Bentral Bank amount to EUR 517 mil. (2009: EUR 599 mil.).

(Amounts in thousands of Euro)		31/12/2010		31/12/2009	
Grade		Loans and advances to customers	Allowance for uncollectibilit	Loans and advances to customers	Allowance for uncollectibilit
A1-A3	Acceptable risk	1.041.763	0	2.429.149	0
B1-B3	Low-fair-risk	905	0	0	0
		1.042.668	**0**	**2.429.149**	**0**

c) Investment securities

(Amounts in thousands of Euro)		31/12/2010		31/12/2009	
Grade		Investment securities	Allowance for impairment	Investment securities	Allowance for impairment
A1-A3	Acceptable risk	4.927.110	0	3.557.391	0
B1-B3	Low-fair-risk	20.800	0	0	0
Γ1-Γ2	Mid-fair risk	1.400	0	0	0
E1	Watch list	0	0	2.406	0
		4.949.310	**0**	**3.559.797**	**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 in excess from the impairement provisions as stated in the balance sheet. 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)	31/12/2010		31/12/2009	
	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	8.932.689	0	9.213.638	0
2. Cheques-Cash	238.272	0	281.694	0
3. Debt securities-Equity	1.486	609.637	65.232	1.047.536
4.Other	1.409.115	0	1.960.055	0
5. Sovereign guarantees	6.169.435	0	6.395.684	0
6. Machinery	32.681	0	35.241	0
Total	16.783.678	609.637	17.951.544	1.047.536
Against past due but not impaired				
1. Property	1.377.263	0	1.042.034	0
2. Cheques-Cash	16.943	0	6.717	0
3. Debt securities-Equity	6.661	0	2.060	0
4.Other	293.153	0	136.649	0
5. Sovereign guarantees	177.156	0	169.318	0
6. Machinery	5.063	0	18.179	0
Total	1.876.239	0	1.374.957	0
Against impaired				
1. Property	14.074	0	15.707	0
2. Cheques-Cash	0	0	0	0
3. Debt securities-Equity	0	0	0	0
4.Other	29	0	56	0
5. Sovereign guarantees	0	0	0	0
6. Machinery	0	0	0	0
Total	14.103	0	15.763	0
Total	**18.674.020**	**609.637**	**19.342.264**	**1.047.536**

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**	
	31/12/2010	**31/12/2009**	**31/12/2010**	**31/12/2009**	**31/12/2010**	**31/12/2009**	**31/12/2010**	**31/12/2009**
Concentration by sector								
- Corporate	6.197.797	6.042.423	0	0	55.194	52.995	0	0
- Sovereign	5.542.848	5.871.228	0	0	959.020	1.922.924	3.347.006	827.555
- Bank	209.775	332.278	1.042.668	2.429.149	578.090	734.462	10.000	21.861
- Retail	10.961.375	10.947.986	0	0	0	0	0	0
	22.911.795	**23.193.915**	**1.042.668**	**2.429.149**	**1.592.304**	**2.710.381**	**3.357.006**	**849.416**
Concentration by location								
- Greece	22.286.004	22.614.160	322.901	1.240.105	1.389.127	2.437.327	3.316.976	816.851
- Europe	494.434	300.738	655.661	1.081.102	97.058	137.390	40.030	32.565
- America	115.625	111.253	60.101	88.242	106.119	118.499	0	0
- Other	15.732	167.764	4.005	19.700	0	17.165	0	0
	22.911.795	**23.193.915**	**1.042.668**	**2.429.149**	**1.592.304**	**2.710.381**	**3.357.006**	**849.416**

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.

d) Trading securities

The analysis of the trading securities is as follows:

(Amounts in thousands of Euro)		**31/12/2010**		**31/12/2009**	
Grade		**Trading securities**	**Allowance for impairment**	**Trading securities**	**Allowance for impairment**
A1-A3	**Acceptable risk**	189.265	0	876.853	0
B1-B3	**Low-fair-risk**	10.028	0	9.950	0
		199.293	**0**	**886.803**	**0**

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 debt securities acceptable to be refinanced from ECB and those loans and advances to banks that their maturity is within next month.

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

	31/12/2010	31/12/2009
At 31 December	35,14%	19,13%
Average for the period	20,44%	19,95%
Maximum for the period	35,14%	24,67%
Minimum for the period	15,20%	14,54%

The Group monitors systematically the liquidity risk and keeps plan of alternative actions for liquidity coverage if necessary. In this frame, ATEbank takes care besides the full coverage of the ongoing requirements, to maintain a stock of high quality portfolio for liquidity purposes either from ECB of from the markets.

Within the context of L. 3723/2008 concerning «Liquidity reinforcement of the Economy in order to tackle the impact if international financial crisis» the following is provided:

a. according to article 1, bank companies, with common shares, that are chartered with the Bank of Greece assume the ability to raise capital through preference shares issue.

b. according to article 2, Greek State guarantee grant for loans to be undertaken with or without security issue and they will last from 3 months to 5 years. This guarantee is granted against commission fees and/or adequate collateral.

c. according to article 3, special Greek State security issue, until 31.12.2009 with up to 3 years duration, with a view to serve as a lending facility to credit institutions that are chartered with the Bank of Greece , obtain liquidity against commission and adequate collateral.

The Bank, as a result of the subsumption to the stipulation of articles 1, 2 and 3 of L. 3723/2008:

a. has proceeded to a share capital increase of EUR 675 mil. through preference shares issue (note 38)

b. through EMTN program, has proceeded to special securities issue under the guarantee of the Greek State of EUR 4,7 billion (note 40)

c. signed special Greek State securities loans of EUR 1,4 billion so as to collateralize them with the European Central Bank to obtain liquidity (note 40)

For its participation to the aforementioned support measures, the Group paid to the Greek State as a fee the amount of EUR 15 mil.

Group's loans from ECB for 2010 amounts to EUR 8,3 billion against EUR 4,5 billion in 2009, while the Group has secured additional liquidity from ECB of EUR 4,1 bil. (2009: EUR 0,3 bil.). The increase of Group's financial dependence from ECB during 2010 reflects the reduction of total liquidity of greek banking system in general. This reduction results from deposits outflow, sluggish market transactions, reduction of collateral values due to market instability, changes in institutional framework by which ECB accepts collaterals and finally the downgrade of Greek public debt.

ECB has required that greek banks submit a schedule, until May 2011, within which gradual disentaglement from Eurosystem finance dependence within a time horizon of 2 to 3 years is exposed and before they are allowed to receive additional state guarrantees. This schedule should comprise the exact policies and measures that greek banks intend to adopt in order to lessen Eurosystem dependence and it has to align with macroeconomic and fiscal environment according to the restructuring progam that the European Union demands in order to offer support to its members. It is within ECB's intention to disengage from extraordinary liquidity supply measures in a gradual manner in order not to destabilize the banking system.

The Group has the intention to diversify its sources of funds, gradually and combined with the normalization of the conditions in financial markets, through the issue of covered bonds and mid term notes, reducing so its financial dependence from ECB.

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.

RESIDUAL CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

(Amounts in thousand Euro) **2010**

	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	53.414	53.414	0	0	0	0	53.414
Deposits from banks	9.246.982	9.278.864	1.684.632	7.365.211	229.021	0	0
Deposits from customers	19.682.635	19.797.453	15.182.000	2.031.826	1.407.259	1.021.361	155.007
Subordinated loans	249.196	278.659	2.209	0	2.203	5.152	269.095
	29.232.227	**29.408.390**	**16.868.841**	**9.397.037**	**1.638.483**	**1.026.513**	**477.516**
Derivative liabilities							
Trading: outflow	145.276	(438.655)	(258.463)	(1.620)	(64.286)	(14.286)	(100.000)
Trading: inflow	(20.953)	438.149	252.925	2.917	64.753	15.013	102.541
Risk management: outflow	0	(2.149.333)	(74.174)	(67.157)	(47.221)	(151.541)	(1.809.240)
Risk management: inflow	0	2.055.353	71.327	57.670	33.591	134.664	1.758.101
	124.323	**(94.486)**	**(8.385)**	**(8.190)**	**(13.163)**	**(16.150)**	**(48.598)**
Letters of Guarantee	0	284.126	82.913	169.542	0	22.354	9.317
	29.356.550	**29.598.030**	**16.943.369**	**9.558.389**	**1.625.320**	**1.032.717**	**438.235**

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	84.242	(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
	58.404	**(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
	30.313.591	**30.787.582**	**18.496.282**	**4.416.394**	**2.294.770**	**4.449.510**	**1.130.626**

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 2010 was EUR 2,472 million (2009: EUR 2,459 million). Interest rate risk amounted to EUR 0,153 million (2009: EUR 2,127 million) whereas trading portfolio foreign exchange risk as at 31.12.2010 came up to EUR 2,432 million (2009: EUR 0,23 million). Stock market risk amounted to EUR 0,276 million (2009: 0,563 million). Due to the structure of the trading portfolio as of 31 December 2010 and the level of diversification, a reduction of the value-at-risk of EUR 0,389 million (2009: EUR 0,254 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 2010 there were 2 cases where the actual change in the value of the portfolio was larger than the Value-at-Risk estimate, while in 2009 7 instances had deen observed.

The above are summarized as follows as at 31 December 2010:

(Amounts in thousand Euro)

	At 31 December	Average	Maximum	Minimum
2010				
Foreign currency risk	2.432	2.399	3.767	817
Interest rate risk	153	2.818	5.483	1.097
Other price risk	276	341	300	350
Covariance	(389)	(1.236)	(1.457)	(641)
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)

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 2010. 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 2010

Assets	EUR	USD	GBP	Other	Total
Cash and balances with Central Bank	857.110	2.302	939	13.554	873.905
Loans and advances to banks	1.022.085	14.138	2.057	4.388	1.042.668
Trading securities	206.689	2.853	0	0	209.542
Derivative financial instruments	20.953	0	0	0	20.953
Loans and advances to customers	20.925.999	77.514	0	199.302	21.202.815
Investment portfolio	5.345.636	23.661	0	19.849	5.389.146
Investments in associates	174.297	0	0	44	174.341
Investment property	225.487	0	0	3.753	229.240
Property, plant and equipment	460.058	0	0	19.746	479.804
Intangible assets	13.513	22	0	567	14.102
Deferred tax asset	441.920	0	0	0	441.920
Other assets	1.133.111	61	1.393	7.652	1.142.217
Total assets	**30.826.858**	**120.551**	**4.389**	**268.855**	**31.220.653**

Liabilities					
Deposits from banks	9.231.256	0	0	15.726	9.246.982
Deposits from customers	19.376.001	169.168	10.709	126.757	19.682.635
Liabilities at fair value through profit or loss	53.414	0	0	0	53.414
Derivative financial instruments	145.276	0	0	0	145.276
Provision for employee benefits	37.531	0	0	0	37.531
Other liabilities	1.049.525	3.779	1.474	1.431	1.056.209
Subordinated loans	249.196	0	0	0	249.196
Total liabilities	**30.142.199**	**172.947**	**12.183**	**143.914**	**30.471.243**
Net on balance sheet position	**684.659**	**(52.396)**	**(7.794)**	**124.941**	**749.410**
Net off balance sheet position	**2.130.273**	**10.103**	**0**	**46.437**	**2.186.813**
At 31 December 2009					
Total assets	31.889.573	213.368	263.639	421.778	32.788.358
Total liabilities	30.979.578	186.760	14.725	296.221	31.477.284
Net on balance sheet position	**909.995**	**26.608**	**248.914**	**125.557**	**1.311.074**
Net off balance sheet position	**2.356.959**	**0**	**1.705**	**1.870**	**2.360.534**

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 2010

Assets	**Up to 1 month**	**1 - 3months**	**3- 12 months**	**1 - 5 years**	**Over 5 years**	**Non-interest bearing**	**Total**
Cash and balances with Central Bank	873.905	0	0	0	0	0	873.905
Loans and advances to banks	137.262	553.271	220.000	0	0	132.135	1.042.668
Trading securities	8.318	40.423	24.269	107.250	22.879	6.403	209.542
Derivative financial instruments	20.953	0	0	0	0	0	20.953
Loans and advances to customers	11.250.133	1.722.831	1.413.402	5.406.866	1.409.583	0	21.202.815
Investment portfolio	474.890	832.852	1.396.147	1.326.092	970.573	388.592	5.389.146
Investments in associates	0	0	0	0	0	174.341	174.341
Investment property	0	0	0	0	0	229.240	229.240
Property, plant and equipment	0	0	0	0	0	479.804	479.804
Intangible assets	0	0	0	0	0	14.102	14.102
Deferred tax asset	0	0	0	0	0	441.920	441.920
Other assets	0	75	0	0	0	1.142.142	1.142.217
Total assets	**12.765.461**	**3.149.452**	**3.053.818**	**6.840.208**	**2.403.035**	**3.008.679**	**31.220.653**

Liabilities							
Deposits from banks	1.723.387	7.277.616	245.979	0	0	0	9.246.982
Deposits from customers	15.134.764	1.962.954	2.428.228	155.040	1.649	0	19.682.635
Liabilities at fair value through profit or loss	0	0	53.414	0	0	0	53.414
Derivative financial instruments	145.276	0	0	0	0	0	145.276
Provision for employee benefits	0	0	0	0	0	37.531	37.531
Other liabilities	0	921	59.056	0	0	996.232	1.056.209
Subordinated loans	249.196	0	0	0	0	0	249.196
Total liabilities	**17.252.623**	**9.241.491**	**2.786.677**	**155.040**	**1.649**	**1.033.763**	**30.471.243**
Interest sensitivity gap	**(4.487.162)**	**(6.092.039)**	**267.141**	**6.685.168**	**2.401.386**	**1.974.916**	**749.410**
At 31 December 2009							
Total assets	13.763.300	3.382.922	2.589.954	7.681.633	2.333.526	3.037.023	32.788.358
Total liabilities	19.104.111	3.960.312	7.435.480	6.010	0	971.371	31.477.284
Interest sensitivity gap	**(5.340.811)**	**(577.390)**	**(4.845.526)**	**7.675.623**	**2.333.526**	**2.065.652**	**1.311.074**

For interest rate risk management purposes, the Group monitors the sensitivity of financial assets and liabilities to interest rate changes, assuming a 100 basis point (bp) parallel fall or rise in all yield curves worldwide on an annual basis.

Sensitivity analysis of expected net interest income

(Amounts in thousand Euro)	**2010**		**2009**	
	100 bp parallel increase	**100 bp parallel decrease**	**100 bp parallel increase**	**100 bp parallel decrease**
At 31 December	(35.040)	17.171	(49.807)	30.118
Average for the period	(45.765)	32.784	(65.052)	57.505
Maximum for the period	(65.290)	47.057	(92.805)	82.541
Minimum for the period	(26.293)	17.171	(37.374)	30.118

Sensitivity analysis of Equity due to interest rate movements

(Amounts in thousand Euro)	**2010**		**2009**	
	100 bp parallel increase	**100 bp parallel decrease**	**100 bp parallel increase**	**100 bp parallel decrease**
At 31 December	(105.464)	88.059	(140.104)	122.439
Average for the period	(90.803)	76.718	(126.288)	120.621
Maximum for the period	(156.633)	139.673	(202.651)	195.798
Minimum for the period	(26.538)	15.531	(76.684)	70.651

Interest rate movements affect Equity with any of the following ways:

- From Retained earnings which result from increase or decrease of net interest income and from change in fair value recognized in income statement.
- From reserves in fair value that result from increase or decrease in fair value of available for sale securities recognized directly to equity

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 Risk management main concerns 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

  Includes the share capital, the share premium reserve, the retained earnings, the reserves excluding the revaluation reserve of securities available for sale, and the minority interest excluding intangible assets, treasury shares, and half the participation to other financial institutions share capital and the Significant Credit Exposures excesses.

- Tier 2 capital

  Includes the subordinated loan of Euro 250 mil., which expires in 2018, and excludes half the participation to other financial institutions share capital and the Significant Credit Exposures excesses.

From the total of Tier 1 and 2, the participation in the Insurance company of the Group is being excluded.

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 2010 and 2009 respectively.

	2010	**2009**
Total equity (supervisory balance sheet)	726.231	1.305.303
Less: Intangible assets	(13.875)	(26.515)
Adjustment and deductions according to Bank of Greece directive 2563/2005 & 2587/2007	217.755	110.149

Deductions from total regulatory capital	**(1.755)**	**(15.272)**
Regulatory capital	**928.356**	**1.373.665**
Risk-weighted assets	**12.636.280**	**15.097.626**
Capital adequacy ratio	**7,35%**	**9,10%**

The current capital adequacy ratio for the Group is estimated to be 7,35% for 2010 (2009: 9,10%). The Bank has enforced regulatory capital by issuing preference shares of EUR 675 mil. that have been overall accepted from the Greek State, according to article 1, Law 3723/2008 regarding the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis".

With a view to encounter regulatory capital deficit, it has been arranged for the first quarter of 2011 a sequence of steps to be taken, including raising share capital. With this imminent capital increase of up to EUR 1,260 bil., the Group will bolster Tier I capital and, as long as official ratification will be ensured, the Group will dispose EUR 675 mil. from net proceeds of the Public Offering to redeem preference shares issued for the Greek State. According to Group's assessment (proforma), capital adequacy ratio would be 12,54% as at 31.12.2010.

According to the stress test results that took place within 2010 under the directions and methodology of CEBS, Group's capital adequacy under the extremely adverse scenario estimated, at the end of 2011 to 4,36% and falls short of the minimum 6% that had been determined as the lowest threshold for stress testing purposes.

Following to a letter send from the Bank of Greece to all greek banks, a new stress test will take place, within May 2011, which will include one basic and one adverse scenario for the period 2011 και 2012. Final macroeconomic scenarios and methodology will be announced in April 2011 whereas the final stress test results in June 2011. The Group, is not expected to face any issue of capital adequacy due to the new stress test given that the already scheduled capital increase will be successfully completed.

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)

2010	Designated at fair value	Loans and receivables	At cost	Total carrying value	Fair value
Loans and advances to banks	0	1.042.668	0	**1.042.668**	1.044.893
Loans and advances to customers	1.896.121	19.306.694	0	**21.202.815**	25.737.348
Held-to-maturity securities	0	0	3.357.006	**3.357.006**	2.775.634
	1.896.121	**20.349.362**	**3.357.006**	**25.602.489**	**29.557.875**
Deposits from banks	0	0	9.246.982	**9.246.982**	9.261.027
Deposits from customers	0	0	19.682.635	**19.682.635**	19.763.871
Subordinated loans	0	0	249.196	**249.196**	267.307
	0	**0**	**29.178.813**	**29.178.813**	**29.292.205**

2009	Designated at fair value	Loans and receivables	At cost	Total carrying value	Fair value
Loans and advances to banks	0	2.429.149	0	**2.429.149**	2.431.094
Loans and advances to customers	2.058.774	19.884.314	0	**21.943.088**	25.943.768
Held-to-maturity securities	0	0	849.416	**849.416**	805.647
	2.058.774	**22.313.463**	**849.416**	**25.221.653**	**29.180.509**

Deposits from banks	0	0	6.478.819	**6.478.819**	6.505.292
Deposits from customers	0	0	22.595.987	**22.595.987**	22.670.108
Subordinated loans	0	0	248.794	**248.794**	272.897
	0	**0**	**29.323.600**	**29.323.600**	**29.448.297**

- 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 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 usual 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)

		2010		
	Note	**Level 1**	**Level 2**	**Total**
Trading securities	20	209.542	0	**209.542**
Derivative financial instruments	21	344	20.609	**20.953**
Loans and advances to customers	22	0	1.896.121	**1.896.121**
Available for sale portfolio	23	1.913.392	118.748	**2.032.140**
		2.123.278	**2.035.478**	**4.158.756**
Liabilities at fair value through profit or loss	33	53.414	0	**53.414**
Derivative financial instruments	21	40	145.236	**145.276**
		53.454	**145.236**	**198.690**

(Amounts in thousand Euro)

	2009		
	Level 1	**Level 2**	**Total**
Trading securities	901.782	0	**901.782**
Derivative financial instruments	2.933	22.905	**25.838**
Loans and advances to customers	0	2.058.774	**2.058.774**
Available for sale portfolio	3.143.655	2.308	**3.145.963**
	4.048.370	**2.083.987**	**6.132.357**
Liabilities at fair value through profit or loss	931.587	0	**931.587**
Derivative financial instruments	226	84.016	**84.242**
	931.813	**84.016**	**1.015.829**

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, upon which the calculation is based, 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)		**2010**		
	Financial sector	**Insurance sector**	**Commercial and industrial sector**	**Total**
Third party Income				
-Net interest income	806.654	16.994	95	823.743
-Net fee and comission income	71.976	0	(55)	71.921
-Net trading income	(189.552)	(3.786)	(25)	(193.363)
-Net income from other financial instruments	4.043	12.537	2	16.582
-Other operating income	17.227	45.098	25.285	87.610
Total Income	**710.348**	**70.843**	**25.302**	**806.493**
Other non-cash items				
Impairment losses	(581.238)	(13.931)	(8.824)	(603.993)
Profit/(loss) per sector	(418.404)	(8.387)	(13.811)	(440.602)
Total assets per sector	30.160.441	654.050	406.162	31.220.653
Total liabilities per sector	30.443.822	710.875	65.956	31.220.653

(Amounts in thousand Euro) **2009**

	Financial sector	Insurance sector	Commercial and industrial sector	Total
Third party Income				
-Net interest income	740.195	11.355	(1.268)	750.282
-Net fee and comission income	76.884	(0)	(69)	76.815
-Net trading income	52.657	(577)	18	52.098
-Net income from other financial instruments	29.466	4.952	2	34.420
-Other operating income	13.674	25.880	22.683	62.237
Total Income	**912.876**	**41.610**	**21.366**	**975.852**
Other non-cash items				
Impairment losses	(823.729)	0	(1.600)	(825.329)
Profit/(loss) per sector	(422.529)	(719)	(32.002)	(455.250)
Total assets per sector	31.707.312	619.315	461.731	32.788.358
Total liabilities per sector	31.978.795	696.185	113.378	32.788.358

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) **2010**

	Greece	Other European countries	Total
Third Party Income	761.025	45.468	806.493
-Non current assets	668.308	54.838	723.146

(Amounts in thousand Euro) **2009**

	Greece	Other European countries	Total
Third Party Income	937.393	38.459	975.852
-Non current assets	676.961	54.031	730.992

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)

	2010	2009
Interest and similar income:		
Loans and advances to customers	1.006.790	1.016.056
Loans to banks	29.966	28.431
Finance leases	8.848	15.145
Debt instruments	162.773	110.136
	1.208.377	**1.169.768**
Interest expense and similar charges:		
Customer deposits	(258.972)	(318.746)
Bank deposits	(117.060)	(86.251)
Subordinated loans	(8.602)	(14.489)
	(384.634)	**(419.486)**
Net interest income	**823.743**	**750.282**

8. NET FEE AND COMMISSION INCOME

(Amounts in thousand Euro)

	2010	2009
Fee and commission income		
Loans and advances to customers	55.222	50.637
Money transfers	12.299	15.426
Mutual funds	3.600	3.810
Letters of guarantee	5.283	6.996
Equity brokerage	2.885	4.464
Credit cards	4.760	6.991
Import-exports	897	1.179
Other	22.049	26.593
	106.995	**116.096**
Fee and commission expenses		
Contribution to Savings Guarantee Fund	(13.125)	(14.285)
Other	(21.949)	(24.996)
	(35.074)	**(39.281)**
Net fee and commission income	**71.921**	**76.815**

9. NET TRADING INCOME

(Amounts in thousand Euro)

	2010	2009
Trading portfolio		
Gain minus Losses		
Derivative financial instruments	(97.352)	(33.407)
Foreign exchange differences	9.725	18.042
Sales		
Equity instruments	(1.849)	2.616
Debt instruments	(35.507)	66.970
Valuation		
Equity instruments	(2.066)	(1.888)
Debt instruments	(22.023)	25.088
Derivative financial instruments	(44.291)	(25.323)
	(193.363)	**52.098**

Net results from trading presented losses of EUR 193,4 mil. against profits of EUR 52,1 mil. in 2009. The main part of this loss can be explained from the significant downfall of Greek bonds prices as well as of derivatives that serve as a hedge against loan portfolio interest rate risk.

In particular, the Group proceeds with interest rate swaps (IRS) transactions to hedge interest rate risk deriving from fixed-rate loans, converting the fixed rate flows to floating rate, based on Euribor (benchmark) + margin. During 2010, the interest rate differential (fixed rate paid by the Group minus floating rate received) was not favourable for the Group and consequently it has negatively affected the results by € 42 mlllion. This amount relates to both actual cash flows and derivatives revaluation. Additionally, the Group used futures on german government bonds in order to hedge the interest rate risk incorporated in the portfolio of Greek government bonds, the prices of which increased disproportionally to the ones of greek government bonds, resulting to the recognition of losses amounting to € 53,3 million. The sale and negative valuation of trading portfolio bonds resulted in € 57,5 million losses.

10. NET INCOME OF NON TRADING FINANCIAL INSTRUMENTS

(Amounts in thousand Euro)

	2010	2009
Financial assets available for sale		
From sale		
Equity instruments	(941)	2.005
Debt instruments	(359)	19.317
Other	10.353	(4.077)
	9.053	**17.245**

11. DIVIDEND INCOME
(Amounts in thousand Euro)

	2010	2009
Trading securities	603	768
Available for sale securities	6.926	16.407
	7.529	**17.175**

12. OTHER OPERATING INCOME
(Amounts in thousand Euro)

	2010	2009
Gross profit on sale of goods and services (12.1)	18.559	14.520
Insurance activities (12.2)	42.678	23.937
Gain from the sale of fixed assets	8.479	6.300
Income from investment property	4.096	4.463
Income from sequential activities	1.623	3.665
Other	12.175	9.352
	87.610	**62.237**

12.1 GROSS PROFIT ON SALE OF GOODS AND SERVICES
(Amounts in thousand Euro)

	2010	2009
Sales	375.833	369.707
Less: Cost of goods sold	(344.158)	(335.472)
Gross Profit	31.675	34.235
Distribution expenses	(13.116)	(19.715)
	18.559	**14.520**

12.2 INSURANCE ACTIVITIES
(Amounts in thousand Euro)

	2010	2009
NON LIFE		
Premiums and other related income	54.564	156.968
Less: Reinsurance fees and similar expenses	(1.376)	(27.277)
Acquisition fees	(8.896)	(14.280)
Claim indemnities	(57.182)	(66.847)
Reinsurers' participation	9.308	(37.130)
	(3.582)	**11.434**
LIFE		
Premiums and other related income	177.243	56.179
Less: Reinsurance fees and similar expenses	(27.480)	(1.354)
Acquisition fees	(18.519)	(7.804)
Claim indemnities	(64.555)	(53.566)
Reinsurers' participation	(20.429)	19.048
	46.260	**12.503**
	42.678	**23.937**

13. STAFF COST
(Amounts in thousand Euro)

	2010	2009
Wages and salaries	(273.184)	(292.342)
Social security costs	(93.473)	(97.078)
Defined benefit plan costs (note 34)	(5.823)	(3.504)
Other staff costs	(66.722)	(39.161)
	(439.202)	**(432.085)**

The number of persons employed by the Group as at 31/12/2010 was 8.915 (2009: 9.903).

According to article 11 of Law 3899/2010, ATEbank and ATE Group's subsidiaries are mandated to reduce payroll and other monetary benefits of all its employees by 10%.

14. OTHER EXPENSES

(Amounts in thousand Euro)

	2010	2009
Third party fees	(30.290)	(31.572)
Advertising and promotion expenses	(8.074)	(16.741)
Telecommunication expenses	(14.593)	(13.977)
Insurance fees	(782)	(1.692)
Repairs and maintenance	(14.860)	(13.747)
Travel	(6.946)	(9.322)
Stationery	(4.021)	(5.045)
Utility services	(4.842)	(5.646)
Operating lease rentals	(16.723)	(17.021)
Other taxes	(6.488)	(7.693)
Other	(11.451)	(35.397)
	(119.070)	**(157.853)**

15. IMPAIRMENT LOSSES

(Amounts in thousand Euro)

	2010	2009
Loans and advances to customers	(468.602)	(619.525)
Available for sale portfolio	(107.079)	(168.518)
Participation in non listed equities	0	(7.285)
Subsidiaries impairment	(11.900)	0
Other	(16.412)	(30.001)
	(603.993)	**(825.329)**

16. TAX

(Amounts in thousand Euro)

	2010	2009
Current tax	(29.294)	(2.248)
non-compensatory taxes	(14.911)	(1.885)
Extraordinary contribution	(321)	(769)
Tax provision for unaudited financial years	(2.112)	(2.194)
Deferred tax	298	35.059
	(46.340)	**27.963**

According to current Greek Tax Law 3697/2008, companies will apply a 24% tax ratio on year 2010 profits.

Reconciliation of effective tax rate

(Amounts in thousand Euro)

	2010	2009
Loss before tax	(394.262)	(483.213)
Income tax at 24% (2009: 25%)	0	0
Tax exempt revenues (corresponding tax)	28.315	10.109
Non-deductible expenses (corresponding tax)	(57.383)	(14.242)
Additional tax on property	(226)	0
Provision for unaudited tax years	(2.112)	(2.194)
Non compensatory taxes	(14.911)	0
Extraordinary contribution	(321)	(769)
Effect of deferred tax on income statement	298	35.059
Tax	**(46.340)**	**27.963**

Reconcilation of income tax recognised directly to equity

(Amounts in thousand Euro)	2010			2009		
	before tax	corresponding tax	after tax	before tax	corresponding tax	before tax
Reserve of available to sale securities	(102.324)	11.881	(90.443)	223.472	(45.512)	177.960
	(102.324)	**11.881**	**(90.443)**	**223.472**	**(45.512)**	**177.960**

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	2009 – 2010
A.T.E. Insurance	2008 – 2010
A.T.E. Leasing	2008 – 2010
A.T.E. Cards	2009– 2010
A.T.E. A.X.E.P.E.Y.	2010
A.T.E. AEDAK	2010
ATE Techniki Pliroforiki	2010
Hellenic Sugar Company	2005 – 2010
Dodoni	2008 – 2010
Elviz	2005 – 2010
ATE RENT	2010
ATE ADVERTISING	2010
ATExcelixi	2010
ATEbank ROMANIA	2005 – 2010
ATE INSURANCE S.A. ROMANIA	2007 – 2010

For the unaudited years the relative provision has been accounted and as at 31/12/2010 it amounts to EUR 7,5 mil.

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

	2010	2009
Earnings/(losses) after tax (in thousands of euro)	(438.034)	(451.718)
Minus : accrued dividend to preference shareholders (in thousands of euro)	(51.300)	(31.068)
Earnings/(losses) after tax attributable to the holders of common stocks (in thousands of euro)	(489.334)	(482.786)
Weighted average of number of shares in issue	903.323.619	903.323.619
Basic and diluted earnings/(losses) per share (expressed in euro)	**(0,5417)**	**(0,5345)**

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 31/12/2010 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)

	2010	2009
Cash in hand	356.743	431.268
Balances with Central Bank	517.162	598.660
	873.905	**1.029.928**

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

(Amounts in thousand Euro)

	2010	2009
Cash and balances with Central bank	873.905	1.029.928
Purchase and resale agreements of trading securities	368.639	794.552
Short-term placements with other banks	337.367	1.156.129
	1.579.911	**2.980.609**

19. LOANS AND ADVANCES TO BANKS

(Amounts in thousand Euro)

	2010	2009
Current accounts	209.534	224.905
Other placements	244.495	1.051.419
Purchase and resale agreements of trading securities	588.639	1.152.825
	1.042.668	**2.429.149**

20. TRADING SECURITIES

(Amounts in thousand Euro)

	2010	2009
Greek government bonds	85.855	719.869
Corporate Bonds	113.438	166.934
Equity securities	10.249	14.979
	209.542	**901.782**

21. DERIVATIVE FINANCIAL INSTRUMENTS

(Amounts in thousand Euro)	2010		2009	
	Fair Value		Fair Value	
	Assets	Liabilities	Assets	Liabilities
Foreign exchange derivatives				
Swaps	0	5.629	0	0
Options	138	178	243	178
Forward contracts				
Futures	206	40	2.933	226
Forwards	181	0	0	0
Interest rate derivatives				
Swaps	20.428	139.429	22.662	83.838
	20.953	**145.276**	**25.838**	**84.242**

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	2010	2009
Credit cards	554.624	554.456
Consumer loans	1.384.457	1.448.037
Mortgages	6.826.071	6.762.483
Loans to private individuals	**8.765.151**	**8.764.976**
Loans to the agricultural sector	2.073.973	2.182.955
Corporate loans	3.702.507	3.301.419
Small and medium sized firms	2.412.540	2.621.782
Loans to corporate entities	**8.189.020**	**8.106.156**
Finance leasing	414.776	451.555
Loans to the public sector	5.542.848	5.871.228
	22.911.795	**23.193.915**
Less: allowance for uncollectibility	(1.708.980)	(1.250.827)
	21.202.815	**21.943.088**

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	2010	2009
Balance at 1 January	**1.250.827**	**801.335**
Provision for impairment	468.602	619.525
Recoveries	(5.131)	(4.039)
Loans written-off	(5.188)	(165.911)
Exchange rate differences	(130)	(83)
Balance at 31 December	**1.708.980**	**1.250.827**

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)

	2010	2009
Available-for-sale securities	2.032.140	3.145.963
Held to maturity securities	3.357.006	849.416
	5.389.146	**3.995.379**

23.1 AVAILABLE-FOR-SALE SECURITIES

(Amounts in thousand Euro)

	2010	2009
Debt securities:		
Greek Government bonds	959.020	1.922.924
Corporate bonds	633.284	787.457
	1.592.304	2.710.381
Equity securities:		
Listed	235.573	348.120
Unlisted	118.748	2.308
Equity funds	23.594	19.053
	377.915	369.481
Mutual fund units	61.921	66.101
	2.032.140	**3.145.963**

All available-for-sale securities are carried at fair value, except, for the unlisted equity securities of EUR 118.748 thousand, (31/12/2009: EUR 2.308 thousand) which are carried at cost because fair value can not be easily determined.

The Group during 2010 estimating the adverse 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:

- listed securities of € 93.156 thousand
- non-listed securities of its portfolio of € 206 thousand
- mutual funds of € 4.740 thousand.
- corporate bonds of € 8.977 thousand.

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

(Amounts in thousand Euro)	**2010**	**2009**
At 1 January	**3.145.963**	**2.340.002**
Additions	1.519.284	1.637.326
Disposals	(185.992)	(853.125)
Transfer due to IAS 39	(2.196.182)	0
Impairment	0	(7.285)
Gains/(Losses) from changes in fair value	(250.933)	29.045
31 December	**2.032.140**	**3.145.963**

Analysis of additions and disposals follows:

(Amounts in thousand Euro)

	Additions	**Disposals**
Greek Government bonds	1.333.249	(10.262)
Equity Funds	1.227	(3.023)
Corporate bonds	61.978	(164.507)
Listed securities	3.028	(8.200)
Unlisted securities	117.021	0
Mutual funds	2.781	0
	1.519.284	**(185.992)**

23.2 HELD TO MATURITY SECURITIES

(Amounts in thousand Euro)

	2010	**2009**
Greek Government bonds	3.316.976	804.990
Foreign Government bonds	30.030	22.565
Corporate bonds	10.000	21.861
	3.357.006	**849.416**

Greek Government Bonds, that are held by the Group from the issue date, the Group intends to hold them until their maturity. The fair value of the above mentioned bonds as of 31/12/2010 is EUR 2.775.634 thousand (31/12/2009:EUR 805.647 thousand).

Held to maturity securities 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).

The Group as at 01/04/2010, transferred to the above mentioned portfolio from the portfolio "Available-for-sale securities", Greek Government Bonds with fair value Euro 2.189 mil. The difference between fair value and cost value of those securities which had been recognized in "Available-for-sale reserve" until

31/03/2010, will be gradually amortized until their maturity date. The Group has the intention and ability to maintain the above securities in the near future.

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 31/12/2010 is estimated to EUR 137,1 million. Their negative valuation of EUR 9,0 million for the period 01/01/2010 – 31/12/2010 is recognized on "Available-for-sale reserve" (the accumulated loss of valuation for the period 01/07/2008 – 31/12/2010 which is recognised on the same reserve is EUR 4,2 million). This reserve was positively influenced by EUR 0,7 mil. from securities sales and by EUR 23,7 mil. from the impairment provision made for debt securities, which is presented in the income statement of 31/12/2010.

In addition, as at 31/12/2010 "Loans and advances to customers" include debt securities of fair value EUR 72,2 million (amortised cost EUR 68,4 mil.) which were reclassified from "Trading securities" (31/12/2009: amortised cost EUR 68,2 mil., fair value EUR 71,4 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 2010	Value 2009	Ownership	
				2010	2009
FIRST BUSINESS BANK S.A.	Greece	46.344	57.214	39,09%	49,00%
SEKAP S.A.	Greece	0	0	44,33%	44,33%
AIK BANKA	Serbia	127.997	130.933	20,83%	20,83%
		174.341	**188.147**		

ATEbank did not participated in the share capital increase of First Business Bank (FBB), and consequently its percentage of participation decreased to 39,09% . The share capital of FBB increased on the whole by the amount of EUR 35 mil approximately.

26. INVESTMENT PROPERTY

(Amounts in thousand Euro)

	Land	Buildings	Total
1 January 2009			
Cost	142.709	78.446	221.155
Accumulated Depreciation	0	(33.170)	(33.170)
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	87.445	233.490
Accumulated Depreciation	0	(36.104)	(36.104)
Net book value	**146.045**	**51.341**	**197.386**

2010			
Opening net book value	146.045	51.341	197.386
Additions	17.268	26.703	43.971
Disposals	(7.067)	(3.954)	(11.021)
Depreciation charge	0	(4.584)	(4.584)
Exchange rate differences	0	(8)	(8)
Depreciation of disposals	0	1.682	1.682
Transfer	1.316	498	1.814
Net book value	**157.562**	**71.678**	**229.240**
31 December 2010			
Cost	157.562	111.432	268.994
Accumulated Depreciation	0	(39.754)	(39.754)
Net book value	**157.562**	**71.678**	**229.240**

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 2010 was EUR 95.059 thousand (2009: EUR 93.593 thousand).

27. PROPERTY, PLANT AND EQUIPMENT

(Amounts in thousand Euro)

	Land	Buildings	Furniture and Equipment	Leasehold Improvements	Under Construction	Total
At 1 January 2009						
Cost	180.086	291.410	294.030	27.195	26.822	819.543
Accumulated Depreciation	0	(97.480)	(208.351)	(14.964)	0	(320.795)
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	298.983	304.265	30.305	31.556	843.040
Accumulated Depreciation	0	(104.455)	(213.562)	(18.115)	0	(336.132)
Net book value	**177.931**	**194.528**	**90.703**	**12.190**	**31.556**	**506.908**
2010						
Opening net book value	177.931	194.528	90.703	12.190	31.556	506.908
Exchange differences (cost)	(110)	(2.316)	(6.290)	0	(9)	(8.725)
Exchange differences - (depreciation charge)	0	1.809	4.848	0	0	6.657
Additions	840	1.316	10.355	160	8.980	21.651
Disposals	(4.120)	(1.866)	(18.657)	(739)	(2.091)	(27.473)
Depreciation charge	0	(10.270)	(19.018)	(3.025)	0	(32.313)
Depreciation of disposals	0	31	14.347	535	0	14.913
Transfer	(1.299)	1.175	0	809	(2.499)	(1.814)
Net book value	**173.242**	**184.407**	**76.288**	**9.930**	**35.937**	**479.804**

31 December 2010						
Cost	173.242	296.544	289.673	30.535	35.937	825.931
Accumulated Depreciation	0	(112.137)	(213.385)	(20.605)	0	(346.127)
Net book value	**173.242**	**184.407**	**76.288**	**9.930**	**35.937**	**479.804**

28. INTANGIBLE ASSETS

(Amounts in thousand Euro)

	Software	Excess over cost	Total
At 1 January 2009			
Cost	34.651	21.802	56.453
Accumulated Amortization	(27.371)	0	(27.371)
Net book value 01/01/2009	**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**
Plus:			
Additions	2.049	0	2.049
Exchange differences	(17)	(125)	(142)
Disposals	(126)	0	(126)
Minus:			
Amortization	(2.603)	0	(2.603)
Impairment (depreciation charge)	0	(11.900)	(11.900)
Exchange differences	8	0	8
Depreciation of disposals	118	0	118
Net book value 31/12/2010	**5.349**	**8.753**	**14.102**
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**
Cost	38.885	8.753	47.638
Accumulated Amortization	(33.536)	0	(33.536)
Net book value 31/12/2010	**5.349**	**8.753**	**14.102**

The Group following the annual goodwill impairement testing from the acquisition of ATEBank Romania and AIK BANKA (Serbia), concluded that there is a goodwill impairement issue related to the acquisition of ATEbank Romania amounting to Euro 11,9 mil, which has been recognized in the Group's Income Statement.

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 31.12.2010.

29. Deferred tax asset

Deferred tax assets and liabilities are attributable to the following:

	2010	2009
Deferred tax asset:		
Provision for impairment losses on customer loans	315.265	230.289
Derivative financial instruments	1.825	4.693
Employee benefits	3.493	5.937
Provision for potential liabilities	15.274	16.350
Securities portfolio	109.216	101.577
Other temporary differences	371	2.778
Tax losses carry forward	415	70.311
	445.859	**431.935**
Deferred tax liability:		
Intangible assets	1.530	1.395
Property, plant and equipment	2.409	766
	3.939	**2.161**
Net deferred tax asset	**441.920**	**429.774**

Movement in temporary differences during the year

(Amounts in thousand Euro) **2010**

	Balance 1 January 2010	Recognized in income	Recognized in equity	Balance 31 December 2010
Intangible assets	(1.395)	(102)	(33)	(1.530)
Provision for impairment losses on customer loans	230.289	84.976	0	315.265
Employee benefits	5.937	(2.444)	0	3.493
Other temporary differences	2.778	(2.407)	0	371
Property, plant and equipment	(766)	(1.643)	0	(2.409)
Derivative financial instruments	4.693	(2.868)	0	1.825
Securities portfolio	101.577	(4.242)	11.881	109.216
Tax losses carry forward	70.311	(69.896)	0	415
Provisions for contingent liabilities	16.350	(1.076)	0	15.274
	429.774	**298**	**11.848**	**441.920**

(Amounts in thousand Euro) **2009**

	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)	11.182	0	4.693
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	**35.059**	**(45.874)**	**429.774**

According to the new tax bill under voting, tax rate is expected to fall to 20% effective from 01/01/2011 The Group did not calculate the deferred tax with the 20% tax rate, because as at 31/12/2010 there was not the prerequisites that are determined in paragraph 22(h) of IAS 10.

The temporary differences, arising from the valuation of securities, result from taxation imposed by the Law 3634/2008, given that the Group owns 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)

	2010	2009
Prepaid expenses	4.535	5.437
Tax advances and other tax receivables	44.058	49.957
Accrued interest and commissions **(30.3)**	212.820	198.426
Other receivables from public sector	151.012	153.015
Cheques and notes receivables	51.264	57.919
Customers **(30.2)**	196.375	177.522
Inventories **(30.1)**	128.559	181.756
Additional contribution to Savings Guarantee Fund	160.869	108.053
Other	192.725	182.196
	1.142.217	**1.114.281**

30.1 INVENTORIES

(Amounts in thousand Euro)

	2010	2009
Raw materials	1.318	3.154
Auxiliary materials	897	1.207
Work-in-progress	4.188	3.743
Packaging materials	1.029	1.114
Consumables	10.092	7.463
Spares parts	10.774	9.219
Other Inventories	75	94
Finished Goods	100.186	155.762
	128.559	**181.756**

The inventory primarily relates to finished goods held by the Hellenic Sugar Company and DODONI S.A and ELVIZ.

30.2 CUSTOMERS

(Amounts in thousand Euro)

	2010	2009
Receivables from insurance contracts	60.504	56.798
Receivables from reinsurance contracts	39.686	30.580
Less: Allowance for uncollectibility	(11.229)	(10.351)
Receivables from insurance contracts/customers	88.961	77.027
Receivables from customers (commercial & industrial group companies)	143.236	136.613
Less: Allowance for uncollectibility	(35.822)	(36.118)
Receivables from customers	107.414	100.495
	196.375	**177.522**

30.3. ACCRUED INTEREST AND COMMISSIONS

(Amounts in thousand Euro)

	2010	2009
Accrued interest from Public sector	82.066	75.400
Accrued interest from Private sector	12.582	11.277
Accrued interest from loans	106.016	102.571
Accrued interest from money market	1.060	1.562
Public sector commissions	8.845	6.930
Other	2.251	686
	212.820	**198.426**

31. DEPOSITS FROM BANKS

(Amounts in thousand Euro)

	2010	2009
Current deposits	9.065	14.981
Term deposits with Central Bank	8.300.000	4.500.000
Term deposits with other banks	895.380	1.933.221
Due to Central Bank	2.231	1.852
Other borrowings	40.306	28.765
	9.246.982	**6.478.819**

32. DEPOSITS FROM CUSTOMERS

(Amounts in thousand Euro)

	2010	**2009**
Retail customers:		
Current accounts	162.250	211.536
Saving accounts	11.042.938	11.827.490
Term deposits	6.443.455	7.630.933
	17.648.643	**19.669.959**
Private sector entities:		
Current accounts	560.473	591.645
Term deposits	346.941	423.320
	907.414	**1.014.965**
Public sector entities		
Current accounts	1.082.526	1.710.498
Term deposits	44.052	200.565
	1.126.578	**1.911.063**
	19.682.635	**22.595.987**

At 31 December 2010 the term deposits includes repo deposits amounted to EUR 268 thousand (2009: EUR 6.203 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 31/12/2010 the Bank had open selling positions in bonds of total amount of EUR 54,31 mil. whose fair value rised to EUR 53,4 mil. (2009: EUR 970,8 mil. and 931,6 mil. respectively).

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 length of service 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)

	2010	2009
Present value of funded obligations	28.040	34.850
Present value of unfunded obligations	19.973	18.230
Fair value of plan assets	(11.635)	(11.220)
Unrecognized actuarial gains and (losses)	1.153	(1.739)
Recognised liability for defined benefit obligations	**37.531**	**40.121**
Movement in the net liability for defined benefit obligations recognised in the balance sheet		
Net liability for defined benefit obligations at 1 January	40.121	54.629
Expense recognised in the income statement	5.823	3.504
Written off liability	(182)	(14.131)
Contributions received	(8.231)	(3.881)
Net liability for defined benefit obligations at 31 December	**37.531**	**40.121**

Expense recognised in the income statement	2010	2009
Current service cost	2.487	2.339
Interest on obligation	1.972	1.737
Expected return on plan assets	(673)	(575)
Net actuarial (gain)/loss recognised in year	20	3
Benefits	2.017	0
Written off liability on account of disposal	(182)	(14.131)
	5.641	**(10.627)**

The principal actuarial assumptions at the balance sheet date are:

	2010		2009	
ACTUARIAL STUDY	**Non Funded**	**Funded**	**Non Funded**	**Funded**
Discount rate	**4,60%**	**4,60%**	**6,00%**	**6,00%**
Future salary increases	**4,52%**	**4,52%**	**4,52%**	**4,22%**
Expected return on plan assets	**_**	**4,60%**	**_**	**6,00%**

35. OTHER LIABILITIES

(Amounts in thousand Euro)

	2010	2009
Prepaid expenses and deferred income	111.558	129.623
Creditors and suppliers	76.263	74.198
Fees and payroll payable	689	104
Tax and duties payable (except income tax)	33.221	41.388
Income tax payable	26.314	914
Due to public sector	49.145	50.834
Other	105.497	156.983
	402.687	**454.044**

36. SUBORDINATED LOANS

(Amounts in thousand Euro)

	2010	2009
Subordinated loan due 2018	249.196	248.794
	249.196	**248.794**

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%.

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	
ΠΕΡΙΓΡΑΦΗ	2010	2009	2010	2009	2010	2009
Life Insurance						
Mathematical reserves	290.087	299.128	290.087	299.128	0	0
Unearned premiums	11.655	10.732	11.660	10.736	(5)	(4)
Profit sharing	15.271	16.978	15.271	16.978	0	0
Outstanding claim reserves	13.359	12.455	11.209	10.801	2.150	1.654
Outstanding claims incurred but not reported (IBNR)	5.405	3.748	5.405	3.748	0	0
Total life insurance reserves	**335.777**	**343.041**	**333.632**	**341.391**	**2.145**	**1.650**
Non-life Insurance						
Unearned premiums	69.163	66.023	61.097	56.377	8.066	9.646
Outstanding claim reserves	191.943	182.636	167.377	158.474	24.566	24.162
Other provisions	33.192	25.760	33.192	25.760	0	0
Total non-life insurance reserves	**294.298**	**274.419**	**261.666**	**240.611**	**32.632**	**33.808**
Reserves for Unit Linked products	**23.447**	**26.230**	**23.447**	**26.230**	**0**	**0**
	653.522	**643.690**	**618.745**	**608.232**	**34.777**	**35.458**

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".

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.

Following the above, as at 31 December 2010 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.

According to the above-mentioned law (L. 3723/2008), 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. Due to the lack pf distributable amounts, the Bank's General Meeting decided not to proceed to the payment of the 10% return on preference shares.

Based on the article 39 of the Law 3844/2010 which amended the article 1 of Law 3723/2008, the banks have the right not to repurchase the preference shares from the Greek State within a 5-year period but are obliged to impose gradual accumulative increase of 2% per year to the annual fixed return attributed to the Greek State.

As at 31/12/2010, the net of tax dividend attributable to preference shareholders amounted to EUR 51,3 mil.

With this imminent capital increase of EUR 1,260 bil., the Group will strengthen its Tier I capital and, as long as official ratification will be ensured, the Group will dispose EUR 675 mil. from net proceeds of the Public Offering to redeem preference shares issued for the Greek State. This capital increase is expected to take place not later than the end of the first half of 2011.

39. RESERVES

(Amounts in thousand Euro)

	2010	2009
Statutory reserve	47.556	47.466
Tax free reserves	67.287	67.127
Available for sale securities reserve	(260.276)	(169.833)
Other reserves	18.962	19.201
Foreign currency differences	(68.160)	(50.568)
	(194.631)	**(86.607)**

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.

Conversion exchange rate differences: Conversion exchange rate differences concern discrepancies that arise from the conversion of the Financial Statements of subsidiary companies abroad to the Group's functional currency, that is the EURO.

40. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Litigation

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. Against this contingency, a provision has been formed, in case the Group suffers a loss, of a final amount of EUR 22,3 mil. (2009: EUR 17,6 mil.). 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)

Letters of Guarantee / Letters of credit	2010	2009
Letters of guarantee	284.126	376.582
Letters of credit	163	639
	284.289	**377.221**

(c) Assets pledged

(Amounts in thousand Euro)

	2010	2009
Loans to customers	4.272.327	3.538.708
Trading bonds	121.006	0
Available-for-sale bonds	1.301.955	1.083.689
Held to maturity bonds	3.038.925	85.050
Loans to customers according to Law 3723/2008	1.741.013	1.241.437
	10.475.226	**5.948.884**

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.

The Group has pledged bonds as collaterals into Repo agreements with third party financial institutions of a total value of EUR 496,8 mil.

Furthermore, the Bank, in accordance with the article 3 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", entered into a loan facility of EUR 1,4 bil. which is kept by the European Central Bank as a collateral for the liquidity reinforcement. According to the above, the Bank has pledged customer receivables of EUR 1,7 bil. as a collateral to the Greek State.

Also, the Bank, in accordance with the article 2 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", has issued a bond guaranteed by the Greek State of EUR 4,7 bil.

41. ACQUISITION OF SUBSIDIARIES AND ASSOCIATES

During the current period, the Bank increased its participation in certain subsidiaries which were held by other companies of the Group as follows:

a. Additional acquisition of the issued shares of the subsidiary ATE Leasing S.A. (0,59%) for EUR 134 thousand. The Bank now holds 100% of the subsidiary's share capital.

b. Additional acquisition of the issued shares of the subsidiary ATE Cards S.A. (2,00%), for EUR 52 thousand. The Bank now holds 100% of the subsidiary's share capital.

c. Additional acquisition of the issued shares of the subsidiary ATExcelixi S.A. (5,00%), for EUR 35 thousand. The Bank now holds 100% of the subsidiary's share capital.

d. Additional acquisition of the issued shares of the subsidiary ATE Techniki Pliroforiki S.A. (10,34%), for EUR 656 thousand. The Bank now holds 93,07% of the subsidiary's share capital.

e. Additional acquisition of the issued shares of the subsidiary ATE Advertising S.A. (16,41%), for EUR 295 thousand. The Bank now holds 65,04% of the subsidiary's share capital.

f. Additional acquisition of the issued shares of the subsidiary ATE AXEPEY S.A. (33,41%), for EUR 9.458 thousand. The Bank now holds 100% of the subsidiary's share capital. Moreover, during the current period ATE AXEPEY S.A. repaid capital to ATEbank amounting to EUR 7.359 thousand.

g. Additional acquisition of the issued shares of the subsidiary ATE AEDAK S.A. (46,00%), for EUR 2.580 thousand. The Bank now holds 100% of the subsidiary's share capital.

h. pursuant to the voluntary tender offer addressed to the shareholders of ATE Insurance S.A. and after the completion of the off-exchange transfer of the transferred shares, the Bank acquired 15,92% ownership of the company's share capital and voting rights for EUR 6.676 thousand. Therefore, the Bank now holds 100% of ATE Insurance S.A. issued shares.

i. the subsidiary company ELVIZ S.A. increased its share capital by EUR 16.593 thousand. The increase was fully covered by ATEbank and thus it now holds 99,98% of the subsidiary's share capital as opposed to 99,82% held before the increase.

The table below summarises the impact that the acquisition of non-controlled percentages had on the Group's Equity.

(Amounts in thousands of Euro)

	ATE INSURANCE	ATE AEDAK	ATE AXEPEY	OTHER	TOTAL
Entity's total Equity at acquisition day	1.457	5.700	23.887	34.489	65.533
Total cost	6.676	2.580	9.458	1.172	19.886
Total cost to minority	6.676	411	1.504	168	8.759
Acquired percentage	15,92%	7,32%	5,32%	-	-
Minority movement	(41)	417	1.270	171	1.817
Group Equity movement	6.717	(6)	234	(3)	6.942

42. DISCONTINUED TRANSACTIONS

During 2010, subsidiaries ATE ADVERTISING S.A. and ATE RENT S.A. were teriminated and liquidated. In particular, ATE ADVERTISING S.A. was set under liquidation at 19 October 2010, whereas ATE RENT S.A. at 31 October 2010. ATE RENT S.A.'s assets were acquired at cost from the Group's subsidiary ATE Leasing S.A. and consequently the Group's financial position is not affected from this event.

The key financial data of the subsidiaries under termination and liquidation are the following:

(Amounts in thousand Euro)

	ATE ADVERTISING	ATE RENT
Total income	1.689	7.487
Total expenses	(2.442)	(6.929)
Profit/(loss) before tax	(753)	558
Tax	(240)	(106)
Profit/(loss) after tax	**(993)**	**452**

The effect of the liquidation of ATE ADVERTISING S.A. in the Group's finacial position is the following:

(Amounts in thousand Euro)

	ATE ADVERTISING
Cash and cash equivalents	974
Permanent assets	8
Available for sale securities	47
Other assets	997
Other liabilities	(1.282)
Equity at 19.10.2010	744
Participation cost	814
Impact (loss) in Group's equity	**(70)**

Due to the immateriality of the amounts the Group did not applied IFRS 5 "Discontinued Operations" which requires the modification of the Income Statement and further information.

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)

	2010	2009
Loans	4.213	3.476
Deposits	10.675	8.128

Key Management Personnel Fees	2010	2009
Fees	(3.353)	(3.167)
Other	(832)	(642)
	(4.185)	**(3.809)**

b) With its associates

(Amounts in thousand Euro)

ASSETS	**2010**	**2009**
Loans and advances to customers	36.120	80.000
Total assets	**36.120**	**80.000**

LIABILITIES		
Deposits from customers	1.973	54
Total liabilities	**1.973**	**54**

INCOME STATEMENT	**2010**	**2009**
Income		
Interest and similar income	4.028	3.419
Dividend Income	1.708	0
Other Operating income	0	55
Total income	**5.736**	**3.474**

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 2010, the auditors charged the following :

(Amounts in thousand Euro)

	2010
For mandatory audit of annual and interim financial statements	(837)
Relevant with other audit services	(59)

45. PREVIOUS YEAR's ITEMS RESTATEMENT

During 2010, the Group, due to special circumstances that were provoked from the current financial crisis (significant increase of country's CDS), and in an effort to circumscribe the volatility of future results, redefined interest rate hedging policy, for certain fixed rate loans for which corresponding interest rate hedging derivatives were undertaken.

This hedging policy change had an impact on previous year's losses per share, albeit insignificant one (EUR 0,0556).

The following tables summarize the restated items in previous year's financial statements.

Consolidated Statement of Financial Position

(Amounts in thousand Euro)

	Loans and advances to customers	**Defered tax**	**Net Equity**
	Increase / (Decrease)	Increase / (Decrease)	Increase / (Decrease)
Publication as at 31 December 2009	21.910.078	416.224	1.302.761
Reclassification from Other assets	96.745	0	0
Restated as at 31 December 2009 after reclassification	22.006.823	416.224	1.302.761
Restatement effect	(63.735)	13.550	(50.185)
Restated as at 31 December 2009	21.943.088	429.774	1.252.576

Consolidated Income Statement
(Amounts in thousand Euro)

	Net Trading Income	**Tax**	**Losses after tax**
	Increase / (Decrease)	Increase / (Decrease)	Increase / (Decrease)
Publication as at 31 December 2009	115.833	14.413	(405.065)
Restatement effect	(63.735)	13.550	(50.185)
Restated as at 31 December 2009	52.098	27.963	(455.250)

Basic and diluted earnings / (losses)
(Amounts in thousand Euro)

	Publication as at 31 December 2009	**Restatement effect**	**Restated as at 31 December 2009**
	Increase / (Decrease)	Increase / (Decrease)	Increase / (Decrease)
Basic and diluted earnings / losses per share (EUR per share):	(0,4789)	(0,0556)	(0,5345)

The above mentioned restatements have no material effect on Cash flow Statement of 2009.

46. SUBSEQUENT EVENTS

1. The Board of Directors of the Bank, intends to propose to the forthcoming Shareholders General Meeting a share capital increase of a total amount up to EUR 1,26 bil. in cash.

2. The BoD of subsidiary ATE Techniki Pliroforiki S.A. decided at its meeting on January 2011 to submit to the Shareholders General Meeting of the company a proposal for the termination and liquidation of the entity.

3. Within February 2011, the Bank's administration announced that it will commence a necessary process (selection of consultants e.t.c.) in order to dispose the loss making subsidiaries HELLENIC SUGAR COMPANY and ELVIZ.

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

Athens, 30 March 2011

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)

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Certified Auditors AE
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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.

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 2010 and the statements of income and 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, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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 company'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 accompanying financial statements give a true and fair view of the financial position of AGRICULTURAL BANK OF GREECE A.E. as of 31 December 2010 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 2011

KPMG Certified Auditors A.E.

AM SOEL 114

Nikolaos Tsiboukas
Certified Auditor Accountant
AM SOEL 17151

Harry Sirounis
Certified Auditor Accountant
AM SOEL 19071

6. Financial Statements of ATEbank S.A. as at 31.12.2010

Financial Statements
31 December 2010

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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Statement of financial position
As at 31 December 2010
(Amounts in thousands of Euro)

	Note	2010	2009
Assets			
Cash and balances with the Central Bank	**18**	821.273	996.565
Loans and advances to banks	**19**	1.063.280	2.369.942
Trading securities	**20**	205.611	895.698
Derivative financial instruments	**21**	20.953	25.838
Loans and advances to customers	**22**	21.350.402	22.166.359
Investment portfolio	**23**	4.958.413	3.608.079
Investments in subsidiaries and associates	**25**	460.287	459.662
Investment property	**26**	157.898	162.330
Property, plant and equipment	**27**	283.482	296.877
Intangible assets	**28**	3.403	3.686
Deferred tax asset	**29**	418.904	395.909
Other assets	**30**	686.927	607.961
Total assets		**30.430.833**	**31.988.906**
Liabilities			
Deposits from banks	**31**	9.153.422	6.379.410
Deposits from customers	**32**	19.723.201	22.682.801
Liabilities at fair value through profit or loss	**33**	53.414	931.587
Derivative financial instruments	**21**	145.276	84.242
Provision for employee benefits	**34**	12.191	8.767
Other liabilities	**35**	287.636	349.886
Subordinated loans	**36**	249.196	248.794
Total liabilities		**29.624.336**	**30.685.487**
Equity			
Share capital	**37**	1.326.920	1.326.920
Share premium		92.678	92.711
Other reserves	**38**	(106.511)	(27.057)
Accumulated deficit		(506.590)	(89.155)
Total equity		**806.497**	**1.303.419**
Total equity and liabilities		**30.430.833**	**31.988.906**

The accompanying notes (pages from 5 to 53) are an integral part of these financial statements.

Income statement
For the year ended 31 December 2010
(Amounts in thousands of Euro)

	Note	2010	2009
Interest and similar income		1.178.447	1.141.663
Interest expense and similar charges		(382.210)	(412.100)
Net interest income	**7**	**796.237**	**729.563**
Fee and commission income		90.183	92.452
Fee and commission expense		(26.796)	(31.358)
Net fee and commission income	**8**	**63.387**	**61.094**
Net trading income	**9**	(186.803)	52.993
Net investment income	**10**	7.260	13.775
Dividend income	**11**	8.484	17.531
Other operating income	**12**	18.654	14.556
Other income		**(152.405)**	**98.855**
Operating income		**707.219**	**889.512**
Staff cost	**13**	(382.162)	(393.375)
Other	**14**	(103.784)	(117.520)
Depreciation		(26.898)	(29.883)
Impairment losses	**15**	(579.437)	(819.226)
Profit/(loss) before tax		**(385.062)**	**(470.492)**
Tax	**16**	(32.373)	35.454
Profit/(loss) after tax		**(417.435)**	**(435.038)**
Basic earnings/(losses) per share (expressed in Euro per share)	**17**	(0,5177)	(0,5262)

The accompanying notes (pages from 5 to 53) are an integral part of these financial statements.

Statement of comprehensive income
For the year ended 31 December 2010
(Amounts in thousands of Euro)

	2010	2009
Profit/(loss) after tax	**(417.435)**	**(435.038)**
Other comprehensive income		
Revaluation reserve available-for-sale investments:		
- Valuation for the period	(234.095)	27.426
- (Gain)/Loss transferred to income statement on disposal of available-for-sale securities	38.720	23.604
- Impairment for the period	96.058	168.518
- Tax related	19.863	(43.909)
Other comprehensive income net of tax	**(79.454)**	**175.639**
Total comprehensive income net of tax	**(496.889)**	**(259.399)**

The accompanying notes (pages from 5 to 53) are an integral part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2010
(Amounts in thousands of Euro)

	Share capital	Share premium	Available-for-sale securities reserve	Other Reserves	Accumulated surplus / (deficit)	Total
Balance at 1/1/2009	**651.920**	**93.748**	**(322.395)**	**118.436**	**347.146**	**888.855**
Total comprehensive income:						
Loss for the year 2009	0	0	0	0	(435.038)	(435.038)
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	(435.038)	(259.399)
Transactions with shareholders recognised directly to equity:						
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
Share capital increase	675.000	(675)	0	0	0	674.325
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**	**(89.155)**	**1.303.419**
Balance at 1/1/2010	**1.326.920**	**92.711**	**(146.756)**	**119.699**	**(89.155)**	**1.303.419**
Total comprehensive income:						
Loss for the year 2010	0	0	0	0	(417.435)	(417.435)
Other comprehensive income net of tax	0	0	(79.454)	0	0	(79.454)
Total comprehensive income net of tax	0	0	(79.454)	0	(417.435)	(496.889)
Transactions with shareholders recognised directly to equity:						
Deferred tax on entries recognized directly to equity	0	(33)	0	0	0	(33)
Total transactions with shareholders	0	(33)	0	0	0	(33)
Balance at 31/12/2010	**1.326.920**	**92.678**	**(226.210)**	**119.699**	**(506.590)**	**806.497**

The accompanying notes (pages from 5 to 53) are an integral part of these financial statements.

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Statement of cash flows
For the year ended 31 December 2010
(Amounts in thousands of Euro)

	Note	31/12/2010	31/12/2009
Operating activities			
Profit / (Loss) before tax		(385.062)	(470.492)
Adjustment for:			
Depreciation and amortization		26.898	29.883
Impairment losses	15	579.437	819.226
Changes in provisions		(44.635)	(49.133)
Change in fair value of trading investments		66.113	1.157
(Gain)/loss on the sale of investments, property and equipment		14.802	(108.013)
Changes in operating assets and liabilities			
Net (increase)/decrease in loans and advances to banks		141.806	(138.822)
Net (increase)/decrease in trading securities		82.279	(498.245)
Net (increase)/decrease in derivative financial instruments		0	0
Net (increase)/decrease in loans and advances to customers		388.578	(1.713.671)
Net (increase)/decrease in other assets		(85.332)	(47.726)
Net increase/(decrease) in deposits from banks		2.774.012	1.472.326
Net increase/(decrease) in deposits from customers		(2.959.600)	1.692.501
Net increase/(decrease) in other liabilities		(367.916)	955.410
Cash flows from operating activities		**231.380**	**1.944.401**
Investing activities			
Acquisition of intangible assets, property and equipment		(21.144)	(32.799)
Proceeds from the sale of intangible assets, property and equipment		20.479	12.258
(Purchases)/Proceeds of held to maturity portfolio		(640.791)	0
(Purchases)/Sales of available for sale portfolio		(907.572)	(742.532)
Dividends received		6.515	17.162
Purchases of subsidiaries		(36.477)	(28)
Capital repayment of subsidiaries		7.359	0
Cash flows from investing activities		**(1.571.631)**	**(745.939)**
Financing activities			
Share capital increase expenses		0	(675)
Proceeds / (Redemptions) from debt issued		0	(200.000)
Cash flows from financing activities		**0**	**(200.675)**
Effect of exchange rate changes on cash and cash equivalents		103	(896)
Net increase/(decrease) in cash flows		**(1.340.148)**	**996.891**
Cash and cash equivalents at 1 January		2.888.038	1.891.147
Cash and cash equivalents at 31 December	**18**	**1.547.890**	**2.888.038**

The accompanying notes (pages from 5 to 53) 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 483 branches in Greece and 36 abroad, 35 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 947 ATMs (Automatic Teller Machines) in Greece and 43 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 Bank is managed by a 13-membered Board of Directors, elected by the Shareholders' General Meeting on December 08, 2009 and modified by the Shareholders' General Meeting on April 28, 2010, ends in 2012 and 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
Tzanetos D. Karamichas
Konstantinos P. Amountzias
Theodoros I. Sarris
Andreas K. Davillas
Ilias I. Betsis
Konstantinos D. Filippou
Alexandros Th. Antonopoulos

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

GREEK GOVERNMENT REPRESENTATIVE (based on article 1 of L.3723/2008)
Efstratios I. Goudinakos

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 2011 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 Comparative items

In those circumstances whenever considered necessary, comparable items of the previous year are restated in order to render these items uniform and comparable with the respective items of the current period. During 2010, some items of both the Statement of Financial position and Income Statement were restated in order to stress the change in interest rate hedging policy. Restatement impact is extensively described in note 45.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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 unless 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

New standards have been issued, or there are changes to the standing standars whose inicial enforcement date is posterior to 31 of December 2010 and are not taken into account for the preparation of the financial statements. None of those new standards is expected to have significant impact on the Bank's financial statements, except from IRFS 9 "Financial Instruments", which will be compulsory for the preparation of 2013 financial statementsand will possibly alter the classification and admesurement of financial instuments of the asset side of the balance sheet. The Bank is not expected to adopt the new standard before that date, so its degree of effect has not been calculated.

Particularly IFRS 9 provides for the following:

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 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

The most important types of financial risk to which the Group is exposed are :

- credit risk
- liquidity risk
- market risk
- operational risk

The above risks along with the methods that the management implements so as to control them are described below :

Risk Management context

Bank's business activity and profitability are directly intertwined with financial risk undertaking.

Bank's Risk Management framework 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 Bank's risk management policy 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 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 subject 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 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:

- Assessment and determination of credit risk on an higher level. 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.
- Assessment and measurement of credit risk on the client's assessment and approval level. 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).
- 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 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 31.12.2010 and 31.12.2009 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)		31/12/2010		31/12/2009	
Grade		Loans and advances to customers	Allowance for uncollectibility	Loans and advances to customers	Allowance for uncollectibility
Individually impaired					
A1-A3	**Acceptable risk**	4.991.589	(39.096)	4.022.851	(15.592)
B1-B3	**Low-fair-risk**	5.590.074	(113.748)	6.386.695	(79.264)
Γ1-Γ2	**Mid-fair risk**	4.768.633	(187.610)	6.189.562	(153.377)
Δ1-Ε1	**High-fair risk**	6.608.917	(671.447)	6.137.217	(460.172)
Ζ1	**Impaired**	971.119	(568.029)	561.896	(423.457)
		22.930.332	**(1.579.930)**	**23.298.221**	**(1.131.862)**
Ageing of loans portfolio					
0-90 days		20.099.627	(569.902)	21.359.213	(540.158)
90-180 days		397.810	(70.898)	323.990	(11.177)
180-360 days		727.084	(169.205)	429.025	(58.727)
360 days +		1.705.811	(769.925)	1.185.993	(521.800)
		22.930.332	**(1.579.930)**	**23.298.221**	**(1.131.862)**

b) Loans and advances to banks

As at 31 December 2010, the Bank posesses an amount of EUR 1.534 mil. (2009: EUR 2.942 mil.) as loans and advances to banks which represent the maximum credit risk from this asset class. Balances with Central Bank amount to EUR 470 mil. (2009: EUR 572 mil.).

(Amounts in thousand Euro)		31/12/2010		31/12/2009	
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**	1.062.375	0	2.369.942	0
B1-B3	**Low-fair-risk**	905	0	0	0
		1.063.280	**0**	**2.369.942**	**0**

c) Investment securities

(Amounts in thousand Euro)		31/12/2010		31/12/2009	
Grade		Investment securities	Allowance for impairment	Investment securities	Allowance for impairment
Neither past nor impaired					
A1-A3	**Acceptable risk**	4.552.968	0	3.230.193	0
B1-B3	**Low-fair-risk**	20.800	0	0	0
Γ1-Γ2	**Mid-fair risk**	1.400	0	0	0
E1	**Watch list**	0	0	2.406	0
		4.575.168	**0**	**3.232.599**	**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.

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 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.

Write offs

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.

Collaterals / Securities

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)

	31/12/2010		**31/12/2009**	
	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	8.473.098	0	8.748.520	0
2. Cheques-Cash	238.272	0	281.424	0
3. Debt securities-Equity	1.486	609.637	65.232	1.047.536
4.Other	1.391.465	0	1.940.840	0
5. Sovereign guarantees	6.169.435	0	6.395.684	0
6. Machinery	5.918	0	9.411	0
Total	16.279.674	609.637	17.441.111	1.047.536
Against past due but not impaired				
1. Property	1.349.746	0	1.035.101	0
2. Cheques-Cash	16.943	0	6.717	0
3. Debt securities-Equity	6.661	0	2.060	0
4.Other	283.575	0	128.846	0
5. Sovereign guarantees	177.156	0	169.318	0
6. Machinery	941	0	5.310	0
Total	1.835.022	0	1.347.352	0
Against impaired				
1. Property	14.074	0	15.707	0
2. Cheques -Cash	0	0	0	0
3. Debt securities-Equity	0	0	0	0
4.Other	29	0	56	0
5. Sovereign guarantees	0	0	0	0
6. Machinery	0	0	0	0
Total	14.103	0	15.763	0
Total	**18.128.799**	**609.637**	**18.804.226**	**1.047.536**

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	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Concentration by sector								
- Corporate	6.184.440	6.110.524	0	0	55.193	52.684	0	0
- Sovereign	5.542.848	5.871.228	0	0	902.944	1.640.361	3.038.941	804.990
- Bank	286.775	409.278	1.063.280	2.369.942	578.090	734.564	0	0
- Retail	10.916.269	10.907.191	0	0	0	0	0	0
	22.930.332	**23.298.221**	**1.063.280**	**2.369.942**	**1.536.227**	**2.427.609**	**3.038.941**	**804.990**
Concentration by location								
- Greece	22.512.651	22.854.782	302.856	1.222.215	1.333.050	2.154.555	3.038.941	804.990
- Europe	286.324	87.422	696.318	1.039.784	97.058	137.496	0	0
- America	115.625	111.253	60.101	88.242	106.119	118.499	0	0
- Other	15.732	244.764	4.005	19.701	0	17.059	0	0
	22.930.332	**23.298.221**	**1.063.280**	**2.369.942**	**1.536.227**	**2.427.609**	**3.038.941**	**804.990**

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.

d) Trading securities

The analysis of the trading securities quality is as follows:

(Amounts in thousand Euro)

Grade		31/12/2010 Trading securities	31/12/2010 Allowance for impairment	31/12/2009 Trading securities	31/12/2009 Allowance for impairment
Neither past nor impaired					
A1-A3	**Acceptable risk**	189.265	0	876.853	0
B1-B3	**Low-fair-risk**	10.028	0	9.950	0
		199.293	**0**	**886.803**	**0**

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 debt securities acceptable to be refinanced from ECB and those loans and advances to banks that their maturity is within next month.

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

	31/12/2010	**31/12/2009**
At 31 December	35,56%	18,88%
Average for the period	20,17%	19,71%
Maximum for the period	35,56%	24,46%
Minimum for the period	14,86%	14,26%

ATEbank monitors systematically the liquidity risk and keeps plan of alternative actions for liquidity coverage if necessary. In this frame, ATEbank takes care besides the full coverage of the ongoing requirements, to maintain a stock of high quality portfolio for liquidity purposes either from ECB of from the markets.
Within the context of L. 3723/2008 concerning «Liquidity reinforcement of the Economy in order to tackle the impact if international financial crisis» the following is provided:

a. according to article 1, bank companies, with common shares, that are chartered with the Bank of Greece assume the ability to raise capital through preference shares issue.

b. according to article 2, Greek State guarantee grant for loans to be undertaken with or without security issue and to last from 3 months to 5 years. This guarantee is granted against commission fees and/or adequate collateral.

c. according to article 3, special Greek State security issue, until 31.12.2009 with up to 3 years duration, with a view to serve as a lending facility to credit institutions that are chartered with the Bank of Greece, obtain liquidity against commission and adequate collateral.

The Bank, as a result of the subsumption to the stipulation of articles 1, 2 and 3 of L. 3723/2008:

a. has proceeded to a share capital increase of EUR 675 mil. through preference shares issue (note 37)

b. through the EMTN program, it has proceeded to special securities issue under the guarantee of the Greek State of EUR 4,7 billion (note 39)

c. signed special Greek State securities loans of EUR 1,4 billion so as to collateralize them with the European Central Bank to obtain liquidity (note 39)

For its participation to the aforementioned support measures, the Bank paid to the Greek State as a fee the amount of EUR 15 mil.

Bank's loans from ECB for 2010 amounts to EUR 8,3 billion against EUR 4,5 billion in 2009, while the Bank has secured additional liquidity from ECB a total amount of EUR 4,1 bil. (2009: EUR 0.3 bil.). The increase of Bank's financial dependence from ECB during 2010 reflects the reduction of total liquidity of greek banking system in general. This reduction results from deposits outflow, sluggish market transactions, reduction of collateral values due to market instability, changes in institutional framework by which ECB accepts collaterals and finally downgrade of Greek public debt.

ECB has required that greek banks submit a schedule, until May 2011, within which gradual disentaglement from Eurosystem finance dependence within a time horizon of 2 to 3 years is exposed and before they are allowed to receive additional state guarrantees. This schedule should comprise the exact policies and measures that greek banks intend to adopt in order to lessen Eurosystem dependence and it has to align with macroeconomic and fiscal environment according to the restructuring progam that the European Union demands in order to offer support to its members. It is within ECB's intention to disengage from extraordinary liquidity supply measures in a gradual manner in order not to destabilize the banking system.

The Bank has the intention to diversify its sources of funds, gradually and combined with the normalization of the conditions in financial markets, through the issue of covered bonds and mid term notes, reducing thus its financial dependence from ECB.

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.

RESIDUAL CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

(Amounts in thousand Euro) **2010**

	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	53.414	53.414	0	0	0	0	53.414
Deposits from banks	9.153.422	9.184.982	1.667.606	7.290.673	226.703	0	0
Deposits from customers	19.723.201	19.838.494	15.213.350	2.036.066	1.410.212	1.023.528	155.338
Subordinated loans	249.196	278.659	2.209	0	2.203	5.152	269.095
	29.179.233	**29.355.549**	**16.883.165**	**9.326.739**	**1.639.118**	**1.028.680**	**477.847**
Derivative liabilities							
Trading: outflow	145.276	(438.655)	(258.463)	(1.620)	(64.286)	(14.286)	(100.000)
Trading: inflow	(20.953)	438.149	252.925	2.917	64.753	15.013	102.541
Risk management: outflow	0	(2.149.333)	(74.174)	(67.157)	(47.221)	(151.541)	(1.809.240)
Risk management: inflow	0	2.055.353	71.327	57.670	33.591	134.664	1.758.101
	124.323	**(94.486)**	**(8.385)**	**(8.190)**	**(13.163)**	**(16.150)**	**(48.598)**
Letters of guarantee	0	284.126	82.913	169.542	0	22.354	9.317
	29.303.556	**29.545.189**	**16.957.693**	**9.488.091**	**1.625.955**	**1.034.884**	**438.566**

(Amounts in thousand Euro) **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	6.379.410	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	84.242	(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
	58.404	**(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
	30.300.996	**30.728.965**	**18.609.988**	**4.293.354**	**2.283.617**	**4.425.731**	**1.116.275**

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 2010 was EUR 2,457 million (2009: EUR 2,193 million) and of which EUR 0,153 million (2009: EUR 2,127 million) related to interest rate risk, EUR 2,432 million (2009: EUR 0,023 million) for foreign exchange risk and EUR 0,146 million (2009: 0,233 million) for stock market risk. Due to the structure of the trading portfolio as of 31 December 2010 and the level of diversification a reduction of the value-at-risk of EUR 0,274 million (2009: EUR 0,190 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 2010 there were 2 cases where the actual change in the value of the portfolio was larger than the Value-at-Risk estimate, while in 2009 7 instances had deen observed.

The above are summarized as follows as at 31 December 2010:

(Amounts in thousand Euro)

	At 31 December	Average	Maximum	Minimum
2010				
Foreign currency risk	2.432	2.399	3.767	817
Interest rate risk	153	2.818	5.483	1.097
Other price risk	146	211	170	222
Covariance	(274)	(1.153)	(1.358)	(567)
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)

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 2010. 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 2010

Assets	EUR	USD	GBP	ΛΟΙΠΑ	Total
Cash and balances with Central Bank	817.407	1.668	489	1.709	821.273
Loans and advances to banks	1.045.810	13.106	2.057	2.307	1.063.280
Trading securities	202.758	2.853	0	0	205.611
Derivative financial instruments	20.953	0	0	0	20.953
Loans and advances to customers	21.118.083	77.004	0	155.315	21.350.402
Investment portfolio	4.934.752	23.661	0	0	4.958.413
Investments in subsidiaries and associates	460.287	0	0	0	460.287
Investment property	157.898	0	0	0	157.898
Property, plant and equipment	283.482	0	0	0	283.482
Intangible assets	3.403	0	0	0	3.403
Deferred tax asset	418.904	0	0	0	418.904
Other assets	686.882	43	0	2	686.927
Total assets	**30.150.619**	**118.335**	**2.546**	**159.333**	**30.430.833**
Liabilities					
Deposits from banks	9.153.422	0	0	0	9.153.422
Deposits from customers	19.478.340	167.929	11.359	65.573	19.723.201
Liabilities at fair value through profit or loss	53.414	0	0	0	53.414
Derivative financial instruments	145.276	0	0	0	145.276
Provision for employee benefits	12.191	0	0	0	12.191
Other liabilities	283.848	3.764	0	24	287.636
Subordinated loans	249.196	0	0	0	249.196
Total liabilities	**29.375.687**	**171.693**	**11.359**	**65.597**	**29.624.336**
Net on balance sheet position	**774.932**	**(53.358)**	**(8.813)**	**93.736**	**806.497**
Net off balance sheet position	**2.130.273**	**10.103**	**0**	**46.437**	**2.186.814**
At 31 December 2009					
Total assets	31.529.248	210.119	13.686	235.853	31.988.906
Total liabilities	30.256.757	184.121	14.625	229.984	30.685.487
Net on balance sheet position	**1.272.491**	**25.998**	**(939)**	**5.869**	**1.303.419**
Net off balance sheet position	**2.356.959**	**0**	**1.705**	**1.870**	**2.360.534**

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 2010

	Up to 1 month	1 - 3 months	3- 12 months	1 - 5 years	Over 5 years	Non-interest bearing	Total
Assets							
Cash and balances with Central Bank	821.273	0	0	0	0	0	821.273
Loans and advances to banks	419.270	298.253	220.000	0	0	125.757	1.063.280
Trading securities	8.318	36.577	24.269	107.250	22.879	6.318	205.611
Derivative financial instruments	20.953	0	0	0	0	0	20.953
Loans and advances to customers	11.040.334	1.624.780	2.036.039	5.372.580	1.276.669	0	21.350.402
Investment portfolio	415.593	832.852	1.380.981	1.261.752	683.990	383.245	4.958.413
Investments in subsidiaries and associates	0	0	0	0	0	460.287	460.287
Investment property	0	0	0	0	0	157.898	157.898
Property, plant and equipment	0	0	0	0	0	283.482	283.482
Intangible assets	0	0	0	0	0	3.403	3.403
Deferred tax asset	0	0	0	0	0	418.904	418.904
Other assets	0	0	0	0	0	686.927	686.927
Total assets	**12.725.741**	**2.792.462**	**3.661.289**	**6.741.582**	**1.983.538**	**2.526.221**	**30.430.833**

Liabilities							
Deposits from banks	1.664.922	7.268.500	220.000	0	0	0	9.153.422
Liabilities at fair value through profit or loss	0	0	53.414	0	0	0	53.414
Deposits from customers	15.184.777	2.010.826	2.378.269	149.329	0	0	19.723.201
Derivative financial instruments	145.276	0	0	0	0	0	145.276
Provision for employee benefits	0	0	0	0	0	12.191	12.191
Other liabilities	0	0	35.742	0	0	251.894	287.636
Subordinated loans	249.196	0	0	0	0	0	249.196
Total liabilities	**17.244.171**	**9.279.326**	**2.687.425**	**149.329**	**0**	**264.085**	**29.624.336**
Interest sensitivity gap	**(4.518.430)**	**(6.486.864)**	**973.864**	**6.592.253**	**1.983.538**	**2.262.136**	**806.497**
At 31 December 2009							
Total assets	13.339.837	3.269.459	3.349.363	7.557.531	1.976.150	2.496.566	31.988.906
Total liabilities	19.109.149	3.987.056	7.324.380	901	0	264.001	30.685.487
Interest sensitivity gap	**(5.769.312)**	**(717.597)**	**(3.975.017)**	**7.556.630**	**1.976.150**	**2.232.565**	**1.303.419**

For interest rate risk management purposes, the Bank monitors the sensitivity of financial assets and liabilities to interest rate changes, assuming a 100 basis point (bp) parallel fall or rise in all yield curves worldwide on an annual basis.

Sensitivity analysis of the anticipated net interest income

(Amounts in thousand Euro)	**2010**		**2009**	
	100 bp parallel increase	**100 bp parallel decrease**	**100 bp parallel increase**	**100 bp parallel decrease**
2010				
At 31 December	(33.870)	16.696	(48.144)	29.286
Average for the period	(44.237)	31.879	(62.880)	55.917
Maximum for the period	(63.110)	45.758	(89.707)	80.261
Minimum for the period	(25.415)	16.696	(36.126)	29.286

Sensitivity analysis of equity resulting from interest rates changes

(Amounts in thousand Euro)	**2010**		**2009**	
	100 bp parallel increase	**100 bp parallel decrease**	**100 bp parallel increase**	**100 bp parallel decrease**
2010				
At 31 December	(102.601)	85.824	(129.528)	112.349
Average for the period	(86.257)	72.679	(116.337)	110.953
Maximum for the period	(152.319)	136.158	(190.640)	184.260
Minimum for the period	(25.118)	14.494	(70.472)	64.663

Interest rate movements affect Equity with any of the following ways:

- From Retained earnings which result from the increase or decrease of net interest income and from change in fair value recognized in income statement.
- From reserves at fair value that result from the increase or decrease in fair value of available for sale securities recognized directly to equity

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

Includes the share capital, the share premium reserve, the retained earnings, the reserves excluding the revaluation reserve of securities available for sale, and the minority interest excluding intangible assets, treasury shares, and half the participation to other financial institutions share capital and the Significant Credit Exposures excess.

- Tier 2 capital

Includes the subordinated loan of Euro 250 mil., which expires in 2018, and excludes half the participation to other financial institutions share capital and the Significant Credit Exposures excess.

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 2010 and 2009 respectively.

	2010	**2009**
Total equity	806.497	1.303.417
Less: Intangible assets	(3.403)	(3.686)
Adjustment and deductions according to Bank of Greece directive 2563/2005 & 2587/2007	185.860	131.995
Deductions from total regulatory capital	**(65.532)**	**(58.856)**
Regulatory capital	**923.422**	**1.372.870**
Risk-weighted assets	**12.285.538**	**14.418.717**
Capital adequacy ratio	**7,52%**	**9,52%**

The current capital adequacy ratio for the Bank is estimated to be 7,52% for 2010 (2009: 9,52%). The Bank has enforced regulatory capital by issuing preference shares of EUR 675 mil. which have been overall accepted from the Greek State, according to article 1, Law 3723/2008 regarding the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis".

With a view to encounter regulatory capital deficit, it has been arranged, for the first quarter of 2011, a sequence of actions to be taken, including raising share capital. With this imminent capital increase of up to EUR 1,260 bil., the Bank will bolster Tier I capital and, as long as relative ratification will be ensured, the Bank will dispose EUR 675 mil. from net proceeds of the Public Offering to redeem preference shares issued for the Greek State. According to Bank's assessment (proforma), capital adequacy ratio would be 12,55% if the capital increase had been completed as at 31.12.2010.

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)

	Designated at fair value	Loans and receivables	At cost	Total carrying value	Fair value
Loans and advances to banks	0	1.063.280	0	**1.063.280**	1.064.437
Loans and advances to customers	1.896.121	19.454.281	0	**21.350.402**	25.753.517
Held-to-maturity securities	0	0	3.038.941	**3.038.941**	2.535.271
	1.896.121	**20.517.561**	**3.038.941**	**25.452.623**	**29.353.225**
Deposits from banks	0	0	9.153.422	**9.153.422**	9.167.412
Deposits from customers	0	0	19.723.201	**19.723.201**	19.804.622
Subordinated loans	0	0	249.196	**249.196**	267.307
	0	**0**	**29.125.819**	**29.125.819**	**29.239.341**

	Designated at fair value	Loans and receivables	At cost	Total carrying value	Fair value
Loans and advances to banks	0	2.369.942	0	**2.369.942**	2.371.838
Loans and advances to customers	2.058.774	20.107.585	0	**22.166.359**	26.126.422
Held-to-maturity securities	0	0	804.990	**804.990**	761.182
	2.058.774	**22.477.527**	**804.990**	**25.341.291**	**29.259.442**
Deposits from banks	0	0	6.379.410	**6.379.410**	6.405.629
Deposits from customers	0	0	22.682.801	**22.682.801**	22.757.209
Subordinated loans	0	0	248.794	**248.794**	272.897
	0	**0**	**29.311.005**	**29.311.005**	**29.435.735**

- 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)

		2010		
	Note	**Level 1**	**Level 2**	**Total**
Trading securities	20	205.611	0	**205.611**
Derivative financial instruments	21	344	20.609	**20.953**
Loans and advances to customers	22	0	1.896.121	**1.896.121**
Investment portfolio	23	1.803.275	116.197	**1.919.472**
		2.009.230	**2.032.927**	**4.042.157**
Liabilities at fair value through profit or loss	33	53.414	0	**53.414**
Derivative financial instruments	21	40	145.236	**145.276**
		53.454	**145.236**	**198.690**

	2009		
	Level 1	**Level 2**	**Total**
Trading securities	895.698	0	**895.698**
Derivative financial instruments	2.933	22.905	**25.838**
Loans and advances to customers	0	2.058.774	**2.058.774**
Investment portfolio	2.802.099	990	**2.803.089**
	3.700.730	**2.082.669**	**5.783.399**
Liabilities at fair value through profit or loss	931.587	0	**931.587**
Derivative financial instruments	226	84.016	**84.242**
	931.813	**84.016**	**1.015.829**

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 thousands of Euro)			2010			
	Retail banking	Small and medium enterprises	Corporate sector	Public sector	Treasury	Total
As at 31 December 2010						
Net interest income	546.617	68.435	35.630	45.521	100.034	796.237
Net fee and comission income	13.550	8.343	7.516	34.609	(631)	63.387
Dividend income	0	0	0	0	8.484	8.484
Net trading income	0	0	0	0	(179.543)	(179.543)
Other operating income	4.385	455	843	968	12.003	18.654
Total operating income	**564.552**	**77.233**	**43.989**	**81.098**	**(59.653)**	**707.219**
Operating expenses	(323.837)	(61.088)	(45.221)	(39.613)	(43.085)	(512.844)
Impairment losses	(348.761)	(115.021)	(76.876)	41.685	(80.464)	(579.437)
Profit / (Loss) before tax	**(108.046)**	**(98.876)**	**(78.108)**	**83.170**	**(183.202)**	**(385.062)**
Tax						(32.373)
Profit / (Loss) after tax						**(417.435)**
As at 31 December 2010						
Bonds	0	0	0	0	4.774.461	4.774.461
Treasury	0	0	0	0	868.635	868.635
Loans	10.757.784	2.188.599	4.441.099	5.542.849	1	22.930.332
Total assets	**10.757.784**	**2.188.599**	**4.441.099**	**5.542.849**	**5.643.097**	**28.573.428**
Treasury	0	0	0	0	9.145.981	9.145.981
Deposits	17.533.467	576.699	486.457	1.126.578	0	19.723.201
Subordinated loans	0	0	0	0	249.196	249.196
Total liabilities	**17.533.467**	**576.699**	**486.457**	**1.126.578**	**9.395.177**	**29.118.378**

(Amounts in thousands of Euro) **2009**

	Retail banking	Small and medium enterprises	Corporate sector	Public sector	Treasury	Total
As at 31 December 2009						
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	66.768	66.768
Other operating income	4.257	467	981	1.096	7.755	14.556
Total operating income	**388.071**	**109.389**	**94.544**	**155.586**	**141.922**	**889.512**
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**	**(189.992)**	**(470.492)**
Tax						35.454
Profit / (Loss) after tax						**(435.038)**
As at 31 December 2009						
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	2.566.594	4.239.886	5.871.228	0	23.298.221
Total assets	**10.620.513**	**2.566.594**	**4.239.886**	**5.871.228**	**6.287.969**	**29.586.190**
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**

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)

	2010	2009
Interest and similar income:		
Loans and advances to customers	1.000.697	1.017.376
Loans to banks	26.177	27.343
Debt instruments	151.573	96.944
	1.178.447	**1.141.663**
Interest expense and similar charges:		
Customer deposits	(255.105)	(315.764)
Bank deposits	(117.364)	(80.091)
Subordinated loans	(8.602)	(14.489)
Financial leasing (Lessor)	(1.139)	(1.756)
	(382.210)	**(412.100)**
Net interest income	**796.237**	**729.563**

8. NET FEE AND COMMISSION INCOME

(Amounts in thousand Euro)

	2010	2009
Fee and commission income		
Loans and advances to customers	52.546	47.193
Custody services	1.415	1.971
Import-exports	897	998
Letters of guarantee	5.283	6.996
Money transfers	11.338	14.718
Other	18.704	20.576
	90.183	**92.452**

Fee and commission expenses		
Contribution to Savings Guarantee Fund	(13.125)	(14.285)
Other	(13.671)	(17.073)
	(26.796)	**(31.358)**
Net fee and commission income	**63.387**	**61.094**

9. NET TRADING INCOME

(Amounts in thousand Euro)

	2010	2009
Trading Portfolio		
Gain minus Losses		
Derivative financial instruments	(97.352)	(33.407)
Foreign exchange differences	11.998	18.139
Sales		
Equity instruments	(1.812)	1.625
Debt instruments	(33.524)	67.793
Valuation		
Equity instruments	167	(922)
Debt instruments	(21.989)	25.088
Derivative financial instruments	(44.291)	(25.323)
	(186.803)	**52.993**

Net results from trading presented losses of EUR 186,8 mil. against profits of EUR 52,9 mil. in 2009. The main part of this loss can be explained from the significant downfall of Greek bonds prices as well as of derivatives that serve as a hedge against loan portfolio interest rate risk.

In particular, the Bank proceeds with interest rate swaps (IRS) transactions to hedge interest rate risk deriving from fixed-rate loans, converting the fixed rate flows to floating rate, based on Euribor (benchmark) + margin. During 2010, the interest rate differential (fixed rate paid by the Group minus floating rate received) was not favourable for the Group and consequently it has negatively affected the results by € 42 mlllion. This amount relates to both actual cash flows and derivatives revaluation. Additionally, the Group used futures on german government bonds in order to hedge the interest rate risk incorporated in the portfolio of Greek government bonds, the prices of which increased disproportionally to the ones of greek government bonds, resulting to the recognition of losses amounting to € 53,3 million. The sale and negative valuation of trading portfolio bonds resulted in € 55,5 million losses.

10. NET INVESTMENT INCOME

(Amounts in thousand Euro)

	2010	2009
Available for sale securities		
From sale		
Equity instruments	(45)	2.128
Debt instruments	(1.479)	14.914
Other	8.784	(3.267)
	7.260	**13.775**

11. DIVIDEND INCOME

(Amounts in thousand Euro)

	2010	2009
Trading securities	260	369
Available for sale securities	6.339	16.382
Subsidiaries and associates	1.885	780
	8.484	**17.531**

12. OTHER OPERATING INCOME

(Amounts in thousand Euro)

	2010	2009
Gain from the sale of fixed assets	8.123	3.492
Income from investment property	3.677	4.017
Income from sequential activities	2.699	3.665
Telecommunication fees	571	556
Other	3.584	2.826
	18.654	**14.556**

13. STAFF COST

(Amounts in thousand Euro)

	2010	2009
Wages and salaries	(232.972)	(248.482)
Social security costs	(84.578)	(87.792)
Defined benefit plan costs **(note 34)**	(5.770)	(1.614)
Other staff costs	(58.842)	(55.487)
	(382.162)	**(393.375)**

The number of persons employed by the Bank as at 31/12/2010 was 6.147 (31/12/2009: 6.500).

According to article 11 of Law 3899/2010, ATEbank and ATE Group's subsidiaries are mandated to reduce payroll and other monetary benefits of all its employees by 10%.

14. OTHER EXPENSES

(Amounts in thousand Euro)

	2010	2009
Third party fees	(26.895)	(29.583)
Advertising and promotion expenses	(7.532)	(15.218)
Telecommunication expenses	(11.251)	(10.648)
Insurance fees	(4.042)	(2.239)
Repairs and maintenance	(13.106)	(11.944)
Travel	(6.200)	(8.774)
Stationery	(2.780)	(3.906)
Utility services	(4.143)	(3.973)
Operating lease rentals	(13.415)	(13.495)
Other taxes	(5.190)	(7.002)
Other	(9.230)	(10.738)
	(103.784)	**(117.520)**

15. IMPAIRMENT LOSSES

(Amounts in thousand Euro)

	2010	2009
Loans and advances to customers	(450.208)	(588.062)
Available-for-sale securities	(96.058)	(168.518)
Participation to non listed entities	0	(7.285)
Subsidiaries impairment	(28.493)	(40.760)
Other	(4.678)	(14.601)
	(579.437)	**(819.226)**

16. TAX

(Amounts in thousand Euro)

	2010	2009
Current tax	(18.664)	0
Non compensatory tax	(14.874)	(1.885)
Extraordinary contribution	0	(769)
Tax provision for unaudited financial years	(2.000)	(2.000)
Deferred tax	3.165	40.108
	(32.373)	**35.454**

According to current Greek Tax Law 3697/2008, companies will apply a 24% tax ratio on year 2010 profits.

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

	2010	2009
Loss before tax	(385.062)	(470.492)
Income tax at 24% (2009: 25%)	0	0
Tax exempt revenues (corresponding tax)	6.499	4.266
Non-deductible expenses (corresponding tax)	(24.949)	(6.151)
Additional property tax	(214)	0
Provision for unaudited tax years	(2.000)	(2.000)
Non-compensatory taxes	(14.874)	0
Extraordinary contribution	0	(769)
Effect of deferred tax on income statement	3.165	40.108
Tax	**(32.373)**	**35.454**

Reconcilation of income tax recognised directly to equity

(Amounts in thousand Euro)	2010			2009		
	before tax	corresponding tax	after tax	before tax	corresponding tax	after tax
Reserve of available to sale securities	(99.317)	19.863	(79.454)	219.548	(43.909)	175.639
	(99.317)	**19.863**	**(79.454)**	**219.548**	**(43.909)**	**175.639**

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 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 2009-2010.

For the unaudited years the relative provision has been accounted and as at 31/12/2010 it amounts to EUR 5,68 mil.

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

	2010	2009
Earnings/(losses) after tax (in thousands of euro)	(417.435)	(435.038)
Minus: Dividend to preference shareholders (in thousands of euro)	(51.300)	(41.425)
Earnings/(losses) after tax attributable to the holders of common stocks (in thousands of euro)	(468.735)	(476.463)
Weighted average of number of shares in issue	905.444.444	905.444.444
Basic and diluted earnings/(losses) per share (expressed in euro)	**(0,5177)**	**(0,5262)**

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 31/12/2010 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)

	2010	2009
Cash in hand	350.826	424.828
Balances with Central Bank	470.447	571.737
	821.273	**996.565**

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

(Amounts in thousand Euro)

	2010	2009
Cash and balances with Central bank	821.273	996.565
Purchase and resale agreements of trading securities	368.638	794.553
Short-term placements with other banks	357.979	1.096.920
	1.547.890	**2.888.038**

19. LOANS AND ADVANCES TO BANKS

(Amounts in thousand Euro)

	2010	2009
Current accounts	194.645	201.375
Other placements	279.996	1.015.742
Purchase and resale agreements of trading securities	588.639	1.152.825
	1.063.280	**2.369.942**

20. TRADING SECURITIES

(Amounts in thousand Euro)

	2010	2009
Greek government bonds	85.855	719.869
Corporate bonds	113.438	166.934
Equity securities	6.318	8.895
	205.611	**895.698**

21. DERIVATIVE FINANCIAL INSTRUMENTS

(Amounts in thousand Euro)	2010		2009	
	Fair Value		Fair Value	
	Asset	Liability	Asset	Liability
Foreign exchange derivatives				
Swaps	0	5.629	0	0
Options	138	178	243	178
Forward contracts				
Futures	206	40	2.933	226
Forwards	181	0	0	0
Interest rate derivatives				
Swaps	20.428	139.429	22.662	83.838
	20.953	**145.276**	**25.838**	**84.242**

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.

22. LOANS AND ADVANCES TO CUSTOMERS

(Amounts in thousand Euro)

22.1 Loans per sector	2010	2009
Credit cards	554.624	554.456
Consumer loans	1.351.605	1.417.498
Mortgages	6.810.801	6.752.280
Loans to individuals	**8.717.030**	**8.724.234**
Loans to the agricultural sector	2.073.973	2.182.955
Corporate loans	4.426.204	4.076.300
Small and medium sized firms	2.170.277	2.443.504
Loans to corporate entities	**8.670.454**	**8.702.759**
Loans to the public sector	5.542.848	5.871.228
	22.930.332	**23.298.221**
Less: allowance for uncollectibility	(1.579.930)	(1.131.862)
	21.350.402	**22.166.359**

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 Movement in the allowance for uncollectibility	2010	2009
Balance at 1 January	**1.131.862**	**705.943**
Provision for impairment	450.208	588.062
Loans written-off	(2.140)	(162.143)
Balance at 30 September	**1.579.930**	**1.131.862**

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)

	2010	2009
Available-for-sale securities	1.919.472	2.803.089
Held-to-maturity securities	3.038.941	804.990
	4.958.413	**3.608.079**

23.1 AVAILABLE-FOR-SALE SECURITIES

(Amounts in thousand Euro)

	2010	2009
Debt securities:		
Greek Government bonds	902.944	1.640.360
Other issuers	633.283	787.249
	1.536.227	2.427.609
Equity securities:		
Listed	230.956	340.190
Unlisted	116.197	990
Equity funds	23.594	19.503
	370.747	360.683
Mutual fund units	12.498	14.797
	1.919.472	**2.803.089**

All available-for-sale securities are carried at fair value, except for the unlisted equity securities of EUR 116.197 thousand (31/12/2009: 990 thousand), which are carried at cost because fair value can not be determined.

According to the policy adopted regarding the greek and international financial condition and the prolonged ASE Index decline, as approved by ALCO, regarding the recognition of impairment of securities classified in this portfolio, the Bank proceeded to the impairment of the value of listed shares of EUR 87.081 thousand and corporate bonds of EUR 8.977 thousand.

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

(Amounts in thousand Euro)

	2010	**2009**
At 1 January	**2.803.089**	**2.003.037**
Additions	1.475.975	1.612.562
Disposals	(174.672)	(832.651)
Transfer due to IAS 39	(1.950.825)	0
Impairment	0	(7.285)
Gains/(Losses) from changes in fair value	(234.095)	27.426
31 December	**1.919.472**	**2.803.089**

Analysis of additions and disposals follows:

	Προσθήκες	**Μειώσεις**
Greek Government bonds	1.294.535	0
Equity Fund	1.227	(3.023)
Corporate bonds	61.978	(164.300)
Listed securities	3.028	(7.349)
Unlisted securities	115.207	0
	1.475.975	**(174.672)**

23.2 HELD TO MATURITY SECURITIES

(Amounts in thousand Euro)

	2010	**2009**
Greek Government bonds	3.038.941	804.990
	3.038.941	**804.990**

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 31/12/2010 is EUR 2.535.271 thousand (31/12/2009: EUR 761.182 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).
As at 01/04/2010, the Bank transferred to the above portfolio from Available for sale portfolio, Greek government Bonds with fair value equal to EUR 1.951 mil. The difference between fair value and cost of acquisition which had been recognized in Available for sale Reserve until 31/03/2010 will be amortized gradually until maturity of the securities. The Bank has the ability and intent to hold the above securities in the foreseeable future.

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 31/12/2010 is estimated to EUR 133,0 million. Their negative valuation of EUR 3,5 million for the year 2010 is recognized on "Available-for-sale reserve" (the accumulated loss of valuation for the period 01/07/2008 – 31/12/2010 which is recognised on the same reserve is EUR 4,3 million). This reserve was positively influenced by EUR 0,7 mil. from securities sales and by EUR 18,0 mil. from the impairment provision made for debt securities, which is presented in the income statement of 31/12/2010.
In addition, as at 31/12/2009 "Loans and advances to customers" includes debt securities of fair value EUR 72,2 million (amortised cost EUR 68,4 mil.) which were reclassified from "Trading securities" (31/12/2009: amortised cost EUR 68,2 mil., fair value EUR 71,4 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	2010	2009
ATE LEASING	100,00%	170.452	170.318
ATE-Cards	100,00%	1.934	1.882
ATE AEDAK	100,00%	3.193	613
ATE Tecniki Pliroforiki	93,07%	4.213	3.557
ATE A.X.E.P.E.Y.	100,00%	24.304	22.205
ATE Insurance	100,00%	497.490	490.815
ABG FINANCE INT.	100,00%	37	37
FIRST BUSINESS BANK	39,09%	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	5.613
ELVIZ	99,98%	18.747	2.154
ATE ADVERTISING	65,04%	814	520
ATExcelixi	100,00%	320	285
ATEBANK ROMANIA	74,13%	71.485	71.485
AIK BANKA	20,83%	116.629	116.629
		1.228.602	**1.199.484**
Less: Provision for impairment		**(768.315)**	**(739.822)**
		460.287	**459.662**

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

During the closing year the Bank recognised impairment losses of subsidiaries ELVIZ and ATEbank Romania of EUR 16.593 thousand and EUR 11.900 thousand respectively.

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

(Amounts in thousand Euro)

	2010	2009
Subsidiaries		
Opening balance	285.818	306.262
Additions	36.477	10
Impairment	(28.493)	(20.454)
Capital returns	(7.359)	0
Closing balance	**286.443**	**285.818**
Associates		
Opening balance	173.844	194.132
Additions	0	18
Impairment	0	(20.306)
Closing balance	**173.844**	**173.844**
	460.287	**459.662**

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

ACQUISITION OF NON-CONTROLLED PERCENTAGE OF SUBSIDIARIES

During the current period, the Bank increased its participation in certain subsidiaries which were held by other companies of the Group or by third parties as follows:

a. Additional acquisition of the issued shares of the subsidiary ATE Leasing S.A. (0,59%) for EUR 134 thousand. The Bank now holds 100% of the subsidiary's share capital.

b. Additional acquisition of the issued shares of the subsidiary ATE Cards S.A. (2,00%), for EUR 52 thousand. The Bank now holds 100% of the subsidiary's share capital.

c. Additional acquisition of the issued shares of the subsidiary ATExcelixi S.A. (5,00%), for EUR 35 thousand. The Bank now holds 100% of the subsidiary's share capital.

d. Additional acquisition of the issued shares of the subsidiary ATE Techniki Pliroforiki S.A. (10,34%), for EUR 656 thousand. The Bank now holds 93,07% of the subsidiary's share capital.

e. Additional acquisition of the issued shares of the subsidiary ATE Advertising S.A. (16,41%), for EUR 295 thousand. The Bank now holds 65,04% of the subsidiary's share capital.

f. Additional acquisition of the issued shares of the subsidiary ATE AXEPEY S.A. (33,41%), for EUR 9.458 thousand. The Bank now holds 100% of the subsidiary's share capital. Moreover, the entity repaid capital amounting to EUR 7.359 th. Within the current year.

g. Additional acquisition of the issued shares of the subsidiary ATE AEDAK S.A. (46,00%), for EUR 2.580 thousand. The Bank now holds 100% of the subsidiary's share capital.

h. pursuant to the voluntary tender offer addressed to the shareholders of ATE Insurance S.A. and after the completion of the off-exchange transfer of the transferred shares, the Bank acquired 15,92% ownership of the company's share capital and voting rights for EUR 6.676 thousand. Therefore, as at 30/9/2010, the Bank held 100% of ATE Insurance S.A. issued shares.

i. the subsidiary company ELVIZ S.A. increased its share capital by EUR 16.593 thousand. The increase was fully covered by ATEbank and thus it now holds 99,98% of the subsidiary's share capital as opposed to 99,82% held before the increase.

Participation percentage reduction on associates

During the closing period, FBB, an associate of ATEbank, proceeded in its share capital increase with an amount of EUR 35 mil. ATEbank did not participate in the increase which resulted in the decrase of its participation in FBB's capital from 49% before the increase to 39,09%.

Subsidiary termination and liquidation

ATEbank's subsidiary, ATE Advertising S.A., was set under liquidation procedure as at 19/10/2010.

26. INVESTMENT PROPERTY

(Amounts in thousand Euro)

	Land	Buildings	Total
At 1 January 2009			
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**
2010			
Opening net book value	118.417	43.913	162.330
Additions	6.269	2.503	8.772
Disposals	(7.067)	(3.954)	(11.021)
Depreciation charge	0	(3.769)	(3.769)
Depreciation of disposals	0	1.682	1.682
Transfer	(96)	0	(96)
Net book value	**117.523**	**40.375**	**157.898**
31 December 2010			
Cost	117.523	77.184	194.707
Accumulated Depreciation	0	(36.809)	(36.809)
Net book value	**117.523**	**40.375**	**157.898**

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 2010 was EUR 95.059 thousands (31/12/2009: EUR 93.593 thousand).

27. PROPERTY, PLANT AND EQUIPMENT

(Amounts in thousand Euro)

	Land	Buildings	Furniture and Equipment	Leasehold Improvements	Under Construction	Total
At 1 January 2009						
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**
2010						
Opening net book value	112.173	139.167	29.614	11.925	3.998	296.877
Additions	0	453	2.028	123	7.744	10.348
Disposals	(2.492)	(226)	(2.124)	(395)	(166)	(5.403)
Depreciation charge	0	(8.070)	(9.721)	(3.031)	0	(20.822)
Depreciation of disposals	0	60	2.106	220	0	2.386
Transfer	113	1.673	0	780	(2.470)	96
Net book value	**109.794**	**133.057**	**21.903**	**9.622**	**9.106**	**283.482**
30 September 2010						
Cost	109.794	207.383	105.752	29.968	9.106	462.003
Accumulated Depreciation	0	(74.326)	(83.849)	(20.346)	0	(178.521)
Net book value	**109.794**	**133.057**	**21.903**	**9.622**	**9.106**	**283.482**

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)

	2010	**2009**
Cost - Software	26.665	24.641
Accumulated amortization	(23.262)	(20.955)
Net book value	**3.403**	**3.686**

29. DEFERRED TAX ASSET

Deferred tax assets and liabilities are attributable to the following:

(Amounts in thousand Euro)

	2010	**2009**
Deferred tax asset:		
Intangible assets	89	122
Provision for impairment losses on customer loans	308.939	224.511
Trading securities	107.557	92.000
Derivative financial instruments	1.825	4.693
Employee benefits	2.487	1.812
Other items	1.964	6.413
Tax losses carry forward	0	68.661
	422.861	**398.212**
Deferred tax liability:		
Property, plant and equipment	3.957	2.303
	3.957	**2.303**
Net deferred tax asset	**418.904**	**395.909**

Movement in temporary differences during the year

(Amounts in thousand Euro)

	Balance 1 January 2010	Recognized in income	Recognized in equity	Balance 31 December 2010
Intangible assets	122	0	(33)	89
Provision for impairment losses on customer loans	224.511	84.428	0	308.939
Employee benefits	1.812	675	0	2.487
Other items	6.413	(4.449)	0	1.964
Tax losses carry forward	68.661	(68.661)	0	0
Property, plant and equipment	(2.303)	(1.654)	0	(3.957)
Derivative financial instruments	4.693	(2.868)	0	1.825
Trading securities	92.000	(4.306)	19.863	107.557
	395.909	**3.165**	**19.830**	**418.904**

(Amounts in thousand Euro)

	Balance 1 January 2009	Recognized in income	Recognized in equity	Balance 31 December 2009
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)	11.182	0	4.693
Trading securities	142.489	(6.580)	(43.909)	92.000
	400.072	**40.108**	**(44.271)**	**395.909**

According to the new tax bill under voting, tax rate is expected to fall to 20% effective from 01/01/2011 The Bank did not calculate the deferred tax with the 20% tax rate, because as at 31/12/2010 there was not the prerequisites that are determined in paragraph 22(h) of IAS 10.

The temporary differences, arising from the valuation of securities, result from taxation imposed by the Law 3634/2008, given that the Bank owns 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)

	2010	2009
Prepaid expenses	1.233	1.145
Tax advances and other tax receivables	38.094	44.701
Accrued interest and commissions **(30.1)**	210.791	197.369
Other receivables from public sector	149.454	151.367
Cheques and notes receivables	17.434	16.084
Customers	19.286	17.131
Additional contribution to Savings Guarantee Fund	160.869	108.053
Other	89.766	72.111
	686.927	**607.961**

30.1 ACCRUED INTEREST AND COMMISSIONS

(Amounts in thousand Euro)

	2010	2009
Accrued interest from Public sector	82.045	75.400
Accrued interest from Private sector	12.582	11.277
Accrued interest from loans	104.009	101.967
Accrued interest from money market	1.060	1.562
Public sector commissions	8.845	6.930
Other	2.250	233
	210.791	**197.369**

31. DEPOSITS FROM BANKS

(Amounts in thousand Euro)

	2010	2009
Term deposits with Central Bank	8.300.000	4.500.000
Term deposits with other banks	845.981	1.877.558
Due to Central Bank	2.231	1.852
Other borrowings	5.210	0
	9.153.422	**6.379.410**

32. DEPOSITS FROM CUSTOMERS

(Amounts in thousand Euro)

	2010	2009
Retail customers:		
Current accounts	162.249	211.536
Saving accounts	11.042.939	11.827.490
Term deposits	6.328.279	7.532.454
	17.533.467	**19.571.480**
Private sector entities:		
Current accounts	572.036	606.147
Term deposits	491.120	594.111
	1.063.156	**1.200.258**
Public sector entities:		
Current accounts	1.082.526	1.710.498
Term deposits	44.052	200.565
	1.126.578	**1.911.063**
	19.723.201	**22.682.801**

At 31 December 2010 the term deposits includes repo deposits amounting to EUR 1.906 thousand (31/12/2009: EUR 8.371 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 31/12/2010 the Bank had open selling positions in bonds of total amount of EUR 54,31 mil. whose fair value rised to EUR 53,4 mil. (2009: EUR 970,8 mil. and 931,6 mil. respectively).

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

Under certain agreement, Bank employees , at specific circumstances, hold the right to early retirement in relation to what was provided under the Bank's main and auxiliary pension plan. In any case where an employee decided to retire, Bank was mandated to pay, total contributions (employer's and employee's) to ATE Bank's Auxiliary Pension Plan (ELEM), as if this employee continued his work, as well as his monthly pension. The obligation for additional contributions was in force until the employee reached his 65th year of his life where ELEM was extra charged for the pension payment. Thiw program was non funded.
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.

- 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)

	2010	2009
Present value of unfunded obligations	4.078	0
Present value of funded obligations	17.344	21.166
Fair value of plan assets	(11.634)	(11.220)
Unrecognised actuarial gains and (losses)	2.403	(1.179)
Recognised liability for defined benefit obligations	**12.191**	**8.767**

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

	2010	2009
Net liability for defined benefit obligations at 1 January	8.767	9.391
Expense recognised in the income statement	5.770	1.614
Contributions received	(2.346)	(2.238)
Net liability for defined benefit obligations at 31 December	**12.191**	**8.767**

Expense recognised in the income statement	2010	2009
Current service cost	5.173	1.082
Interest on obligation	1.270	1.107
Expected return on plan assets	(673)	(575)
	5.770	**1.614**

The principal actuarial assumptions at the balance sheet date are:

	2010		2009	
ACTUARIAL STUDY	**Non Funded**	**Funded**	**Non Funded**	**Funded**
Discount rate	**4,60%**	**4,60%**	_	**6,00%**
Future salary increases	**4,52%**	**4,52%**	_	**4,22%**
Expected return on plan assets	_	**4,60%**	_	**6,00%**

35. OTHER LIABILITIES

(Amounts in thousand Euro)

	2010	**2009**
Prepaid expenses and deferred income	98.828	114.713
Creditors and suppliers	7.444	8.953
Tax and duties payable (except income tax)	16.407	22.786
Income tax payable	18.665	0
Due to public sector	44.607	43.395
Finance lease payable	35.305	42.854
Other	66.380	117.185
	287.636	**349.886**

36. SUBORDINATED LOANS

(Amounts in thousand Euro)

	2010	**2009**
Subordinated loan due 2018	249.196	248.794
	249.196	**248.794**

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%.

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".

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.

Following the above, as at 31 December 2010 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.

According to the above-mentioned law (L. 3723/2008), 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. Due to the lack of distributable amounts, the Bank's General Meeting decided not to proceed to the payment of the 10% return on preference shares.

Based on the article 39 of the Law 3844/2010 which amended the article 1 of Law 3723/2008, the banks have the right not to repurchase the preference shares from the Greek State within a 5-year period but are obliged to impose gradual accumulative increase of 2% per year to the annual fixed return attributed to the Greek State.

As at 31 December 2010, the net of tax dividend attributable to preference shareholders amounted to EUR 51,3 mil.

With this imminent capital increase of EUR 1,260 bil., the Bank will strengthen its Tier I capital and, as long as official ratification will be ensured, the Bank will dispose EUR 675 mil. from net proceeds of the Public Offering to redeem preference shares issued for the Greek State. This capital increase is expected to take place not later than the end of the first half of 2011.

38. RESERVES

(Amounts in thousand Euro)

	2010	2009
Statutory reserve	57.768	57.768
Tax free reserves	61.115	61.115
Available for sale securities reserve	(226.210)	(146.756)
Other reserves	816	816
	(106.511)	**(27.057)**

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. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Litigation

The Bank is a defendant in certain claims and legal actions arising in the ordinary course of business. Against this contingency, a provision has been formed, in case the Bank suffers a loss, of a final amount of EUR 10,8 mil. (2009: EUR 3,2 mil.). In the opinion of management, after consultation, with legal counsel and taking into account the aforementioned provision, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial position 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)

	2010	2009
Letters of guarantee	284.126	376.582
Letters of credit	163	639
	284.289	**377.221**

(c) Assets pledged

(Amounts in thousand Euro)

	2010	2009
Loans to customers	4.272.327	3.538.708
Trading bonds	121.006	0
Available-for-sale bonds	1.301.955	1.083.689
Held to maturity bonds	3.038.925	85.050
Loans to customers according to Law 3723/2008	1.741.013	1.241.437
	10.475.226	**5.948.884**

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.

The Bank has pledged bonds as collaterals into Repo agreements with third party financial institution of a total value of EUR 496,8 mil.

Furthermore, the Bank, in accordance with the article 3 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", entered into a loan facility of EUR 1,4 bil. which is kept by the European Central Bank as a collateral for the liquidity reinforcement. According to the above, the Bank has pledged customer receivables of EUR 1,7 bil. as a collateral to the Greek State.

Also, the Bank, in accordance with the article 2 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", has issued a bond guaranteed by the Greek State of EUR 4,7 bil.

40. 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)

	2010	2009
Loans and advances	185	99
Deposits	5.335	635

Key Management Personnel Fees	2010	2009
Fees	(495)	(546)
Other	(178)	(182)
	(673)	**(728)**

b) With its subsidiaries and associates

(Amounts in thousand Euro)

ASSETS	2010	2009
Loans to banks	95.000	0
Loans and advances to customers	759.818	854.881
Other assets	2.124	2.450
Total assets	**856.942**	**857.331**

LIABILITIES		
Deposits from customers	173.185	202.851
Other liabilities	41.175	47.241
Subordinated loans	249.196	248.794
Total liabilities	**463.556**	**498.886**

INCOME STATEMENT	2010	2009
Income		
Interest and similar income	37.201	31.392
Fee and commission income	5.423	3.369
Dividends received	1.884	780
Operating income	6.275	4.570
Total income	**50.783**	**40.111**
Expenses		
Interest and similar expenses	(21.597)	(19.176)
Fee and commission expense	(10.577)	(14.121)
Operating expenses	(19.674)	(24.608)
Total expenses	**(51.848)**	**(57.905)**

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.)

41. PREVIOUS YEAR's ITEMS RESTATEMENT

During 2010, the Bank, due to special circumstances that were provoked from the current financial crisis (significant increase of country's CDS), and in an effort to circumscribe the volatility of future results, redefined interest rate hedging policy, for certain fixed rate loans for which corresponding interest rate hedging derivatives were undertaken.

This hedging policy change had an impact on previous year's losses per share, albeit insignificant one (EUR 0,0554).

The following tables summarize the restated items in previous year's financial statements.

Statement of Financial Position

(Amounts in thousand Euro)

	Loans and advances to customers	Defered tax	Net Equity
	Increase / (Decrease)	Increase / (Decrease)	Increase / (Decrease)
Publication as at 31 December 2009	22.133.349	382.359	1.353.604
Reclassification from Other assets	96.745	0	0
Restated as at 31 December 2009 after reclassification	22.230.094	382.359	1.353.604
Restatement effect	(63.735)	13.550	(50.185)
Restated as at 31 December 2009	22.166.359	395.909	1.303.419

Income Statement

(Amounts in thousand Euro)

	Net Trading Income	Tax	Losses after tax
	Increase / (Decrease)	Increase / (Decrease)	Increase / (Decrease)
Publication as at 31 December 2009	116.728	21.904	(384.853)
Restatement effect	(63.735)	13.550	(50.185)
Restated as at 31 December 2009	52.993	35.454	(435.038)

Basic and diluted earnings / (losses)

(Amounts in thousand Euro)

	Publication as at 31 December 2009	Restatement effect	Restated as at 31 December 2009
	Increase / (Decrease)	Increase / (Decrease)	Increase / (Decrease)
Basic and diluted earnings / losses per share (EUR per share):	(0,4708)	(0,0554)	(0,5262)

The above mentioned restatements have no material effect on Cash flow Statement of 2009.

42. SUBSEQUENT EVENTS

a) The Board of Directors of the Bank, intends to propose to the forthcoming Shareholders General Meeting a share capital increase of a total amount up to EUR 1,26 bil. in cash.

b) The BoD of subsidiary ATE Techniki Pliroforiki S.A. decided at its meeting on January 2011 to submit to the Shareholders General Meeting of the company a proposal for the termination and liquidation of the entity.

c) Within February 2011, the Bank's administration announced that it will commence a necessary process (selection of consultants e.t.c.) in order to dispose the loss making subsidiaries HELLENIC SUGAR COMPANY and ELVIZ.

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

Athens, 30 March 2011

THE GOVERNOR	THE DEPUTY GOVERNOR	THE HEAD OF FINANCE DEPARTMENT
DIMITRIOS MILIAKOS	VASILIOS DROUGAS	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 2010
(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 2011
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
Tzanetos D. Karamichas	: Non-executive member
Konstantinos P. Amountzias	: Non-executive member
Theodoros I. Sarris	: Non-executive member
Andreas K. Davillas	: Non-executive member
Ilias I. Mpetsjs	: Non-executive member
Konstantinos D. Filippou	: Non-executive member
Alexandros Th. Antonopoulos	: Non-executive member
Ioannis G. Mourgelas	: Non-executive independent member
Vasilios Ch. Goutis	: Non-executive independent member
Efstratios I. Goudinakos	: 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	
	31.12.2010	**31.12.2009**	**31.12.2010**	**31.12.2009**
ASSETS				
Cash and balances with the Central Bank	873.905	1.029.928	821.273	996.565
Loans and advances to banks	1.042.668	2.429.149	1.063.280	2.369.942
Loans and advances to customers	21.202.815	21.943.088	21.350.402	22.166.359
Financial assets at fair value through profit or loss				
- Trading securities	209.542	901.782	205.611	895.698
- Derivative financial instruments	20.953	25.838	20.953	25.838
Investment portfolio				
- Available-for-sale securities	2.032.140	3.145.963	1.919.472	2.803.089
- Held-to-maturity securities	3.357.006	849.416	3.038.941	804.990
Investments in subsidiaries and associates	174.341	188.147	460.287	459.662
Property, plant and equipment	479.804	506.908	283.482	296.877
Investment property	229.240	197.386	157.898	162.330
Intangible assets	14.102	26.698	3.403	3.686
Other assets	1.142.217	1.114.281	686.927	607.961
Deferred tax asset	441.920	429.774	418.904	395.909
TOTAL ASSETS	**31.220.653**	**32.788.358**	**30.430.833**	**31.988.906**
EQUITY AND LIABILITIES				
Deposits from banks	9.246.982	6.478.819	9.153.422	6.379.410
Deposits from customers	19.682.635	22.595.987	19.723.201	22.682.801
Financial liabilities at fair value through profit or loss	53.414	931.587	53.414	931.587
Subordinated loans	249.196	248.794	249.196	248.794
Provisions / Other liabilities	440.218	494.165	299.827	358.653
Derivative financial instruments - liabilities	145.276	84.242	145.276	84.242
Insurance reserves	653.522	643.690	0	0
Total liabilities (a)	30.471.243	31.477.284	29.624.336	30.685.487
Share capital	1.326.920	1.326.920	1.326.920	1.326.920
Other equity elements	(627.851)	(74.344)	(520.423)	(23.501)
Equity attributable to the Bank's equity holders (b)	699.069	1.252.576	806.497	1.303.419
Minority interests (c)	50.341	58.498	0	0
Total equity (d) = (b) + (c)	749.410	1.311.074	806.497	1.303.419
TOTAL EQUITY & LIABILITIES (a) + (d)	**31.220.653**	**32.788.358**	**30.430.833**	**31.988.906**

STATEMENT OF COMPREHENSIVE INCOME (Consolidated and non consolidated)
Amounts in thousand Euro

	GROUP		BANK	
	01.01-31.12.2010	**01.01-31.12.2009**	**01.01-31.12.2010**	**01.01-31.12.2009**
Interest and similar income	1.208.377	1.169.768	1.178.447	1.141.663
Interest expense and similar charges	(384.634)	(419.486)	(382.210)	(412.100)
Net interest income	**823.743**	**750.282**	**796.237**	**729.563**
Fee and commission income	106.995	116.096	90.183	92.452
Fee and commission expenses	(35.074)	(39.281)	(26.796)	(31.358)
Net fee and commission income	**71.921**	**76.815**	**63.387**	**61.094**
Net trading income	(193.363)	52.098	(186.803)	52.993
Net gain/(loss) on disposal of non-trading financial instruments	9.053	17.245	7.260	13.775
Dividend income	7.529	17.175	8.484	17.531
Other operating income	87.610	62.237	18.654	14.556
Operating income	**806.493**	**975.852**	**707.219**	**889.512**
Staff cost	(439.202)	(432.085)	(382.162)	(393.375)
Other expenses	(119.070)	(157.853)	(103.784)	(117.520)
Depreciation	(39.500)	(41.223)	(26.898)	(29.883)
Impairment losses	(603.993)	(825.329)	(579.437)	(819.226)
Operating profit/(loss)	**(395.272)**	**(480.638)**	**(385.062)**	**(470.492)**
Share of profit of associates	1.010	(2.575)	0	0
Profit/(loss) before tax	**(394.262)**	**(483.213)**	**(385.062)**	**(470.492)**
Tax	(46.340)	27.963	(32.373)	35.454
Profit/(loss) after tax (A)	**(440.602)**	**(455.250)**	**(417.435)**	**(435.038)**
attributed to:				
- Bank's Equity Holders	(438.034)	(451.718)	-	-
- Minority interests	(2.568)	(3.532)	-	-
Other comprehensive income net of tax (B)	**(109.991)**	**162.508**	**(79.454)**	**175.639**
Total comprehensive income net of tax (A) + (B)	**(550.593)**	**(292.742)**	**(496.889)**	**(259.399)**
attributed to:				
- Bank's Equity Holders	(546.110)	(288.099)	-	-
- Minority interests	(4.483)	(4.643)	-	-
Basic Earnings / (Losses) per share (in euro)	(0,5417)	(0,5345)	**(0,5177)**	(0,5262)

STATEMENT OF CHANGES IN EQUITY (Consolidated and non consolidated)
Amounts in thousand Euro

	GROUP		BANK	
	31.12.2010	**31.12.2009**	**31.12.2010**	**31.12.2009**
Equtiy at the beginning of the year (01.01.2010 and 01.01.2009 respectively)	1.311.074	930.656	1.303.419	888.855
Total comprehensive income net of tax	(550.593)	(292.742)	(496.889)	(259.399)
Deferred tax on entries recognized directly to equity	(33)	(362)	(33)	(362)
Dividends paid	(798)	(803)	0	0
Share capital increase	0	674.325	0	674.325
Changes in Group's participations	(10.240)	0	0	0
(Purchases) / Disposals of own shares	0	0	0	0
Equity at the end of the year 31.12.2010 and 31.12.2009 respectively)	**749.410**	**1.311.074**	**806.497**	**1.303.419**

STATEMENT OF CASH FLOWS (Consolidated and non consolidated)
Amounts in thousand Euro

	GROUP		BANK	
	01.01-31.12.2010	**01.01-31.12.2009**	**01.01-31.12.2010**	**01.01-31.12.2009**
Net cash flows from operating activities (a)	221.139	1.978.814	231.380	1.944.401
Net cash flows from investing activities (b)	(1.620.639)	(768.549)	(1.571.631)	(745.939)
Net cash flows from financing activities (c)	(798)	(196.978)	0	(200.675)
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**(1.400.298)**	**1.013.287**	**(1.340.251)**	**997.787**
Effect of exchange rate changes on cash and cash equivalents	(400)	(3.002)	103	(896)
Total increase/(decrease) in cash and cash equivalents	**(1.400.698)**	**1.010.285**	**(1.340.148)**	**996.891**
Cash and cash equivalents at the beginning of the year	**2.980.609**	**1.970.324**	**2.888.038**	**1.891.147**
Cash and cash equivalents at the end of the year	**1.579.911**	**2.980.609**	**1.547.890**	**2.888.038**

ADDITIONAL FIGURES AND INFORMATION:

1. 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 31.12.2010.

2. During the closing period of 2010, the Bank increased its participation in certain subsidiaries which were held by other companies of the Group or other holders. More analytically, the following additional percentage acquisitions took place: ATE Leasing S.A. (0,59%), ATE Cards S.A. (2,00%) , ATE AEDAK S.A. (46%), ATE Techniki Pliroforiki S.A. (10,34%) , ATE Advertising S.A. (16,41%), ATE AXEPEY S.A. (33,41%) and ATExcelixi S.A. (5,00%). The Bank henceforth owns 100% of ATE Leasing S.A., ATE Cards S.A., ATE AEDAK S.A., ATE AXEPEY S.A. and ATExcelixi S.A. as well as 93,07% of ATE Techniki Pliroforiki S.A. and 65,04% of ATE Advertising S.A.. Additionally, pursuant to the voluntary public offer addressed to the shareholders of ATE Insurance S.A. and after the completion of the off-exchange transfer of the transferred shares, the Bank acquired 15,92% ownership of the company's share capital and voting rights amounting to € 6.676 th. Therefore, as at 31.12.2010, the Bank held 100,00% of ATE Insurance S.A. issued shares. The subsidiary company ELVIZ S.A. increased its share capital by EUR 16.593 thousand. The increase was fully covered by ATEbank and thus it now holds 99,98% of the subsidiary's share capital as opposed to 99,82% held before the increase. During 2010, FBBank, ATEbank's subsidiary, increased its share capital by the amount of EUR 35 mil. approximately. ATEbank did not participate in the share capital increase of FBB, hence its participation percentage decreased from 49%, as at before the increase, to 39,09%. Further analysis is available in note 42 of the Group and in note 25 of the Bank's Financial Statements as of 31.12.2010 respectively.

3. During the closing period 2010, subsidiaries ATE ADVERTISING S.A. and ATE RENT S.A. were terminated and liquidated. In particular ATE ADVERTISING S.A. was set under liquidation at 19 October 2010 whereas ATE RENT S.A. at 31 October 2010. ATE RENT S.A.'s assets were acquired at cost from the Group's subsidiary ATE Leasing S.A. and consequently the Group's financial position is not affected from this event.

4. A separate mention for the Group and the Bank's unaudited tax years is provided in the Consolidated Financial Statements as of 31.12.2010, in note 16.

5. As at 31.12.2010, the Group owns 2.107.292 treasury shares with cost € 8.282 thous. that are deducted from equity.

6. The total number of personnel for the Group and the Bank is as follows:

	GROUP		BANK	
	31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09
Permanent personnel:	8.183	9.157	6.147	6.500
Seasonal personnel:	732	746	0	0
Total personnel:	8.915	9.903	6.147	6.500

7. The amounts and the nature of Other comprehensive income net of tax for the Group and the Bank are as follows:

(amounts in thousand euro)	GROUP		BANK	
	31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09
Exchange rate differences:	(19.507)	(15.995)	0	0
Revaluation reserve available-for-sale investments:				
- Valuation for the year	(250.933)	29.045	(234.095)	27.426
- (Gain)/Loss transferred to income statement on disposal of available-for-sale securities	41.530	26.478	38.720	23.604
- Impairment for the year	107.079	168.518	96.058	168.518
- Tax related	11.881	(45.512)	19.863	(43.909)
Share of other comprehensive income of associates:	(41)	(26)	0	0
Other comprehensive income net of tax:	(109.991)	162.508	(79.454)	175.639

8. 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-10	31-Dec-10
a) Income:	€ 5,74 mil.	€ 50,78 mil.
b) Expenses:	0	€ 51,85 mil.
c) Assets:	€ 36,12 mil.	€ 856,94 mil.
d) Liabilities:	€ 1,97 mil.	€ 463,56 mil.

	BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL	
	GROUP	BANK
	31-Dec-10	31-Dec-10
a) Fees:	€ 4,19 mil.	€ 0,67 mil.
b) Loans:	€ 4,21 mil.	€ 0,18 mil.
c) Deposits:	€ 10,67 mil.	€ 5,34 mil.

9. The accumulated provisions made for each of the following cases are:

	GROUP	BANK
	31-Dec-10	31-Dec-10
Litigations:	€ 22,32 mil.	€ 10,78 mil.
Unaudited tax years:	€ 7,53 mil.	€ 5,68 mil.
Other provisions:	€ 49,33 mil.	€ 38,73 mil.
	€ 79,18 mil.	€ 55,19 mil.

10. In those circumstances whenever considered necessary, comparable items of the previous year are restated in order to render these items uniform and comparable with the respective items of the current period. During 2010, the Group, due to special circumstances that were provoked from the current financial crisis, and in an effort to circumscribe the volatility of future results, redefined interest rate hedging policy, for certain fixed rate loans for which corresponding interest rate hedging derivatives were undertaken. The impact on both the Consolidated Financial Statements and the Bank's Financial Statements for 2009 is the decrease in profits after tax, in the comprehensive total income and in shareholders' equity amounting to EUR 50,2 mil. Further analysis is available in note 45 of the Group and in note 41 of the Bank's Financial Statements as of 31.12.2010 respectively.

11. The Bank, in accordance to article 3 of the Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", has entered into an additional loan facility of EUR 1.4 bn. which may be kept by the European Central Bank as collateral for liquidity reinforcement. Moreover, in force of article 2 of L. 3723/2008, the Bank issued a EUR 4,7 bil. bond collateralised by the Greek State.

12. On 31 December 2010 the net of tax dividend attributable to preference shareholders amounted to EUR 51,3 mil. Further analysis about the preference shares' issue is detailed in notes 38 and 37 of the Group and the Bank's Financial Statements as of 31.12.2010 respectively.

13. The Board of Directors of the Bank, intends to propose to the forthcoming Shareholders General Meeting a share capital increase of a total amount up to EUR 1,26 bil. in cash.

ATHENS, 30 MARCH 2011

THE GOVERNOR	THE VICE CHAIRMAN	THE HEAD OF FINANCE DEPARTMENT
THEODOROS N. PANTALAKIS	ADAMANTINI K. LAZARI	SPYRIDON KOLIATSAS
I.D. AE 119288/07	I.D. AB 205785/06	I.D. Ξ 045508/85

8. Information to article 10 of Law 3401/2005

INFORMATION ACCORDING TO ARTICLE 10 OF LAW 3401 / 2005

The Announcements of the year 2010 are available on the Athens Stock Exchange website address as well as on the Bank's website address www.atebank.gr

SUBJECT	DATE
Approval of the EMTN Program Prospectus by the Luxembourg Stock Exchange	15/1/2010
Financial Calendar 2010	19/2/2010
EMTN issue under previously approved EMTN Program	23/2/2010
Acquisition of ATEbank's subsidiaries shares	26/2/2010
Full Year 2009 Financial Results date announcement	19/3/2010
Full Year 2009 Financial Results press release	23/3/2010
Acquisition of ATEbank's subsidiaries shares	23/3/2010
Invitation to Agricultural Bank of Greece Ordinary General Shareholders Meeting on 28/04/2010	30/3/2010
Voluntary Tender Offer for the acquisition of the entirety of shares of "AGROTIKI INSURANCE S.A."	30/3/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	6/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	7/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	8/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	9/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	12/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	13/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	14/4/2010
Draft for the amendment of Clause 22 of the Articles of Association	15/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	15/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	16/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	19/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	20/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	21/4/2010
Acquisition of ATEbank's subsidiaries shares	22/4/2010
Initiation of the acceptance period for the Voluntary Tender Offer of ATEbank to the Shareholders of "Agrotiki Insurance S.A." for the purchase of the entirety of shares.	22/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	22/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	23/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	26/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	27/4/2010
Annual General Meeting Resolutions - 28/04/2010	28/4/2010
New B.o.D composition 28/04/2010	28/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	28/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	29/4/2010
Purchase of shares by an ATEbank Director, person obliged to disclose such information (Law 3340/2005 article 13)	30/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	30/4/2010
Acquisition of ATEbank's subsidiaries shares	30/4/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	3/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	4/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	5/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	6/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	7/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	10/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	11/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	12/5/2010

ATEbank

INFORMATION ACCORDING TO ARTICLE 10 OF LAW 3401/2005

SUBJECT	DATE
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	13/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	14/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	17/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	18/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	19/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	20/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	21/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	25/5/2010
Announcement regarding purchase by ATEbank of "Agrotiki Insurance S.A." shares - Laws 3556/2007, 3340/2005, 3461/2006.	26/5/2010
Announcement of the outcome of the Voluntary Tender Offer by ATEbank for the purchase of "Agrotiki Insurance S.A." shares	27/5/2010
Reconstitution of the B.o.D 27/05/2010	27/5/2010
Q1 2010 Financial Results	27/5/2010
Q1 2010 Financial Results Press Release	27/5/2010
Acquisition of ATEbank's subsidiaries shares	2/6/2010
Purchase of shares by an ATEbank Director, person obliged to disclose such information (Law 3340/2005 article 13)	8/6/2010
ATEbank's Extraordinary lump-sum Contribution under article 5, Law 3845/2010	8/6/2010
Submission of a binding offer to ATTIKAT S.A.	18/6/2010
Acquisition by ATEbank of shares of its subsidiary ATE Mutual Funds S.A.	23/6/2010
Denial of the content of alleged statement made by an ATEbank Director	7/7/2010
Appointment in the B.o.D. of the new extra member representing the Hellenic State, to replace Mr. Euripides Abatzis	15/7/2010
Approval of the exercise of the squeeze-out right following completion of the voluntary tender offer made by AGRICULTURAL BANK OF GREECE to the shareholders of ATE INSURANCE S.A.	15/7/2010
Sale of shares by an ATEbank Director, person obliged to disclose such information (Law 3340/2005 article 13)	16/7/2010
Acquisition by ATEbank of ATTIKAT's participation in the companies ATTIKI ODOS S.A. and ATTIKA DIODIA S.A.	19/7/2010
Announcement of ATEbank's share capital increase intention	23/7/2010
ATEbank's Stress Test Results	23/7/2010
Purchase of shares by an ATEbank Director, person obliged to disclose such information (Law 3340/2005 article 13)	26/7/2010
Head of Atebank's Corporate Announcements and Shareholders Service Department nomination	5/8/2010
First Half 2010 Financial Results Press Release	26/8/2010
Announcement of ATEbank's participation in the share capital increase of EL.VI.Z. S.A. and sale of the Bank's participation in ATE Advertising S.A.	27/8/2010
9M 2010 Financial Results Press Release	24/11/2010
9M 2010 Financial Results	24/11/2010
Acceptance of the resignation of a non-executive member of the B.o.D	24/11/2010

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 2010

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