



Emporiki Bank

CRÉDIT AGRICOLE GROUP

ANNUAL FINANCIAL REPORT

**For the period from 1st January to 31st December 2010
(In accordance with the Law 3556/2007)**

Athens, February 11th, 2011

Contents

- I. Statement by the members of the Board of Directors
- II. Board of Directors' Report along with the Declaration of Corporate Governance
- III. Independent Auditors' Report and Group Financial Statements as at 31.12.2010
- IV. Independent Auditors' Report and Solo Financial statements as at 31.12.2010
- V. Financial Statements and Information of Emporiki Bank S.A and the Group from January 1st, 2010 to December 31st, 2010
- VI. Information Pursuant to Article 10 of Law 3401/2005
- VII. Availability of Annual Financial Report and Other Information

I. Statement of the members of the Board of Directors.

We, the members of the Board of Directors of Emporiki Bank of Greece S.A. to the best of our knowledge and belief, state that:

- The Annual Financial Information for the period ended 31 December 2010, has been prepared according to the current accounting standards and present fairly the assets and liabilities, the financial position and the financial performance for the period of the Bank and the Group, as well as the entities that are included in the consolidation.
- The annual Director's report, presents fairly the progress, the performance and the financial position of Emporiki Bank and the Group, as well as the entities that are included in the consolidation, including a description of the main risks and uncertainties that are faced.

Athens, February 11th, 2011

Name	Surname	Position	Signature
Nikolaos	Ebeoglou	Chairman	
Alain	Strub	Vice – Chairman and Chief Executive Officer	
George	Spiliopoulos	Executive Member	

II. Board of Directors' Report along with the Declaration on Corporate Governance (Article 2, Paragraph 2, Law 3873/2010)

Directors Report for 2010

I. BUSINESS DEVELOPMENTS

1. INTRODUCTION

Emporiki Bank Group managed to further improve its operating performance, within a very challenging economic environment and while maintaining its focus on the implementation of its Restructuring and Development Plan.

In FY 2010, Emporiki Group achieved a 58.7% increase of its gross operating income at €165.5 million, a record-high increase within the last two years, indicating encouraging trends for future growth. This came as a result of a 2.4% increase of net banking income and a further 6.7% drop in operating expenses y-o-y. Net banking income is €768.6 million, mainly due to a significant 20.0% y-o-y increase in net interest income reaching €649.8 million, due to both improved margins and the successful product campaigns launched throughout the year. On a pro forma basis, excluding exceptional elements, net banking income grew by approximately 12% y-o-y. Cost containment remained a key priority throughout 2010, and the Group succeeded in shrinking its cost to income ratio (excluding transformation costs) by 900 basis points to 71.5%. Total expenses, before provisions, were down by 6.7% y-o-y to €603.2 million, as a result of several efficient cost control measures. However, the 55.1% y-o-y increase in the cost of risk, due to the increasingly difficult economic environment, led to Group net losses after minorities of €873.5 million.

Loan portfolio volumes were kept stable at €22.6 billion both y-o-y and q-o-q. Emporiki Bank, in line with its will to maintain financing to the Greek economy -namely to professionals and businesses- recorded a 2.1% increase in business loans, with the standing balance at €12.8 billion. At the same time, improved and newly centralized credit approval procedures have further enhanced the quality of its new loan portfolio.

In Q4 2010, Group net banking income rose by 7.8% q-o-q and operating expenses declined by 3.3%, leading to a significant 37.1% q-o-q increase in Gross Operating Income, at €72.6 million. The 24.7% q-o-q decrease in provisions allowed for the net losses to fall to €128.6 million in Q4 2010, a significantly lower level than that recorded in previous quarters.

The prudent provisioning policy, together with the full rationalization of the new loans portfolio which presents low cost of risk, has allowed for the gradual and continuous deceleration of cost of risk levels following the peak of Q2 2010. Thus, in Q4 2010 cost of risk decreased to €195.2 million despite the adverse economic conditions, while it stood at slightly over €1 billion for the full year.

Deposits stood at €11.6 billion at bank level, down by 22.1% y-o-y, reflecting overall economic woes and the Bank's decision not to actively participate during the last year in the competition over time deposit rates.

In 2010, the Group has also taken a leap toward enhanced quality in its overall structure and operations, with the reorganisation of its branch network: approximately 20% of its branches were fully upgraded according to new model standards, the centralization of several operational and credit processes was completed and a more

customer-oriented corporate culture was established, further promoting effectiveness and efficiency.

2. MAIN FIGURES

BUSINESS VOLUMES - DECEMBER 2010

Emporiki Bank solo

<i>(€ Million)</i>	Dec. 2010	Dec. 2009	Y-o-Y (%)	Sep. 2010	June 2010	March 2010
Total Loans* (Bank solo)	22.628	22.665	-0.2%	22.660	23.005	22.763
Mortgages (incl. mortgages to professionals)	7.506	7.714	-2.7%	7.550	7.593	7.654
Consumer credit	2.291	2.387	-4.0%	2.315	2.340	2.363
Business sector	12.830	12.564	2.1%	12.796	13.072	12.746
Total Deposits (Bank solo)	11.612	14.915	-22.1%	12.240	12.875	13.548

* 2009 figures are on a proforma basis for write-offs

DECEMBER 2010 INCOME STATEMENT **

Emporiki Group

**2009 figures are on a proforma basis

<i>(€ Million)</i>	DEC. 2010	DEC. 2009	Y-o-Y (%)	Q4' 10	Q3' 10	Q2' 10	Q1' 10
Net interest income	649.8	541.7	20.0%	171.7	162.9	160.8	154.4
Fee and commission income	111.2	119.2	-6.7%	28.4	23.7	29.5	29.6
Other income	7.6	90.1	-91.6%	7.4	6.1	-10.7	4.8
Net banking income	768.6	750.9	2.4%	207.7	192.6	179.6	188.7
Staff expenses	-366.3	-405.2	-9.6%	-88.0	-88.0	-94.4	-95.9
Depreciation	-26.1	-25.9	0.8%	-6.6	-6.4	-6.3	-6.8
Other operating expenses	-157.1	-173.6	-9.5%	-42.6	-37.9	-39.3	-37.3
Transformation costs	-53.7	-42.0	27.9%	2.1	-7.4	-44.2	-4.2
Total Expenses	-603.2	-646.7	-6.7%	-135.1	-139.7	-184.2	-144.2
Gross Operating Income	165.5	104.2	58.7%	72.6	52.9	-4.5	44.5
Provisions	-1,021.3	-658.4	55.1%	-195.2	-259.1	-317.6	-249.4
Operating Results	-855.9	-554.2	-54.4%	-122.6	-206.2	-322.1	-205.0
Share of Profit (Loss) of Associates	-0.2	-0.6	66.7%	0.1	-0.1	-0.1	-0.1

Results before taxes	-856.1	-554.8	-54.3%	-122.6	-206.2	-322.2	-205.1
Income tax expense	-17.7	-21.7	-18.4%	-5.9	-3.8	-3.8	-4.2
Results after taxes – Continuing operations	-873.8	-576.5	-51.6%	-128.6	-210.0	-325.9	-209.3
Results – discontinued operations	0.0	-6.6	-	0.0	0.0	0.0	0.0
Results after taxes	-873.8	-583.2	-49.8%	-128.6	-210.0	-325.9	-209.3
Attributable to non controlling interests	-0.3	-0.6	-50.0%	-0.1	-0.1	-0.1	0.0
Results after taxes & non controlling interests	-873.5	-582.6	-49.9%	-128.5	-209.9	-325.8	-209.3
Cost to income (global)	78.5%	86.1%	-7.6%	65.1%	72.5%	102.5%	76.4%
Cost to income (excl. trans. costs)	71.5%	80.5%	-9.0%	66.1%	68.7%	77.9%	74.2%

BUSINESS VOLUMES OVERVIEW

Total **Loans**¹ at the end of December 2010 amounted to €22.6 billion, presenting a marginal decrease of €0.04 billion on a y-o-y basis, affected by the overall slow down of the credit activities in Greece. Total loans remained at September 2010 levels reflecting the adverse financial conditions. Loans to households decreased y-o-y by 3% to €9.8 billion while Business loans increased y-o-y by 2.1 % to €12.8 billion.

Customer Deposits decreased to €11.6 billion as a result of the Bank's strategic decision to favor a more balanced deposit structure and the prevailing market conditions.

Group Equity at the end of December 2010 stood at € 943 million, out of which € 400 million were granted in cash by the main shareholder.

DECEMBER 2010 GROUP RESULTS OVERVIEW

Net Banking Income: €768.6 million, +2.4% y-o-y.

- **Net Interest Income** was €649.8 million, significantly improved by 20.0% y-o-y. as a result of the effective commercial policy. On a q-o-q basis, December Net Interest Income (€171.7 million) increased by 5.4%, indicating the results of the persistent efforts for margin improvement.
- **Net Fee Income** presented a **y-o-y decrease** by 6.7% and amounted to €111.2 million, also due to some pricing constraints imposed by recent regulatory decisions. On a q-o-q basis. Net Fee Income increased significantly due successful launched campaigns and Subsidiaries related fee income.

¹ Emporiki Bank solo - Gross Loans to customers, excl. advances and accrued interest

- **Other operating income** amounted to gains of €7.6 million, benefited from real estate and other assets disposal gains of €7.3 million. It is noted that FY 2009 operating income had benefited significantly from one-off capital gains of approx. €40 million from Real estate disposals and capital gains of €27 million from the repayment of senior bonds.

Total recurring expenses, excluding transformation costs and provisions, **decreased by over 9.1% compared to December 2009** and amounted to €549.5 million.

- **Staff expenses** decreased y-o-y by 9.6% to €366.3 million, reflecting the impact of the anticipated shift in the group's headcount.
- **Other recurring operating expenses**, including depreciation, presented a significant decrease of 8.2% compared to December 2009 and amounted to €183.2 million.
- **Transformation costs** amounted to 53.7 million, comparing to €42.0 million for December 2009.

Gross Operating Results: €165.5 million, increased by 58.7% compared to **€104.2 million in 2009**, as a result of the improvement in recurring Net Banking Income and the tight control of operating expenses and despite the negative results of the market valuations and the increased transformation costs, which negatively affected present year's gross operating results.

December 2010 Impairment Provisions amounted to €1,021.3 million, increased by 55.1% y-o-y, as a result of the persistently challenging economic and market conditions.

Results from discontinued operations are zero while 2009 figures refer to the five local subsidiaries sold to the respective CASA Group product units at the end of 2009, and there is no effect on December 2010 results.

II. MAIN EVENTS

The main corporate events during 2010 for Emporiki Bank of Greece S.A. and its Group are as follows:

1. Emporiki Bank, on February 2nd, 2010, purchased the (full) stake owned by Mr. Leonidas Ioannou in its subsidiary "EMPORIKI BANK-CYPRUS LIMITED", i.e. in total 500.000 common shares that represented 2,097% of the total share capital of "EMPORIKI BANK-CYPRUS LIMITED". Consequently, EMPORIKI BANK OF GREECE S.A. owns 22.844.373 shares that represent 95,81% of the share capital of "EMPORIKI BANK-CYPRUS LIMITED".
2. Emporiki Bank, on 9/2/2010, covered by 100% the share capital increase of its subsidiary "EMPORIKI BANK ROMANIA S.A." by disbursing the amount of 78,517,500.00 RON. The share capital of "EMPORIKI BANK ROMANIA S.A.", after the increase, amounts to 274,606,512.22 RON and corresponds to 160,934 common shares of nominal value 1,706.33 RON each. Consequently, EMPORIKI BANK OF GREECE S.A. owns 160,192 shares of "EMPORIKI BANK ROMANIA S.A." which represent the 99,54% of its share capital.
3. Emporiki Bank's Share Capital Decrease by 1,290,816,792.00€, as decided by the Extraordinary General Assembly of the Shareholders held on 14/12/2010, has been completed, by partially writing-off accumulated accounting losses (which are not tax losses) by clearing, and by decreasing correspondingly the nominal value of the share by 4.50€, i.e. from 5.50€ to 1.00€ each. The same Extraordinary General Assembly of the Shareholders has also decided on the Share Capital Increase of the Bank, through cash payment, by 225,380,709.00€, by issuing 225,380,709 new shares of nominal value of 1.00 € each, which has also been completed. Therefore, Emporiki Bank's Share Capital amounts at 512,228,885.00€ and it is divided into 512,228,885 shares of nominal value 1.00€ each.
4. Emporiki Bank's shareholder "Credit Agricole S.A.":
 - A. From 16/12/2009 to 04/03/2010 proceeded with purchasing 4,378,462 shares of Emporiki Bank of Greece S.A. amounting at 19,362,331.25€. Thus, on 22/03/2010 "Credit Agricole S.A." held 252,209,509 shares or a percentage of 87.9244% on Emporiki Bank's Share Capital.
 - B. Participated in the Share Capital Increase of "Emporiki Bank of Greece S.A." which has been decided by the Extraordinary General Assembly of its Shareholders of 14/12/2009, through the acquisition of 213.939.536 new, common registered shares of the company "Emporiki Bank of Greece S.A." with total value 939,194,563.04€.Therefore, the shareholder "Credit Agricole S.A.", increased its participation percentage in the Share Capital of "Emporiki Bank of Greece S.A.", as far as it regards voting level, to 91.0041% versus 87.9244%.
5. On the 14th of April, 2010, Emporiki Bank covered by 100% the share capital increase of its subsidiary "EMPORIKI BANK-CYPRUS LTD" by disbursing the amount of 8,999,998.47€. Consequently, "EMPORIKI BANK OF GREECE S.A.", after the

share capital increase owns 28,107,530 shares of "EMPORIKI BANK-CYPRUS LTD" which represent the 96.5678% of its share capital.

6. On 22/4/2010 Emporiki Bank covered by 100% the share capital increase of its subsidiary "EMPORIKI BANK ROMANIA S.A." by disbursing the amount of 25,000,000 RON. Consequently, "EMPORIKI BANK OF GREECE S.A." owns 174,843 shares of "EMPORIKI BANK ROMANIA S.A." which represent the 99.58% of its share capital.
7. The regular tax audit for the fiscal years 2007 and 2008 has been completed with the one-off payment of an amount totalling to 2,455,548.00€ for taxes on some expenses that have been disallowed as qualifying tax-deductible expenses. The above-mentioned amount had been provided through the P & L of the Bank, during the previous fiscal years.
8. On the 15th of June 2010, Emporiki Bank covered the share capital increase of its subsidiary "EMPORIKI BANK BULGARIA EAD" by disbursing the amount of 19,558,300 BGN. The share capital of "EMPORIKI BANK BULGARIA EAD" amounts to 71,163,240 BGN and corresponds to 71,163,240 common shares of nominal value 1 BGN each.
9. EMPORIKI GROUP FINANCE PLC (as Issuer) and EMPORIKI BANK OF GREECE S.A. (as Issuer and Guarantor) proceeded with the 2010 annual update of the EUR9,200,000,000 Euro Medium Term Note Programme (EMTN). CACIB was mandated as the Arranger with the Dealers being Barclays Capital, Credit Suisse, CACIB, Deutsche Bank and Morgan Stanley.
10. The liquidation procedure of its subsidiary "Emporiki Bank Germany GmbH" was completed and on 30/11/10 Emporiki Bank of Greece S.A. was repaid back the product of the liquidation. The Frankfurt Branch-Germany of Emporiki Bank completed its activities and was closed on December 13th, 2010.
11. On December 23rd, 2010, the participation of Emporiki Bank in the company TOTAL CARE NETWORK S.A.-INTEGRATED SYSTEM FOR HEALTH CARE SERVICES (i.e. 186.900 common shares which were representing 70,00% of the total share capital of the company) was transferred for 65,000.00€.

III. FUTURE OUTLOOK – BUSINESS PLAN

The 2010 results were significantly and adversely affected by the deteriorating environment. Due to the economic conditions, the estimates and forecasts included in the Restructuring and Development Plan of Emporiki Bank (announced to the investment public on 7/10/2009 and incorporated in the Prospectus of the Share Capital Increase of Emporiki Bank on 17/02/2010), that have been aligned with and based on the stress scenario presented on 22 June 2010, are subject to ongoing scrutiny, given the volatility of the economic environment in Greece and in order to further shield the bank and its customers. Assuming there is no further deterioration in market conditions, the Bank expects a gradual recovery in 2011 based on its existing exposures and positioning.

Notwithstanding the stringency of economic conditions, Emporiki continues its Restructuring and Development Program and will retain in 2011 a strong focus on the objectives of the Program, with the contribution of its people and the support of its parent group, Crédit Agricole, with which it constantly develops value-adding synergies for its customers. Despite the adverse economic conditions, Emporiki Bank will continue to support the Greek households and businesses providing loans and a safe banking environment, notwithstanding the need to further strengthen its deposit base and pursue even more efficient management and balance of its loans portfolio, to further boost its commercial performance.

Emporiki has limited exposure to the economies in the Balkans and Cyprus where it has adopted a cautious balanced organic growth strategy.

IV. RISKS AND UNCERTAINTIES

1. Uncertainties

In 2010, global economic activity is estimated to expand by 5%, with significant divergence in the paces of recovery between industrialized and developing and emerging economies, which are projected to grow by 3% and 7,1% respectively, as stated in the latest IMF WEO Report. The sustainability of recovery demands the implementation of structural policies, which would contribute to the achievement of sustainable fiscal conditions, in coordination with supportive monetary policy measures. For the Euro area the main priority will remain the resolution of the sovereign debt crisis. For the 2011-12 period is expected a modest slowdown of global recovery at the levels of 4,5%, with emerging and developing countries retaining strong growth at rates of 6,5%, as opposed to the sluggish recovery pace of advanced economies at 2,5%.

Regarding domestic economic developments, the structural weaknesses of the Greek economy, i.e. the excessive fiscal and external imbalances, led to a lending crisis of Greek sovereign debt and consequently the activation of the EU\IMF support mechanism. The three-year Economic Adjustment program, focusing on measures and policies to restore fiscal consolidation, improve competitiveness and ensure financial sector stability, is progressing broadly as initially planned, according to the assessment of the second IMF Review.

In accordance with the latest projections of international organizations, domestic economic activity is estimated to contract by 4,2% in 2010, principally led by lower private consumption and investment. In 2011 real GDP is expected to further decline in 2011 by 3% before resuming positive growth in 2012 (1,1%). However, the risk of a deeper output contraction and delayed resumption of positive growth still remains. Annual inflation which has increased more than expected in 2010 due to tax effects, is projected to decelerate to 1,1% and 0,5% in 2011 and 2012 respectively. The unemployment rate is estimated to reach the levels of 15% over the next two years.

The highly adverse domestic developments had a straightforward impact on the performance of key indices of the domestic banking system. Throughout 2010, liquidity remained the issue of prime concern, since Greek banks, with constrained access to wholesale funding markets, relied mainly on ECB funding, after the adjustment of its collateral policy. Furthermore, the quality of credit portfolio has significantly deteriorated in all loan categories and mostly in consumer loans, as stated in the BoG Interim Monetary Policy Report (October 2010). Nevertheless, the capital adequacy of the Greek banking sector in June 2010 remained at adequate levels, although marginally declined since December 2009. For 2011, liquidity risk remains elevated since the prospect of Greek banks to gradually regain access to wholesale funding markets is still uncertain. Credit risk outlook, strongly dependent to the financial situation of businesses and households is also surrounded by an increased degree of uncertainty.

Emporiki Group faces the above challenges in the context of a global framework Group Risk Strategy, with the solid support of its major shareholder Credit Agricole Group. Its main strategic target is the effective management of the total undertaken risks in order

to ensure an efficient use of capital in relation to risk appetite as well as business development.

2. Risks

Emporiki Group in the course of its activities is exposed to a variety of risks, the most important of which being the credit risk, including concentration risk, liquidity risk, interest rate risk in the Banking Book and market risk.

2a. Credit risk

Credit Risk is defined as the risk of losses arising because counterparties fail to meet all or part of their payment obligations to the Group. Concentration risk arises from an uneven distribution of credit exposures to specific groups of counterparties, sectors of economic activity, geographical regions or countries.

Emporiki Group has significantly improved the management of credit risk. The re-foundation of the credit decision making process, through centralization of the credit-granting procedure and the implementation of up to date risk rating tools, in combination with permanent controls, detailed risk monitoring and improved loan recovery function are among the pillars of the Risk Strategy and the Restructuring and Development plan. In particular:

i. Risk Modelling and Rating Advances

Emporiki assigns significant priority to the development and implementation of internal risk rating tools that identify the level of risk associated with borrowers' creditworthiness, across different products and business segmentation. The internal risk rating models can be divided into the following categories, according to portfolio segment:

- For Large Corporate and SMEs portfolios, Emporiki applies Anadefi which constitutes the CASA Group rating system for corporate customers.
- For Small Businesses and Professionals portfolio, Emporiki has implemented advanced rating models to assess more efficiently SBLs and Professionals portfolios' creditworthiness.
- For Individuals portfolio, new application scorecards have been implemented. Additionally, a new behavioral scorecard, developed in cooperation with CASA is already applied for rating existing customers.

ii. Enhancement of the Credit Decision making Process, Loan Recovery Function and preventive risk policy.

Emporiki Group has succeeded in significantly enhancing the credit decision making process through the completion of the centralization of the credit approval process and the review of the credit policy rules and risk guidelines. Risk Management Unit actively participates in the credit decision making process issuing independent credit risk opinions on credit applications in order to identify major credit risk exposures.

Emporiki Bank during 2010 focused on improving its Retail Recovery function through the deployment of a recovery action plan. The performance of collection activity has recorded a steady improvement throughout 2010 and is expected to be further reinforced in 2011. Efficient management of the loans portfolio, with regards to collections remains a main priority for 2011.

Credit risk assessment is furthermore accomplished through the implementation of stress testing techniques evaluating on a regular basis the direct impact of changes in key macroeconomic variables to Bank's credit quality indicators. Stress tests are implemented according to the requirements set by BoG and CASA and for internal assessment purposes.

As specified by the Group's Risk Strategy, global and individual limits are approved for maximum exposures to counterparties/group of counterparties, sector and country risks at Group level. Close monitoring of the credit portfolio is achieved through close follow up of deteriorating credits, monitoring of early warning indicators and portfolio reviews.

The domestic adverse economic developments have led to a significant increase of impairment charges throughout the year. Emporiki Group continues to pursue a strategy of adequate coverage ratios, which had significantly increased during 2010 as compared to the levels of 2009 despite the degradation of the portfolio quality, which constituted a common feature of the Greek banking system during 2010 as a result of the adverse economic developments.

2b. Market Risk

Market risk defined as the risk of loss in the fair value of financial instruments, arising from adverse movements in market rates such as interest rates, foreign exchange rates, equity and commodity prices, and their volatilities.

Since Emporiki's core business is not significantly exposed to trading activities, market risk arises mainly from market-making activities in the Greek government bond market. A crucial part of market risk management is the hedging strategy which aims to cover interest rate risk exposures, thus reducing the overall market risk and the capital allocating to that risk type at low levels.

The Bank monitors on a daily basis the market risks of its trading and available for sale portfolio. The Bank employs in-house monitoring systems to assess on a daily basis the Maximum Potential Loss (Value at Risk-VaR), which may result under normal conditions from the trading and available for sale portfolio. The method employed is the Historical Simulation, using a 1-day horizon and a confidence interval of 99%. The VaR model is certified by the Bank of Greece since 2006.

To control the risk undertaken, the Bank imposes overall and sub-portfolio VaR limits on its trading book and available for sale book. Those limits are reviewed at least annually and approved by the Assets and Liabilities Committee and reflect the Risk Strategy for low appetite in market risk exposures.

Emporiki Bank performs Back Testing in order to confirm the effectiveness of the Value at Risk model. To assess the risks, which may arise from extreme changes in the markets, the Bank has developed a crisis simulation program (Stress Testing).

2c. Liquidity and Interest Rate Risk in the Banking Book

Emporiki Bank systematically monitors and manages the Liquidity Risk and the Interest rate risk in the Banking portfolio applying methodologies and norms for calculating interest-rate and liquidity gaps consistent with Crédit Agricole's standards and norms.

Additionally the Bank has established relevant limits and is implementing stress scenarios and simulations in order to estimate the impact on net interest income, economic value of equity, capital adequacy and liquidity shortages. Emporiki bank also applies liquidity stress scenarios in the context of the supervisory framework by the Bank of Greece.

2d. Other Risks

i. Transformation Programme

If any delay occurs in the realization of the interventions within the framework of the reconstruction that it is made in the Unit, it will have a bad effect in the results and in its financial position and it will deteriorate its place against competition.

ii. Obligations to pension funds

The submission of the Auxiliary Pension Fund (TEAPETE) for the Bank's employees to the provisions of the laws 3371/2005 and 3455/2006 resulted to a) the diminution of the Bank's disadvantage to pay higher social contributions and b) the transparency regarding the estimated actuarial loss of the Bank.

Following the provisions of the new law 3371/2005, an economic study was performed by independent specialized actuaries, in order to determine the cost of including TEAPETE into the above-mentioned auxiliary funds (IKA-ETEAM and ETAT). This economic study was completed within the 1st quarter of 2006 and was approved by the relevant committee of the Ministry of Economy and Finance and it was ratified by law (L. 3455/2006). According to the study the Bank will pay to IKA-ETEAM and ETAT, for its pensioners a special contribution of €786,3 millions in total (upfront or within a period of 10 years bearing an interest rate of 3,53%). In addition, the Bank will be obliged to pay additional contributions compared to those defined by ETEAM regulations for its employees hired before 31/12/2004 through to retirement. The terms of the payment of the increased contributions were not defined by Law 3371/2005 but were established following a ministerial decision IKA Φ20203/19189/931/7.11.06. The Bank proceeds to the payment of the scheduled instalments as these were defined in the economic study mentioned above. The outstanding balance of the liability as at 31.12.2010 was € 343,8 millions.

The Employee Union has litigated the aforementioned submission and has proceeded relevant legal actions. For one legal action, which was discussed in the First Instance Court of Athens, the ruling was issued, number 116/2008, and judged that the provisions of Law 3455/2006 are unconstitutional and the termination of employee contracts relating the Bank, the Employee Union and the TEAPETE is abusive. The Bank has proceeded legal action against the aforementioned court ruling which was discussed on 24.03.2009. During the aforementioned trial the Greek State has proceeded intervention in favor of the Bank. The Court of Appeal judgment number 4007/2009 (published 30.06.2009) rejected the Bank's appeal and validated the First Instance judgment. On December 2009, the Bank and the Greek State has appealed before the Supreme Court of Appeal. The Bank's appeal hearing is determined for 20.01.2011; however it was postponed for 17.03.2011. The economic impact of the judgment cannot be currently assessed.

It should be noted that the State Council (in plenary session), pursuant to a series of recent decisions (Nr. 2197-2203/2010) rejected the petitions of bank employees and unions against Presidential Decree 209/2006, issued pursuant to L.3371/2005, and admitted that the inclusion of bank employees in the ETAT (Single Fund for the Social Insurance of Bank Employees) is consistent with the Greek Constitution. The above-mentioned decisions constitute an important factor, which will most probably affect the outcome of the case before the Supreme Court of Appeal.

V. OTHER INFORMATION

Regarding information provided by art. 43a and 107 of Law 2190/1920 about:

- The targets and the Bank's policy, as far as risk management, including hedging policies and practices of any significant type of transaction, for which hedge accounting is applied,
 - The exposure of the Bank in market, credit, liquidity and cash flow risk,
 - Transactions between the Bank and related parties, under the framework of IAS 24, and
 - Any significant event after the completion of this report,
- analytical information is provided in the Notes of the Financial Information of the Bank.

VI. REPORT OF LAW 3556/2007 (Art. 4)

The present explanatory report of the Board of Directors to the Ordinary General Assembly of its Shareholders includes information as standing on 31.12.2010 pursuant to the provisions of L.3556/2007, Art. 4.

a) Share Capital Structure

The share capital of the Bank amounts up to 512,228,885.00.- euro, divided to 512,228,885 shares of nominal value 1.0 euro each. All the shares are listed for negotiation to the Athens Stock Exchange. The shares of the Bank are common nominal, with the right to vote. Each share of the Bank includes all the rights and obligations, which are specified by the Law and the Articles of Association of the Bank, the latter of which does not include more restrictive provisions than those provided by the Law.

The registration of a person as a shareholder at the records of Hellenic Stock Exchange S.A. implies, de jure, the acceptance of the Articles of Association of the Bank and of the legal decisions of the competent bodies of the Bank.

The liability of the shareholders is limited to the amount of the nominal value of the shares which they possess and they participate in the management and the profits of the Bank in dependence to and in accordance with the provisions of the Law and the Articles of Association.

All rights and obligations deriving from each share are binding upon and inure to the benefit of every successor of the shareholder. The shareholders participate in the management, the distribution of profit, the distribution of the Company's assets in the event of its winding up, in accordance with the number of shares they possess and pursuant to Law and the provisions of the Articles of Association. The shareholders exercise their rights in relation to the Management of the Company through the General Assemblies and pursuant to Law.

b) Limitations to the transfer of shares of the Bank

The transfer of Bank's shares takes place pursuant to law and there are no other limitations to the transfer arising out of its Articles of Association.

c) Important direct and indirect participations in the sense of the provisions of the Presidential Decree 51/1992

- Credit Agricole S.A. holds (dated 31.12.2010) 91.004% of the share capital of the Bank.
- The company SACAM INTERNATIONAL SAS holds (dated 31.12.2010) 5.000% of the share capital of the Bank.

d) Holders of any kind of shares which provide special rights of control

The Bank does not have any shares that provide to its holders special rights of control.

e) Limitations to the right to vote

The Articles of Association of the Bank do not impose any limitations to the right to vote.

f) Agreements between the shareholders of the Bank

To the knowledge of the Bank there are not any agreements between its shareholders, which impose limitations to the transfer of its shares or to the exercise of the right to vote deriving from its shares.

g) Regulations regarding the appointment and the replacement of members of the Board of Directors and the amendment of the Articles of Association

The regulations provided by the Articles of Association of the Bank in relation to the appointment and the replacement of members of the Board of Directors as well as in relation to the amendment of provisions of the Articles of Association do not differ from the provisions of codified law 2190/1920.

h) Competence of the Board of Directors or of some of its members for the issuance of new shares or the purchase of its own shares

Following a decision of the General Assembly, article 6 of the Articles of Association gives the Board of Directors the right to proceed to an increase of the share capital by the issuance of new shares. In addition, the purchase of its own shares is possible pursuant to article 16 of the codified law 2190/1920. On the basis of Article 13 of the codified law 2190/1920 it is also provided that it is possible to enact a stock options project to the members of the Board of Directors and to the personnel through the granting of stock options rights. No stock options project is in force.

i) An important agreement that has been concluded by the Bank and which is in force can be modified or ceases to exist in the event of a change in the control of the Bank, following a public offer and the results of this agreement, unless, due to its nature, rendering public of the agreement would cause serious damage to the Bank

There is no such agreement.

j) Any agreement that the Bank has concluded with the members of the Board of Directors or with its personnel and which allows compensation in the event of resignation or dismissal without a grounded reason, or the termination of the service or of their occupation due to public offer.

There are no such agreements between the Bank and the members of its Board of Directors or with its personnel which provides the payment of compensation especially

in the event of resignation or dismissal without a grounded reason, or for the termination of their service or of their occupation due to public offer.

VII. Transactions with Related Parties (IAS 24 & Article 2, § 4 of law 3016/2002 Report)

The transactions of Emporiki Bank of Greece S.A. with the related parties, according to the meaning of the paragraph 5 of the article 42e of the Law 2190/1920, have as follows:

Emporiki Bank's intragroup transactions with affiliated companies

Associates	Participation Percentage	Assets	Liabilities	Revenues	Expenses
Euler Hermes Emporiki	21,71%	967	-	48	71
Total Intragroup transactions with associates		967	-	48	71

Subsidiaries	Participation Percentage	Assets	Liabilities	Revenues	Expenses
Emporiki Bank - Germany Gmbh	100%	-	-	-	113
Emporiki Bank - Romania S.A.	99,62%	128.372	3.297	2.269	530
Emporiki Bank - Bulgaria A.D.	100%	152.478	10.348	2.675	12
Emporiki Bank - Albania S.A.	100%	102.320	2.649	2.135	3
Emporiki Bank - Cyprus L.T.D.	96,57%	382.904	164.073	3.863	571
Emporiki Development & Real Estate Management	100%	257	51.615	1.156	6.441
Emporiki Management & Liquidation of Assets & Liab. S.A.	100%	-	1.409	152	-
E.V.C. Emerging	100%	-	99	-	-
Emporiki Group Finance P.L.C.	100%	1.192	2.391.677	-	46.270
Total Intragroup transactions with subsidiaries		767.523	3.625.166	12.248	53.942

Emporiki Bank's intragroup transactions with parent company group

	Assets	Liabilities	Revenues	Expenses
Credit Agricole S.A.	1.820.533	9.040.973	10.134	81.342
Credit Agricole CIB France	63.316	113.336	15.240	-
C.A. Egypt S.A.E. (ex CALYON Bank Egypt)	-	5.248	-	9
Credit Agricole Financement (Suisse) S.A.	-	-	14	-
Credit Agricole Assurances (CAA)	-	-	-	1.720
Emporiki Leasing	22.550	3.000	4.508	1
Amundi Hellas M.F.M.C. S.A.	2.502	4.201	3.741	101
Emporiki Life	5.784	21.556	17.399	82
Credicom Consumer Finance Bank S.A.	363.890	21.496	14.806	832
Emporiki Rent L.T. Leasing of Vehicules S.A.	63	8.498	-	216
Emporiki Credicom Insurance Brokers S.A.	-	1.083	-	12
Total Intragroup transactions with parent group companies	2.278.639	9.219.391	65.842	84.314

Total Intragroup transactions	3.047.129	12.844.557	78.139	138.328
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The transactions of Emporiki Bank of Greece S.A. with the members of the Board of Directors and Executive Committee have as follows:

Transactions with the members

	1/1 - 31/12/2010	1/1 - 31/12/2009
Board of Director's fees* and Executive Committee fees	4.490	5.773
	31/12/2010	31/12/2009
Deposits	2.162	1.128
Loans	1.207	988

The above-mentioned figures have been grouped with the general criterion of the effect in the results of the Bank (Profit and Loss) but also in the Balance Sheet (Assets and Liabilities according to the date reference), and in a specified column information is provided for the Bank's participation percentage in the shareholding of each entity (directly or indirectly).

Intragroup transactions are common banking practices needed to provide support and collaboration between the related parties (to ensure liquidity, to use networks, to support activities by providing services or personnel, etc).

Finally, it is stated that the amounts of the abovementioned figures are expressed in thousands of euros.

Athens, February 11th, 2011

The Board Chairman

The Vice Chairman & CEO

VIII. DECLARATION ON CORPORATE GOVERNANCE (Art. 2, Par. 2, Law 3873/2010)

1. Code of Corporate Governance Applied by the Company

Corporate Governance is the overall rules, principles and audit mechanisms, on the basis of which a company should be organized and managed, adopting a structure that renders it transparent to the investors, acknowledge and respect the rights of those directly affected by its operation and ensure the legitimate interests of all its Shareholders.

The principle of Corporate Social Responsibility complements the principles of Corporate Governance, by extending its scope to include actions to which the enterprise proceeds with the aim to substantially contribute to the development of the employees, the society and the environment. These actions reflect the enterprise's ethics, enhance the trust relations with its human resources and contribute to the enhancement of the enterprise's image towards its partners, the transacting public and the public opinion, yielding long-term benefits both for the society and the enterprise itself.

The corner stones on which Corporate Governance is founded to be effective are: the Board of Directors, the senior Management, and the Internal and External Auditors of the company.

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

Shareholders' Rights and Equal Treatment:

The Bank has established rules that guarantee the full briefing of the shareholders on the financial condition of the Bank, as well as on the Management decisions that considerably affect its further course. All shareholders have equal rights and obligations, irrespective of the percentage they hold.

Composition of the Board of Directors:

The Bank's Board of Directors comprises executive, non-executive and independent non-executive members, in conformity with Law 3016/17.05.2002, as in force.

Committees of the Board of Directors:

The Bank's Board of Directors has appointed the **Audit Committee**, the **Risk Management Supervision Body**, the **Remuneration Committee** and the **Corporate Social Responsibility Committee**, whose task is to support the Board of Directors in exercising its supervisory duties.

Duties of the Board of Directors:

The Board of Directors specifies the vision, the mission and the strategy of the Bank, pursues the enhancement of its long term economic value, by monitoring, guiding and auditing the executives, in the name of the Shareholders.

Conflict of interests:

The members of the Board of Directors and every third person to which have been assigned authorities of the former are prohibited to pursue personal interests that contradict the interests of the Bank and its affiliated companies. Through a written statement addressed to the BoD Secretary, the members of the Board have to notify its remaining members of any conflict of personal interests either with those of the Bank and its affiliated companies, or with the interests resulting from major transactions of the Bank, known to them.

Transactions with affiliated companies:

The Board of Directors draws up on an annual basis reports including analytical description of the Bank's transactions with its affiliated companies, as per the meaning of article 42^e par.5 of Codified Law 2190/1920.

Remuneration of the members of the Bank's BoD:

The disclosure of the BoD members' remunerations is conducted through the financial statements.

Management Executives:

The Bank has set engagement procedures for its management executives, appraisal of their performance, as well as conditions for their discharge.

Internal Audit:

The Bank disposes an organized Internal Audit Service (Internal Audit General Division), which is supervised by the Bank's Audit Committee.

Notification of purchase and sale of shares:

The members of the Bank's Board of Directors, the Management Executives and the persons who, due to their relation with the Bank, hold internal information on securities of the Bank or listed affiliated companies, as per the meaning of article 42^e par. 5 of codified law 2190/1920, notify the transactions involving shares of the Bank and listed affiliated companies.

Announcement of important transactions with the Bank:

The members of the Bank's Board of Directors, the Management Executives, as well as third parties who conduct business with the Bank notify to the Bank's BoD their major transactions, as well as other financial activities which regard the Bank and principal clients or suppliers.

Disclosure of Listed Securities trading:

The person specified under article 81 par. 1 of Law 2533/1997 notifies the Secretary to the Board of Directors on their transactions involving securities listed on ASE. Should the conditions under par. 2 of the above article apply, the Secretary to the BoD relatively informs the competent supervisory instruments.

Observation of confidentiality, transactions conditions, etc.:

The Bank implements the obligations with regard to the disclosure, the observation of confidentiality, the transactions conditions for specific persons and the announcement of transactions, as in force.

Shareholders' Service:

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

2. Corporate Governance Practices Applied by the Company

2.a. Regulation «Definition of the Main Client & Main Supplier of the Bank and related obligations – actions for Emporiki Bank.

The Bank, according to the BoD minutes No 2755/24.06.2009, has clarified the concept of its Main Client and Main Supplier, as follows:

Main Client is considered every person or legal entity or Group, providing that the approved credit limit it has, on a consolidated basis, in the Bank is higher than 5% of its share capital on non-consolidated basis. The Main Clients maintain their capacity for the time period the abovementioned credit limit is into force. The competent Units of the Bank are obliged to inform the BoD Secretary on the clients falling under Main Client category.

Main Supplier is considered every person or legal entity or Group, providing to the Bank fixed assets, consumables and services of value exceeding 1.000.000,00€. The Main Suppliers maintain their capacity for the calendar year in which the contract was signed or, in case of permanent contracts (e.g. services provision contracts), for the contract duration and since, within these time periods, the value of provisions by the Bank meets the abovementioned limit. The competent Units of the Bank are obliged to inform the BoD Secretary on the clients falling under Main Supplier category.

The attached companies, according to C.L.2190/1920, art. 42e, para. 5 **are not considered to be Main Clients or Main Suppliers, in the sense mentioned above.**

The BoD Secretary updates the list of the Bank's Main Clients and Main Suppliers, which, after the end of each financial year, it submits for the information of the Board of Directors until the end of April of the next calendar year at the latest.

The Board of Directors, in its judgment, adds to the list in question more critical or sensitive Clients or Suppliers, qualifying them, by this decision, as Main Clients and Main Suppliers for a definite time period and with the exclusion of the above-mentioned quantitative criteria, so that the list in question is completed.

Following the BoD information, the updated list of Main Clients and Main Suppliers is notified to the BoD Members of the Bank, its General Managers, its Deputy General Managers, its Heads of Units and its Expense Managers who are not Heads of Units, so

that they announce every important economic activity that they have eventually made, either directly or indirectly through companies in which they participate, with Main Clients or Main Suppliers of the Bank.

In particular, the BoD Members of the Bank, its General Managers, its Deputy General Managers, its Heads of Units and its Expense Managers who are not Heads of Units, will be obliged to notify, in due time, to the Board of Directors by its Secretary every financial activity they have with any of the Main Clients or Main Suppliers of the Bank for their own account or personal interest and not for the Bank's account.

The following activities are indicatively mentioned as such:

- Sale of products or services provision, of an important trading volume or for a high price, to the Main Client or Main Supplier of the Bank by the persons mentioned above (BoD Members of the Bank, its General Managers, its Deputy General Managers, its Heads of Units and its Expense Managers who are not Heads of Units) or by a company in which the abovementioned persons have interest.
- Buying products or receiving services, of an important trading volume or granting an important discount, offered by a Main Client or Main Supplier of the Bank, to the persons mentioned above (BoD Members of the Bank, its General Managers, its Deputy General Managers, its Heads of Units and its Expense Managers who are not Heads of Units) or to a company in which the abovementioned persons have interest.
- All financial cooperations or investing or credit synergies, with an important trading volume or under conditions which are not common for the wide range of investors, concluded between the above-mentioned persons themselves (BoD Members of the Bank, its General Managers, its Deputy General Managers, its Heads of Units and its Expense Managers who are not Heads of Units) or a company in which the abovementioned persons have interest, with a Main Client or Main Supplier of the Bank.

Also, the Bank (BoD Minutes No 2777/06.10.2009) has approved the **Personal Transactions Policy**, as follows:

2.b. Personal Transaction Policy

The "Personal Transaction" refers to a transaction in a financial instrument realized by or on behalf of a Relevant Person.

Registration of Relevant Persons–Obligors Categories: All persons, who due to their commitment in the bank as well as the nature of their work are likely to have access to privileged information, are considered as "obligors" and are, therefore, subject to special regulations. These regulations primarily aim at preventing any conflict of interest and/or breaches of confidentiality by the employees of Emporiki Bank.

Control Mechanisms:

- i) Relevant persons registration. Employees holding confidential positions and, thus, having access to inside information regarding Emporiki and CAsa (High Risk Obligors, Temporary Obligors, Obligors related to Specific Cases)
- ii) Procedure of reporting. Permission required for High Risk Obligors. All Obligors report their transactions through the IT System and a specific declaration model. Transactions' "windows" set up and management.
- iii) Information transfers restrictions. Information transfer general principles set up. Chinese Walls set up guidelines.
- iv) Compliance controls and sanctions. Regular/ordinary control mechanism. An extraordinary and limited control.

Emporiki Bank tasks (Compliance Division tasks): Registration of relevant persons. Obligors' list set up and maintenance. Management of applications for monitoring obligor's transactions. Approvals mechanism procedure for carrying out transactions. Declaration of transactions (filing and reporting). Exception lists set up and maintenance.

2.c. Transactions with Persons Enjoying a Special Relationship with the Bank

Emporiki Bank, according to BoD minutes No 2776/29.07.2009, has approved the following Regulation on implementation of regulatory provisions regarding transactions with persons enjoying a special relationship with Emporiki Bank :

Regulation on "Implementation of Regulatory Provisions Regarding Transactions with Persons Enjoying a Special Relationship with Emporiki Bank"

1. A list of financing to entities, which have a special relationship with the Members of the Board, has to be provided, each year, by the relevant Divisions of the Bank before the 20th of January, to the Compliance Division and the Secretary to the Board, for the previous calendar year, providing the:
 - credit ceiling to which the prior approval of the Board is not required and
 - maximum cumulative outstanding balance of loans per entity, within the elapsed calendar year,
 - the outstanding balance of loans per entity at the end of the year n order to be reported to the next BoD Meeting.
2. Any increase of the credit ceiling, as referred hereinabove in (1), has to be approved by the Board.
3. Any increase of the outstanding loans has to be reported to the BoD by the relevant BoD member through the Secretary of the Board.
4. Any, substantial, transactional relationship of the Emporiki Bank with entities which have relationship with the Members of BoD, excluding financing, should also be reported to the BoD by the relevant BoD Member through the Secretary to the Board.

3. Main features of the internal control and risk management systems in relation to the process of financial statements preparation.

The Bank with the assistance of expert external consultants has established IT and manual operational and internal control procedures (including risk monitoring procedures) associated with the preparation of the quarterly and annual financial statements so as to enhance the integrity and reliability of the published financial information.

Such system is currently at the final testing phase and is used for the preparation of the financial statements pending final acceptance by the Permanent Control Division and the Internal Audit Division. The formal establishment of this system, as indicated above is expected to be made during 2011.

The main attributes of the new system are:

- a. Risk identification and assessment associated with the reliability of financial reporting
- b. Financial planning and monitoring
- c. Fraud, in the wide sense, prevention and detection
- d. Roles and responsibilities of company officials
- e. Detailed procedures associated with the financial "closing" including the consolidation of the subsidiaries of the Bank.
- f. Logical and Physical security of the IT systems and applications so as to ascertain the integrity of the financial information.

Currently, the aforementioned attributes, which are mainly covered by no- IT procedures, are subject to the review of the Permanent Control and Internal Audit Units.

In 2008 Emporiki had launched an Antifraud Project in order to manage and mitigate the relevant exposure. The project has been expanded, covering now more than 22 areas of activities, with respective projects monitored by an Antifraud Manager.

Among other initiatives the Bank has centralized the credit approval process in order to mitigate the collusive fraud, in the wide sense, exposure at that area. As a result, from the Centralized Unit's production no loans have been reposted as fraudulent, in the wide sense, so far.

At the same time a more accurate assessment of fraud risks (deception) has been included in the Risk mapping process.

In addition the Bank has already decided to purchase a tool/application for Fraud, in a wide sense, Detection.

4. Operational Procedures of Shareholders General Meeting

According of Emporiki Bank's **Articles of Association:**

The General Meeting of the shareholders is the supreme organ of the Bank, represents the whole of the shareholders and decides upon any matter that concern the Bank. Its legal resolutions are binding for all shareholders. (ARTICLE 10).

All shareholders of the Bank are entitled to participate in the General Meeting. The shareholders may be represented at the General Meeting by another person, appropriately authorized. Each share provides the right of one vote. The number of the votes of each shareholder is equal to the number of its shares. (ARTICLE 11).

The General Meeting is convened, to an ordinary or an extraordinary session, by the Board of Directors of the Bank.

The General Meeting is met at the seat of the Bank or in the region of any Municipality within the district of the seat or any other Municipality adjacent to the seat in an ordinary session at least once a year within six (6) months as of the expiry of each accounting period. The Board of Directors convenes an extraordinary General Meeting, anytime it considers it necessary.

Upon application of the shareholders representing the 1/20 at least of the paid share capital, the Board of Directors is obliged to convene an extraordinary General Meeting. Such session should not be later than forty five (45) days as of the delivery of the application to the Board of Directors. The application includes the subject of the Agenda.

The Board of Directors imperatively convenes a General Meeting, upon a relevant application of the auditors, with issue of the agenda as it is determined in such application, within a period of ten (10) days as of the date of delivery of the relevant application to the President of the Board of Directors. (ARTICLE 12).

The General Meeting, with the exception of the repetitive sessions and those simulated to them, is convened within at least twenty (20) days before the date of the session, in which are also calculated the holidays. The date of the invitation's publishing for the General Meeting and the date of the session are not calculated.

The invitation of the General Meeting should determine the premises, the date and the time of the session as well as the issues of the agenda with clarity, the shareholders that are entitled to participate, as well as precise instructions for the way in which the shareholders will be able to participate to the meeting and to exercise their rights in person or through a representative. The invitation is posted up on a conspicuous position at the Bank offices and published according to the Law. (ARTICLE 13).

In order for a shareholder to participate in the General Meeting and have a right to vote therein, he will have to bind the shares he possesses, through his manager or through the Central Depository of Values if these are found in the Special Account, and to obtain a relevant certification of shares' binding. These certifications by the Central Depository of Values (or documents legally equal to those) and the documents of legalization of the shareholders' representatives should be filed with the Bank or any other Bank in Greece or the Loan and Deposit Fund or any other Bank abroad that will be set by the

Board of Directors and will be nominated in the relevant Invitation, at least five (5) full days before the date of the convention of the General Meeting.

A shareholder having the right to vote at the General Meeting is entitled to be represented therein by authorization.

Shareholders who has not complied with the above provisions is allowed to participate in the General Meeting only following a permission by it. (ARTICLE 14).

Ten (10) days before any ordinary General Meeting, the annual financial reports of the Bank and the relevant reports of the Board of Directors and the auditors are given to any shareholder, provided he asks for them.

Forty-eight (48) hours before any General Meeting, a list of the shareholders entitled to vote, is posted up in the offices of the Bank, with the number of the shares and votes of each shareholder and the rights of any representatives of them and the rights of the shareholders and their representatives. The Board of Directors must register with such list all of the names of the shareholders who have complied with such provisions.

If any shareholder or representative has objections as to the content of the list, he may propose the same only at the beginning of the session of the General Meeting and before the beginning of the discussion of the issues of the agenda. (ARTICLE 15).

The General Meeting of the Shareholders is found at quorum and comes to valid session on the issues of the agenda, except for those mentioned herein bellow, when are present or represented therein shareholders representing at least the one fifth (1/5) of the share capital that has been paid up. If no such a quorum exists, then the General Meeting adjourns the session and meets again within twenty (20) days as of the date of the adjourned meeting, being invited again at least ten (10) full days before. Such repetitive Meeting is found at quorum and comes to valid session on the issues of the initial agenda regardless the part of the paid share capital represented therein.

Exceptionally, in case of making decisions concerning:

- a. change of the nationality of the Bank,
- b. alteration of the object of the activity of the Bank,
- c. increase of shareholders' responsibilities,
- d. increase of the share capital, apart from the cases of article 6 paragraph 2 as above, or when the increase is forced by a law provision or is realized through capitalization of reserves,
- e. provision or renewal of authority to the Board of Directors in order to increase the share capital,
- f. decrease of the share capital, except that it is realized for the annulment of shares of its own,
- g. alteration of the mode of distribution of the annual profits,
- h. merger, resolution, modification, revival, extension of term or dissolution of the Bank,
- i. as well as in any other case provided by the law,

the General Meeting is found at quorum and comes to valid session on the said issues when arc present or represented thereat shareholders representing the two thirds (2/3) of the paid up share capital.

If there is no such a quorum, the General Meeting meets again in a repetitive session within twenty (20) days as of the date of the adjourned session, being invited at least ten (10) full days before and it is found at quorum and meets validly on the issues of the initial agenda when it is represented therein at least the half (1/2) of the paid up

share capital. If such a quorum is not achieved either, then the General Meeting is convened according to the above and is found at quorum and comes to valid session on the issues of the initial agenda, when it is represented therein at least the one fifth (1/5) of the paid-up share capital.

In the any event of such repetitive General Meeting, new invitation is not required, if in the initial invitation the place and the time of the repetitive meetings, laid down by the law for the case of lack of quorum, are defined. (ARTICLE 16).

The President of the Board of Directors is temporarily presiding at the General Meeting. If the President is hindered, he is substituted according to the article 22 paragraph 3 hereof. If these Deputies are also hindered, then, temporarily presiding is the shareholder or the representative of a shareholder holding the greatest number of shares. The duties of the secretaries of the General Meeting are temporarily exercised by two persons appointed by the President among the present shareholders or representatives of shareholders. After the ratification of the list of the present shareholders, the General Meeting elects its final President and two secretaries who execute also the duties of vote-tellers. (ARTICLE 17).

The General Meeting has conclusive competence in the following cases:

1. Decides upon modifications of the Articles, except for the modifications that fall under the competence of the Board of Directors, according to a law provision or a provision of the present Articles.
2. Elects the members of the Board of Directors, apart from the election of temporary Directors in substitution of those who have resigned, deceased or have forfeited.
3. It elects Regular Auditors and equal Deputy ones.
4. It approves the annual accounts and the relevant reports of the Board of Directors and of the auditors.
5. It decides by special voting, made by nominal calls, for the release of the members of the Board of Directors and the Auditors from any liability of compensation- always, however, within the limits and according to the provisions of articles 22a,22b and 37 of Codified Law 2190/1920, as it is in force.
6. It decides upon the issue of bond loans with bonds reversible to Bank's shares, as well as upon the issue of bond loans with a right for participation in Bank's profits.
7. It decides upon the merger, resolution, modification, revival, extension of term or dissolution of the Bank.
8. It decides for the appointment of liquidators. (ARTICLE 18).

The General Meeting decides by absolute majority of the votes represented therein. Exceptionally, for the matters of the paragraph 2 of the article 16 as above, the resolutions are taken by majority of two thirds (2/3) of the votes represented at the Meeting. (ARTICLE 19).

MINORITY RIGHTS

1. By application of shareholders representing the one twentieth (1/20) of the paid up share capital, the Board of Directors is obliged to convene an extraordinary General Meeting of the shareholders, as it is prescribed in article 12 paragraph 3 as above and in article 39 paragraph 1 of the CL 2190/1920 in force.

2. By application of shareholders representing the one twentieth (1/20) of the paid up share capital, the Board of Directors is obliged to incorporate in the agenda of the general meeting, which has already being called, additional issues, according to article 39 par. 2 or 6 CL 2190/1920 in force.
3. By application of shareholders representing the one twentieth (1/20) of the paid up share capital, the President of the General Meeting is obliged to adjourn once only, the resolutions of the General Meeting, according to article 39 par. 3 or 6 CL 2190/1920 in force.
4. The Board of Directors, following the application of any shareholder, which is submitted to the company at least five (5) full days before the general meeting, is obliged to provide to the general meeting the specific information sought about the Bank's cases, according to article 39 par. 4 or 6 CL 2190/1920 in force. The Board of Directors may refuse the provision of information for a justifiable and sound reason, which is indicated in the Minutes. Such a reason could be, depending on the circumstances, the representation of the applicant shareholders in the Board of Directors.
5. By application of shareholders representing the one fifth (1/5) of the paid shared capital, submitted to the Bank within the deadline of the precedent paragraph, the Board of Directors is obliged to provide to the general meeting information on the course of corporate issues and issues concerning the financial status of the Bank, according to article 39 par. 5 CL 2190/1920 in force.
6. By application of shareholders representing the one twentieth (1/20) of the paid up share capital, the decision making on issues of the agenda of a General Meeting is made by nominal call.
7. In all of the cases of this article the applicant shareholders should demonstrate their participial capacity and the number of the stocks that they own during the exercising of the relevant right. Such demonstration is also the deposit of stocks according to paragraphs 1 and 2 of article 28 CL 2190/1920, in force.
8. Shareholders of the Bank representing the one twentieth (1/20) of the paid up share capital have the right to ask for the audit of the Bank from the competent Court, if it is found possible that by the acts denounced, the provisions of the laws or the Articles of the Bank or the resolutions of the General Meeting are violated, according to article 40 par. 1 and 2 CL 2190/1920 in force.
9. Shareholders of the Bank representing the one fifth (1/5) of the paid up share capital are entitled to ask from the competent Court, according to the provisions of the hereinabove paragraph 8, an audit of the Bank, provided from the whole course of the company affairs, it is made believed that the management of the company affairs is not exercised as imposed by the virtuous and wise management. according to article 40 par. 3 CL 2190/1920 in force.
10. The applicant shareholders should demonstrate to the Court their participial capacity of the stocks that they own and that allows them to ask for such an audit of the Bank. Such demonstration is also the deposit of stocks according to article 14.1. thereof. (ARTICLE 20).

5. Composition & Operation for the BoD and Other Managerial Entities.

BOARD OF DIRECTORS

According to the **Articles of Association** of Emporiki Bank:

The Bank is administered by the Board of Directors which consists of nine (9) to twenty one (21) members, whose exact number is each time set by the General Meeting. The members of the Board of Directors can be either physical persons or legal entities. In the case of the election of a legal entity as a member of the Board of Directors, the legal entity is obliged to appoint a physical person for the exercise of the legal entity's powers as member of the Board of Directors. The General Meeting is allowed to elect equal deputies of the Board of Directors also determining the way of their substitution. The Members of the Board of Directors are elected by the General Meeting by a secret voting and by absolute majority.

The tenure of the members of the Board of Directors is four (4) years, it begins on the date of their election and it is extended until the first ordinary General Meeting that will come to session after the expiry of their tenure.

The Board of Directors is consisted of executive and non-executive members. The executive members are occupied with the daily issues of administration of the Bank and the non-executive members are in charge of the progress of the business matters in total. The number of the non-executive members and among them the number of the independent non-executive members, is determined as it is provided by L. 3016/2002 concerning corporate governance, as it is in force. The Chairman of the Board of Directors is always a non-executive member. The Directors are always re-eligible and freely revocable by the General Meeting.(article 21).

The Members of Emporiki Bank's BoD, as of 31/12/2010, were the following:

S/n	NAME	POSITION IN THE BoD	MEMBER'S CAPACITY
1	EBEOGLOU Nikolaos son of Michail	Chairman of the BoD	Non-Executive
2	STRUB Alain son of Andre	Vice-Chairman of the BoD & Chief Executive Officer	Executive
3	CHARRIER Bruno son of Bernard	Deputy Chief Executive Officer	Executive
4	BADRE Bertrand son of Denis	Member	Non-Executive
5	DE LAAGE Bruno son of Guy	Member	Non-Executive
6	DEMAZURE Luc son of Guy	Member	Non-Executive
7	HOCHER Jean-Yves son of Joseph	Member	Non-Executive
8	MAIOLI Giampiero son of Francesco	Member	Non-Executive
9	MARCHAL Jean-Francois son of Jean	Member	Non-Executive
10	NANQUETTE Yves son of Henri	Member	Non-Executive
11	OPPENHEIM Marc son of Henri	Member	Non-Executive
12	YANNAKIS Emmanuelle daughter of Emmanuel	Member	Non-Executive
13	DAVID Haralambos son of George	Member	Non-Executive
14	DIMAKAKOS Fokion son of Fotios	Member	Executive
15	CONSTANTAKOPOULOS Achilles son of Vasileios	Member	Non-Executive
16	PAPADIAMANTIS Konstantinos son of Pyrros	Member	Independent Non-Executive
17	SPILIOPOULOS George son of Konstantinos	Member	Executive
18	CHALKIDIS Despina daughter of Stefanos	Member	Executive
19	HATZOPOULOS Christoforos-Pavlos son of Andreas	Member	Independent Non-Executive

The term of the Board of Directors will last for four years and expires on the date of the ordinary or postponed General Assembly of Shareholders for the year 2013.

Furthermore, in the Articles of Association of the Bank the following issues are provided for as well:

The Board of Directors is constituted to a body at its first session convened after each-election of Directors by the General Meeting as well as in any case of vacancy of the Chairman for any reason whatsoever. In such a case, until the election of a new Chairman, the relevant duties are exercised by his Deputy according to the paragraph 3 of the article 22 of the Articles of Association.

The Board of Directors elects for a 4-year period one of its members as Chairman and upon suggestion of the Chairman, is able to elect one (1) to five (5) Vice-Chairmen, whose number is set each time by a resolution of the Board of Directors. The Board of Directors, upon suggestion of the Chairman, may cease the Vice-Chairmen before the expiry of their tenure.

When the Chairman is absent or hindered to exercise his duties, he is substituted by the Vice-Chairman who has been appointed by the Board of Directors, who, in case of absence or hindrance, is substituted by another Vice-Chairman in the series set by the Board of Directors. If the Vice-Chairmen are also absent or hindered, they are substituted by one Director, who is appointed by the Board of Directors.

The Chairman of the Board of Directors or his Deputy presides at the sessions of the Board of Directors, introduces the issues to be discussed, manages its proceedings and has the supreme supervision of the Bank's operation.

The Board of Directors, upon a suggestion of its Chairman, elects one of its executive members as Managing Director of the Bank. By the same resolution are determined its competencies as well, which include all current issues of administration of the Bank. The issues requiring collective action of the Board of Directors are excluded.

As a non-executive member, the Chairman of the Board of Directors can not be elected as Managing Director.

Upon a suggestion of the Chairman or his Deputy, the Board of Directors may abolish the Managing Director before the expiry of its tenure.

Equally, the Board of Directors may elect Deputy Managing Directors among its executive members, determining their duties.

The Board of Directors elects as its Secretary one of its members or some third party.

The Minutes of the Board of Directors are signed from the Chairman (or his Deputy) and the Secretary. Copies of the Minutes are officially published by the Secretary, without the requirement of additional validation. (article22).

The members of the Board of Directors are not obliged to be shareholders of the Bank. None of the Directors of the Bank is allowed to keep a debit account at the Bank on different terms to those in force for its clients. Counsels being in an employment relation with the Bank are allowed to keep debit accounts at the Bank on the terms that the Bank offers to its personnel. (article23).

The Board of Directors meets each time this is required according to the Law or the Articles of Association in force or the Bank's needs, upon invitation of the Chairman or his Deputy, on a date and time set by him.

The Board of Directors meets regularly at the seat of the Bank. Nevertheless, it is allowed to meet also at the capital of any Country-Member of the European Union or through video-conference according to what it is imposed by the Law. In this case, the

invitation to the members of the Board of Directors includes the necessary information for their participation in the meeting.

The convention of the Board of Directors could be sought by a minimum number of its members (this minimum number is set by C.L. 2190/1920, as in force) by applying to its Chairman or his Deputy, who are obliged to assemble the Board of Directors, in order to meet within seven (7) days till the deadline from the submission of the application, according to the provisions of C.L. 2190/20, as it is in force. (article 24).

The Board of Directors validly concludes with the presence of the half plus one (50%+1) of the total number of Directors and with the absolute majority of the present ones. The drafting and signing of the Minutes by all the members of the Board of Directors or their representatives equals to a conclusion of the Board of Directors, even if there were no previous meeting. (article 25).

In the case in which, after a resignation, death or forfeiture for any reason, whatsoever, some Director of those elected by the General Meeting, ceases participating in the Board of Directors and providing that substitution of such Director is not possible to be realized by a deputy, who is probably elected by the General Meeting, the remaining Directors, provided that there are at least three (3) of them, elect someone else to cover the vacancy for the rest of the time until the expiry of the tenure of the substituted Director.

The acts of the Directors who have been elected in such manner are considered valid, without any approval of their election by the General Meeting being needed. The decision of election in such manner is subjected to the publicity of article 7b of Codified Law 2190/1920 and is announced by the Board of Directors in the following General Meeting, which can replace the elected, even if this is not included in the agenda.

The substitution as above is not obligatory and the remaining members of the Board of Directors may continue the administration and representation of the Bank without the substitution of the lacking members, provided that their number exceeds the half of the members, as they were before the afore-mentioned events. In any case these members are not allowed to be less than three (3). (article 26).

If some Director does not participate or is not represented at the sessions of the Board of Directors with no excuse, for a period longer than six (6) consecutive meetings, he is considered resigned. The forfeiture from his office will become final as of the date the Board of Directors will decide upon that and the resolution will be registered with the Minutes.

The resignation of any Director should be addressed to the Board of Directors and becomes final when it comes to the Bank without needing its acceptance. (Article 27).

Each member of the Board of Directors has one vote. If any member of the Board of Directors is absent or hindered to attend the session, he may appoint by a document or by a statement registered with the Minutes, as representative of his, any other member of the Board of Directors.

Each Director may validly represent only one of the other Directors.

The representation at the Board of Directors is not allowed to be assigned to persons who are not members of it. (Article 28).

The Board of Directors is competent to decide upon any matter concerning the Bank's administration, the management of its property and generally the pursuit of the company objects with the exception of those which, according to the expressed provisions of the Law or the Articles of Association are subjected to the competence of the General Meeting.

Upon proposal of the Managing Director, the Board of Directors decides upon the organization and operation of the Bank in more General Directorates (Divisions), while he appoints for a definite time and ceases the respective General Managers and Deputies General Managers who may be members of it as well. The General Managers and their Deputies assist the Managing Director according to the competence granted to them.

The Board of Directors is also competent, with its collective resolution, for:

- a. The approval of the Internal Operating Regulation and the Personnel Regulation of the Bank.
- b. The general policy of the Bank's payments, as it is provided for by L. 3016/2002, concerning corporate governance, as it is in force.
- c. The approval of an internal control system and the appointment of the internal auditors. Upon a conclusion of the Board of Directors the inspection of the internal auditors is assigned to one up to three of its non-executive members.
- d. The participation of the Bank in the share capital of other Banks in Greece or abroad or the sale of its participations therein.
- e. The approval of the expenditure which is each time needed for Bank's contributions towards the insurance Funds (Auxiliary, Welfare and Providence Funds) of its personnel.
- f. To convene the General Assembly and to submit the Annual Financial Reports of the Bank to it for approval, the suggestions and reports concerning the accounts and activities of the Bank.
- g. To propose the dividend to be distributed to its shareholders and to decide on the probable temporary dividend according to the provisions of the art. 46 of the Codified Law 2190/1920, as it is in force.

Any other compensation given to a Director, except for those determined in the article 38 of the Articles of Association, on the profits of the Bank, is considered legal and charges the Bank only if approved by a special resolution of the ordinary General Meeting.

Any acts of the Board of Directors, even if they are out of the company objects, are binding for the Bank towards third parties, unless it is proven that the third party was aware of the excess of the company object or should have been aware of this.

The members of the Board of Directors are liable towards the Bank for their acts or omissions during the management of the company affairs, according to the provisions of the articles 22a and 22b of the Codified Law 2190/1920, as it is in force. (article 29).

The Board of Directors represents the Bank in and out of the court and may, by its resolution, in the context of the law and the present Articles of Association, assign the exercise of powers and authorities, to the Chairman, to the Managing Director, to the Vice-Chairmen, to the Deputy Managing Directors, to one or more members of it, and upon a proposal of the Managing Director, to the General Managers, Deputies General Managers or to Managers of the Bank or other employees of it, determining at the same time the matters for which these powers are granted.

The Bank is bound in its transactions either (a) by one signature authorized as «sole» signature or (b) by two (2) authorized signatures, of which the one should be necessarily authorized as “first”. The Managing Director has a right of sole signature. The Board of Directors may grant a right of sole signature only to its Chairman, to the Vice-Chairmen, to Deputy Managing Directors, to the General Managers and the Deputies General Managers.

The list of the first and second signatures to the Bank’s employees is determined and certified by the Managing Director or the authorized employees that he appoints. (Article 30).

The direction of the business of the Bank is exercised by the Managing Director within his powers. The Managing Director, the Deputy Managing Directors, the executive members of the Board of Directors, the General Managers as well as the Deputies General Managers manage the interests of the Bank according to the provisions of the Articles of Association and the authorizations granted to them by the Board of Directors. Each one of the above represents the Bank in the name of the Board of Directors judicially and extra-judicially towards third parties and before any Public Authority and the Courts, being entitled to use or waive any remedy, ordinary or extraordinary, and to appoint attorneys-at-law.

If it is imperative for a self-presented appearance of the Bank before a Court, the District Attorney or other Judicial Authority or in case of oath administration, complaints delivery and waiver of those, declarations of attendance as civil accuser before the criminal courts at the preliminary hearing and the open court and waiver of those, filing remedies against criminal resolutions and decrees and waiver of those, as well as in all cases in general that require the personal appearance of the Bank before a Court, the District Attorney or other Judicial Authority, then the Bank is legally represented, except for the above, also by any Manager or Sector Manager of Directorate or Region and for the affairs of the branches of the Bank also by the Director or each of the Sub-Directors of the Branch. (Article 31).

It is prohibited to the executive members of the Board of Directors, the General Managers and Deputies General Managers as well as the Managers of the Bank to act, without the permission of the General Meeting, for their own behalf or on behalf of third parties, any acts subjected to any of the objective purposes pursued by the Bank or participate as general partners in companies pursuing such objective purposes.

Each Director is obliged to keep absolute confidentiality for the affairs of the Bank which have become known to him due to his capacity as a member of the Board of Directors. (Article 32).

The Code of Conduct for the Members of the Board of Directors is the following: In accordance with Law 3016/2002 “on corporate governance”, as in force today, in combination with the provisions of Codified Law 2190/1920, the following issues, regarding internal operation, conduct, obligations and duties of the Bank’s Members of the Board of Directors, are put into effect, regardless of whether the Members are executive, non-executive or independent non-executive (hereafter the “Members”):

First of all it should be clarified that the present Regulation applies as a supplement of the rules, laws and regulations in force each time and therefore its purpose is to set some general guidelines regarding the professional conduct of the Members of the

Bank's Board of Directors. The Board of Directors is responsible for making decisions on all aspects of the Bank's administration, the management of its assets and the overall pursuit of its purposes, defending the interests of its shareholders and investors in general. Each member of the Bank's BoD is liable towards the Bank for any misconduct in the management of its corporate affairs and for applying, during the exercise of his/her duties, the due diligence he/she usually applies when handling his/her own affairs.

- The primary obligation of the Members is the continuous pursuit of the Bank's purposes, the enhancement of the long-term financial value of the Bank and the defending of its business interests in general.
- The Members must comply with all laws, provisions, rules and regulations in force each time and when handling Bank affairs, they must act with all due diligence, honesty and integrity.
- It is prohibited to the Members to pursue personal benefits that contradict the Bank's interests and benefit business-wise from actions that burden the Bank. The members must also handle any conflicts of interest in such a way so that the Bank's interests are defended and promoted. A conflict of interest may occur when a Member executes a transaction or has interests in a transaction that may hinder his work at the Bank and lead to doubts about his/her objectivity and performance. The Members must inform the BoD immediately in any case there is or might be a conflict of interests' situation.
- The members must keep and ensure complete confidentiality regarding the Bank's actions and transactions, whether completed or outstanding or expected, its customers, consultants, collaborators and suppliers, its administrative rules and regulations, etc. Any and all information regarding the Bank must be used by the Members only within their duties and not for personal gain or the benefit of a third party against the Bank.
- The confidentiality obligation also extends to any issue that could affect the value and trading of the Bank's shares at organized stock markets.
- In case any of the Members is called by the competent court authorities to disclose confidential information about the Bank, he/she must notify the Chairman of the BoD of the situation and disclose information only if and to the degree that it is required. The confidentiality obligation and the notification of the Chairman remain in effect even after the Members have left the Board of Directors for a period of at least two years.
- The Members must pursue transparency in all their affairs with the Bank, and notify the BoD in time in case any obstruction or personal gain, which in their judgment, or the general sense, arises during the exercise of their duties in the Bank's, or any affiliated enterprises', transactions, in accordance with article 42^e para. 5 of Codified Law 2190/1920.
- The Members must inform the Chief Executive Officer before making any statements concerning the Bank to the Media or the public in general.
- It is prohibited to the Members to be employed in any way, or to be a member of the BoD or to be a representative of a competitive bank or engage directly or indirectly in any activity competitive to the Bank, without the previous consent of the Bank's BoD.
- The Members must always act in good faith and make every effort to maintain the good name and reputation of the Bank and the quality of its services. The Members also must pursue the increase of the Bank's shares internal value and

the reinforcement of their trading value, so that they reflect the true financial value of the Bank. Furthermore, the Members must support and promote the shareholders' confidence in the Board of Directors and the conservation of the Administration's reliability, as a listed company, before the investment community.

- If asked to, the Members must assist the internal auditors of the Bank in their duties, provide them with the necessary means and information, provide timely and full information regarding the accuracy of the financial statements or other reports and documents, protect the Bank's assets and draw up the necessary documents and statements.
- The Members cannot abuse their capacity as Members in treating favorably customers, suppliers or employees of the Bank. The duty of the Members is to make unbiased decisions towards the Bank's interests and avoid burdening the Bank for their own or third parties' benefit.
- The present Regulation applies from the time a Member is elected to the BoD.
- Any deviation or violation of the present provisions by a Member may, at the discretion of the BoD, bring about lawful penalties, and/or termination of any eventually existing employment contract.

The authorities of the Board of Directors that derive from the Corporate Internal Operating Regulation of the Bank are the following:

- The Board of Directors is the senior management instrument and principally develops the Bank's strategy and development policy, and, also, supervises and audits the management of its assets.
- The composition, the term of office, the operation, the authorities and the appointment of the Board's members are regulated by the Bank's Corporate Internal Operating Regulation, by Law 2190/1920 and Law 3016/17.05.2002, as in force.
- In specific, the Boards of Directors currently comprises 19 members, 5 of which are executive, and the remaining 14, non-executive; of the non-executive members, the 2 are also independent, as per the meaning of article 4 of Law 3016/17.05.2002, as in force. The non-executive members of the Board of Directors ought to constitute at least the 1/3 of its total members. If through the future changes in the composition of the Board of Directors accrues a fraction in the number of the non-executive members, it will be rounded up to the following whole number. If any member of the Board of Directors absents or is obstructed from attending the meeting, he is entitled to appoint as his proxy, through a document or statement, another member of the Board of Directors. If this member is non-executive, it can only appoint as proxy another non-executive member of the Board.
- The Board of Directors is competent to decide on every issue concerning the strategic course and the management of the Bank, the management of its assets and in general the pursuance of corporate goals, with the exception of those which, as per a strict provision of either the Law or the Corporate Internal Operating Regulation, fall under the competencies of the Shareholders' General Meeting.
- The Board of Directors decides the organization and operation of the Bank in General Divisions, appoints for a determined period and discharges the Chief Executive Officer, the respective General Managers and Deputy General Managers, which may be its members.

- The Board of Directors pre-approves the expenses of the Bank's regular budget and approves the extraordinary expenses, should the amount exceed the limits set for the Chief Executive Officer. The approval of the budget also includes the approval of salaries' and wages' policy and in general the allowances to the personnel for each year. Under its approval is also set every proposal by the Chairman or the Chief Executive Officer on additional remunerations for the members of the Board, the General Managers and Deputy General Managers, in excess of the effective payroll as per the Law.
- The Board of Directors approves the Chairman's recommendations for covering the vacancies of the Board of Directors, and the Chief Executive Officer's recommendations for hirings, appointments and discharges of the General Managers and Deputy General Managers, by implementing the hiring – appraisal – discharge procedure for the Management Executives of the Bank.
- The Board of Directors ratifies the cooperation contracts of the Chief Executive Officer, the General Managers and the Deputy General Managers with the Bank, focusing on the contractual compensation obligations accruing should the cooperation is prematurely terminated.
- The Board of Directors submits on an annual basis for approval to the ordinary Shareholders' General Meeting all types of remunerations paid to the members of the Board, to the Audit Committee and eventual other Committees, where required, in which participate members of the BoD.
- The Board of Directors submits on an annual basis to the supervisory authorities a report citing in detail the transactions of the Bank with its affiliated enterprises, as per the meaning of article 42^e par. 5 of codified law 2190/1920.
- The Board of Directors, following a proposal by the Chairman and recommendation by the Bank's Audit Committee, designates the internal auditors of the Bank.
- The executive members address the daily management issues of the Bank.
- The non-executive and the independent members of the Board are charged with the promotion of all corporate matters.
- For the more effective operation of the Bank's individual Services, for the wiser implementation of the Internal Operating Regulation, as well as the address of the accruing needs in crucial sectors and specialized issues, the Board of Directors, following a proposal of its Chairman, may assign in whole or in part the management of operation to the Chief Executive Officer, the Vice Chairmen, the General Managers and the Deputy General Managers.
- The Board of Directors is responsible for observing the law and the resolutions of Monetary Authorities, the Athens Stock Exchange and the Hellenic Capital Market Commission.

Authorities of the Executives Members of the Board of Directors

Vice-Chairman of the BoD

The Vice-Chairman, who is designated by the Board of Directors, as per the provisions of the Corporate Internal Operating Regulation and the letters of delegation granted by the Bank's Board of Directors, replaces the Chairman of the Board of Directors, when the latter absents or is hindered.

Chief Executive Officer

The Chief Executive Officer, pursuant to the provisions of the Articles of Association and the authorizations granted to him by the Bank's BoD, is in charge of the following:

- Represents the Bank on his own and generally exercises all the competences and powers of the Board of Directors in accordance with the Bank's Articles of Association.
- Acting on his own, determines the competences of the General Managers and of the Deputy General Managers, constitutes Management Committees and modifies or terminates those functioning- depending on the problems or conditions arising from the functioning of the Bank- and also determines the composition and competences of such Committees.
- Acting on his own, represents the Bank before Administrative Authorities and Courts, and he is empowered to use and waive every legal remedy, ordinary or extraordinary, and to appoint Attorneys-at-law, to hire, fire, appoint and transfer employees of the Bank, to borrow on behalf of the Bank, to receive and grant pledges and mortgages, to sign bills of exchange and promissory notes and other negotiable titles of every kind and generally every document concerning the legal relationships of the Bank with third parties, to buy immovable property for the Bank's own use, to sell and transfer immovable or movable property of the Bank and other rights in rem, to constitute servitudes in rem and in personam, to settle claims of the Bank including creditors' order at forced auction and to receive the auction proceeds by signing the relevant deeds and any required certificate of payment receipt, to accept auction bids, to cancel mortgages and pre-notices of mortgage registered in the Bank's favor, to lift seizures, to waive notices, to terminate leases of immovables.

With regard to the above acts the Chief Executive Officer may transfer, by private or public powers-of-attorney, part of his competences to General Managers, Deputy General Managers, Managers, employees of the Bank, lawyers or/and third parties with any specific or defined mandates in his judgment and to revoke the same.

Deputy Chief Executive Officer

The Deputy Chief Executive Officer, pursuant to the provisions of the Articles of Association and the authorizations granted to him by the Bank's BoD, is in charge of the following:

- Acting on his own, constitutes Management Committees and modifies or terminates their functioning- depending on the problems or conditions arising from the functioning of the Bank- and also determines the composition and competences of such Committees.
- Acting on his own, is authorized to borrow on behalf of the Bank, to receive pledges and mortgages, to sign bills of exchange and promissory notes and other negotiable titles of every kind and generally every document concerning the legal relationships of the Bank with third parties, to represent the Bank before Administrative Authorities and Courts, and empowers the same to use and waive every legal remedy, ordinary or extraordinary, and to appoint Attorneys-at-law.
- The Deputy Chief Executive Officer is also authorized to settle claims of the Bank including creditors' order at forced auction and to receive the auction proceeds by signing the relevant deeds and any required certificate of payment receipt, to accept auction bids, and further to cancel mortgages and prenotices of mortgages registered in the Bank's favor, to lift seizures, to waive notices.

- The Deputy Chief Executive Officer is also authorized to buy immovable property for the Bank's own use, to sell and transfer immovable or movable property of the Bank and other rights in rem, to constitute servitudes in rem and in personam and to conclude lease contracts of any kind.

With regards to the above acts the same Deputy Chief Executive Officer may transfer, by private or public powers-of-attorney, part of his competences to General Managers, Deputy General Managers, Managers, employees of the Bank, lawyers or/and third parties with any in his judgment specific or defined mandates and to revoke the same.

The Executive BoD Member

The Executive BoD Member, pursuant to the provisions of the Articles of Association and the authorizations granted to him by the Bank's BoD, is in charge of the following:

- He is authorized to supervise the Legal Division, the Corporate Affairs & BoD Secretariat Division and the offices for Corporate Social Responsibility and Strategic Planning.
- He has also specific additional duties, assigned directly by the CEO, indicatively for labour and legal issues, supporting the BoD meetings also of the Group and the meetings of the General Assembly of the Bank, as defined by the CEO.

General Manager

The General Manager, pursuant to the provisions of the Articles of Association and the authorizations granted to him by the Bank's BoD, is in charge of the following:

- Acting on their own, they are authorized to sign contracts of any kind with third parties, to borrow on behalf of the Bank, to receive pledges and mortgages, to sign bills of exchange and promissory notes and other negotiable titles of every kind and generally every document concerning the legal relationships of the Bank with third parties, to represent the Bank before Administrative Authorities and Courts, and empowers the same to use and waive every legal remedy, ordinary or extraordinary, and to appoint Attorneys-at-law.
- The General Managers are also authorized to settle claims of the Bank including creditors' order at forced auction and to receive the auction proceeds by signing the relevant deeds and any required certificate of payment receipt, to accept auction bids, and further to cancel mortgages and prenotices of mortgages registered in the Bank's favor, to lift seizures, to waive notices.
- The General Managers are also authorized to buy immovable property for the Bank's own use, to sell and transfer immovable or movable property of the Bank and other rights in rem, to constitute servitudes in rem and in personam.

With regard to the above acts the abovementioned General Managers may transfer, by private or public powers-of-attorney, part of their competences to Deputy General Managers, Managers, employees of the Bank, lawyers or/and third parties with any in their judgment specific or defined mandates and to revoke the same.

Authorities of the Non-Executive Members of the Board of Directors

Chairman of the Board of Directors

The Chairman of the Board of Directors:

- **Is responsible** for the wise and smooth operation of the Board of Directors and for determining the agenda of every meeting, taking into account the overall issues which regard the Bank and are possibly proposed by the other members. Generally

speaking, the Chairman is responsible for the optimal exploitation of the BoD meetings, since he works on collecting the issues that regard the future prospects of the Bank and the planning of its strategic course, avoiding at the same time the formal procedures for approving proposals and subjects, which may be assigned to competent lower-rank executives.

- **Proceeds** with the necessary actions in order for the remaining members of the Board of Directors to receive and use precise, accurate and timely information on the performance of the Bank. He thus ensures the proper monitoring of the Bank's course and the appropriate and effective decision making by the Board of Directors, contributing indirectly to the effectiveness of the management's duties.
- **Ensures** on one hand the existence and maintenance of effective communication with the shareholders of the Bank, and, on the other, the full comprehension of the views, goals and expectations of the principal shareholders by the members of the Board.
- **Coordinates** the operations of the Board in a way to ensure that during the meetings the necessary time is invested for examining/looking into complicated and important issues. He also sees to the presence of the appropriate executives of the Bank and the provision of clarification to the members of the Board, with the view to fully brief its members before making any decisions and determining guidelines.
- **Is responsible** for the continuous training and skills' development of the Board of Directors, as a body.
- **Determines and submits** recommendations for approval to the Board of Directors any additional remuneration of the members of the Board, the Chief Executive Officer, the General Managers and Deputy General Managers, in excess of the effective payroll as per Law. In his recommendation he ensures the adequacy of the remunerations, in order to attract and maintain co-operations with highly skilled executives, but also to provide the necessary incentives for the achievement of the Bank's strategic goals. The remuneration levels for the non-executive members of the Board of Directors are defined taking into account the authorities of the specific positions, and the time required to fulfill the duties they have assumed.
- **Submits** recommendations for the filling of vacancies of the Board of Directors, with the final approval of the Board.
- **Proposes, convokes and chairs** the General Meetings of the Bank's shareholders.

The **non-executive members of the Board of Directors** assume on a case by case basis the following responsibilities:

- **Participation** in the installation and safeguard of the appropriate control environment, capable of optimizing the monitoring and management of the risks related to the operation of the Bank.
- **Participation** in the definition of the Bank's strategic goals, controlling at the same time the adequacy of the necessary financial and human resources, to achieve these goals.
- **Participation** in the definition of the corporate values, rules and standards and safeguard of these values' compliance with the requirements, the prospects and expectations of the Bank's shareholders.

In combination with the above authorities (which are common for all the members of the Board of Directors), the non-executive members of the Board of Directors actively participate in and contribute to the following management operations:

- **Strategy definition:** The non-executive members actively participate in the definition of the corporate strategy, looking constructively into the existing proposals and directions.
- **Risk Control:** The non-executive members look into the integrity of the financial data, information and lists and ensure that the relevant safety valves and the financial risks' management systems are adequate and effective.

The non-executive members preserve their independence in the investigation of the issues they look into, in order to provide substantial work and create a climate of trust between the Board of Directors and the Management Executives.

The non-executive members of the Board of Directors should know in depth both the operation and the objects of the Bank, and the wider market of financial sector and, to this end, they are provided with every facility.

In general, a non-executive member attends its constant training, to substantially and effectively contribute to the smooth and efficient operation of the Bank.

Within the frame of their competencies, the non-executive members of the Board of Directors participate in constituted Committees and Councils.

Secretary to the Board of Directors

The elected Secretary to the Board of Directors may be either one of its members or a third party.

The Secretary supports the Chairman in the preparation of the meetings and the general management of the BoD operation issues, within the legal framework of operation for listed societies anonymes and especially within the frame of the Internal Operating Regulation, for its good and efficient operation, in conformity with the principles of Corporate Governance.

In detail, he sees to the collection of the issues, their elaboration and the verification of their compliance with the existing policies of the Bank, the management systems and the previous decisions made by the BoD as well as the regulatory operation framework of the Bank, the timely notification of the subjects to the members and the provision of all necessary information for the performance of their work, the drafting and keeping of minutes, the issuance of excerpts and their communication where required, and in general, the management of communication between the Board of Directors and the Bank's official mechanism.

Moreover, following authorization by the Board of Directors, he signs the minutes' excerpts and communicates only with his signature with the various authorities for issues of compliance or fulfilment of obligations of the Board of Directors.

In addition to the above, the authorities of the BoD secretary include all the others mentioned with regard to his position in the Internal Operating Regulation. In his role and in the exercise of his authorities, the Secretary is supported by the relevant Divisions of the Bank.

Also, the Committees: 1) **Asset and Liabilities Committee (A.L.CO)** and the subcommittees (i) Treasury and Investment Committee - T.I.Co and (ii) Market Risks Committee - MARCO, 2) **Audit Committee**, 3) **Remuneration Committee**, 4) **Risk Management Supervision Body**, 5) **Corporate Social Responsibility Committee** and 6) the **Internal Audit General Division** are the **other administrative, managerial and supervisory Bodies** of the Bank .

1) Asset and Liabilities Committee (A.L.CO)

It has been established under the Management Circular no. 1728/12.11.2009, it has a managerial and consulting nature and aims at efficiently manage the Bank's funds so that their yield versus the undertaken risk is maximized.

The supervision of all financial risks and limits of the Group, including the formulation of general instructions to the Market Risks Committee and the Management and Investment Committee regarding the total structure of the Bank's and the Group's balance sheet, the supervision of the long-term liquidity risk and the limits of the Group, the supervision of the long-term liquidity risk and the limits of the Group, the supervision of the structural currency risk of the Group and the supervision of all solvency indexes (or other structural and regulatory requirements) of the Group, constitute the main goals of ALCO.

The ALCO Committee operates according an approved regulation, the main points of which are the following:

« I. Role, Responsibilities provided to the ALCO

The ALCO is the internal body of Emporiki Bank which regulates the management of the Global Interest Rate Risk and the Medium/ Long Term Liquidity Risk within Emporiki Group. Beyond this direct duty and on a wider basis, ALCO is also in charge of regulating the financial risks and limits of Emporiki Group.

Its role and responsibilities are:

On an Emporiki Group basis:

- To define the Financial Risk Management strategy of the Group, and to determine (for the Bank) or validate (for subsidiaries) the way in which this strategy is operationally implemented;
- To ensure that this Financial Risk Management strategy is presented and validated by the Board of Emporiki Bank, at least once a year;
- To define the norms and methods applied by the Group in measuring and managing Financial Risks, and computing Financial and Commercial margins.
- To define the Financial Risks limits under which the Group will work and to determine or validate the way in which these limits are operationally split and implemented;
- To ensure that Financial Risks are measured accurately, exhaustively, and managed efficiently throughout the Group. This efficiency criteria including:
 - the respect of enforced risks limits

- the optimization of profitability and margins, and
- any accounting aspects related to the hedging relationship;
- To ensure that this measurement is correctly consolidated in order to receive periodically a recent and consistent view on the consolidated Financial Risks of the Group;
- To periodically (at least once a year) provide the Board of Emporiki Bank with a comprehensive view on the consolidated Financial Risks and Limits of the Group.

On an Emporiki Bank basis:

- To operationally ensure for Emporiki Bank the application of the above duties listed at Group level, through the ALCO itself and through other committees reporting to the ALCO.
- To regulate the management the Global Interest Rate Risk, the Solvency Requirements, the Structural Foreign Exchange Risk and the Medium/Long Term Liquidity Risk of Emporiki Bank. Those regulations include setting up limits, measurement of risks, ratios, and decisions upon financial and/or commercial operations, related to the management of the Balance Sheet of Emporiki Bank.

The ALCO operates taking into account both the necessary risk controls of the Group, and the need to optimize profitability through financial operations and hedging strategies.

The ALCO also operates under the constraints of any local regulation and regulatory requirement, as well as in tandem with Crédit Agricole S.A. norms, procedures and methodology, to the extent that they do not contradict local regulations. In this context and to the extent that is properly informed, the ALCO of Emporiki Bank is responsible to establish the necessary internal rules that will ascertain the compliance of the Emporiki Group with statutory and internal (Crédit Agricole S.A. Group) regulations.

From a Financial Management point of view, the ALCO enables Top Management and Business Lines to get a clear view on the evolution of the profitability in relation to the level of Equity Capital allocated and its dependence on the actual and forecasted financial factors (market rates, currencies, liquidity etc.).

II. Perimeter of the ALCO

To achieve fully its duties, the ALCO has to take all necessary decisions with regard to:

1. Definition and implementation of internal norms and policy of ALM
2. Validation of the ALM conventions.
3. Follow-up of the ALM risks (liquidity, Fix Interest rate, FX exposure, optional risks, etc.).
4. Compliance with limits regarding the ALM exposure.
5. Hedging strategy and/or transactions as well as their accounting justification.
6. Follow-up of the ALM result.
7. Management of the financial ratios (liquidity, solvency, etc.).
8. Needs of MLT funding as well as overall guidelines on short term funding.
9. Follow-up and analysis of the constitution of the Net Interest Income (through the analysis of margins calculated with FTP).
10. Follow-up of the AFS portfolio.

11. Allocation of Equity Capital to the Business lines and follow-up of the return on equity.
12. Allocation of Liquidity to the Business Lines.
13. Validation of the Financial Risk Limits.
14. Definition and update of the financial policy.
15. Establish limits in the name of subsidiaries owned directly or indirectly by more than 50%.

Organization

III.1 – Composition & Operation

The Members of the Emporiki Bank ALCO are:

1. CEO (Chairman)
2. Deputy CEO (Alternate Chairman)
3. Chief Financial Officer
4. Chief Risk Officer (or his delegate)
5. Chief Economist
6. Head of Management Control
7. Head of Financial Management
8. Head of Risk Management
9. Head of Marketing
10. Head of Retail Network
11. Head of Corporate and Investment Banking

The attendance of the Chairman or the Alternate Chairman is compulsory.

The attendance of the Chief Risk Officer and either the CFO or the Head of Financial Management is compulsory.

The Chairman of the committee may at his discretion invite other members of Emporiki's staff or external participants for presentation of specific item.

Decisions are taken by the Chairman of the Committee, after taking into account the views of the members.

The Committee is in quorum when half of the members are present in addition of the Chairman or the Alternate Chairman.

The meetings are minuted.

Ordinary meetings of the committee are held on a quarterly basis. The Chairman of the committee may call extraordinary meetings at his own prerogative.

The Financial Management Division is in charge of the Committee secretariat and appoints the secretary of the committee. His role is to organize the meetings, produce the minutes, and have them validated and signed by the Chairman and the members of the ALCO. Considering that the minutes include the operational decisions taken by the Committee:

1. The minutes are sent to the Chairman and the members via email as soon as they are ready. The participants have one week to comment, after which the minutes become final and extracts are issued to the operating units for action.
and
2. These minutes are systematically included within the preparation file of the next ALCO, as a reminder of former decisions taken and comparative point for their application.

III.2 – Consolidation and global management

The ALCO is in charge of the global supervision on financial risks and limits of the Group, and is therefore responsible for ensuring the consistency of the Financial Risks management architecture between Emporiki Bank on one hand and its subsidiaries on the other hand. In this context the ALCO ascertains the:

- consistency of methodologies and procedures applied in the subsidiaries of the Bank
- reliability of data and computations that are operated in these subsidiaries
- efficiency of the periodical consolidation process. ».

The Asset and Liabilities Committee (ALCO) is composed of the following Members:

Chairman:	Strub Alain son of Andre, Chief Executive Officer
Replacing the Chairman:	Charrier Bruno-Marie son of Bernard, Deputy Chief Executive Officer
Members:	Julita Vincent son of Georges, Chief Financial Officer
	Hoffmann Andre-Francois son of Bernard, Chief Risk Officer
	Moschos Dimitrios son of Markos, Chief Economist
	Skafidas Apostolos, son of Georgios, Financial Management Division Manager
	Kapopoulos Panagiotis, son of Theodoros, Risk Management Division Manager
	Hay Marc son of Emil, Business Development, Marketing and Corporate Communication Unit Head
	Leontiou Antonios, son of Dimitrios, Retail Banking Head
	Koutsoudakis Georgios son of Dimitrios-Spyridon, Enterprises, Investment and Private Banking Deputy General Manager

The ALCO Members do not receive any remuneration for their participation in this Committee.

(i) Treasury and Investment Committee-T.I.Co

The Treasury and Investment Committee has been established under the Management Circular no. 1728/12.11.2009, operates in the framework of ALCO general instructions and monitors the application of the relevant policies approved by ALCO. It aims at supervising the risk and the limits of the Group's short-term liquidity, the operational management of the AFS and HTM portfolio as well as the implementation of the executive procedures.

The T.I.Co Committee operates according an approved regulation, the main points of which are the following:

«Role and Responsibilities of the Treasury and Investments Committee (TICO)

The T.I.CO is defined as the internal body of the Bank which monitors the implementation of the relevant policies as approved by the ALCO.

Organization

The members of the TICO are:

1. Deputy CEO (Chairman)
2. Chief Financial Officer (Alternate Chairman)
3. Chief Risk Officer or the representative of the CRO
4. Head of Financial Management

The attendance of the Chairman or the Alternate Chairman is compulsory.

The attendance of the Chief Risk Officer and either the CFO or the Head of Financial Management is compulsory.

The Chairman of the committee may at his discretion invite other members of Emporiki's staff or external participants for presentation of specific item.

Decisions are taken by the Chairman of the Committee, after taking into account the views of the members. In case of unfavourable opinion by the Chief Risk Officer or his representative, the request must be escalated to the ALCO for decision.

The meetings are minuted Ordinary meetings of the committee are held on a monthly frequency. The Chairman of the committee may call extraordinary meetings at his own prerogative.

The Financial Management Division is in charge of the Committee secretariat and appoints the secretary of the committee. His role is to organize the meetings, produce the minutes, and have them validated and signed by the Chairman and the members of the ALCO. Considering that the minutes include the operational decisions taken by the Committee:

- The minutes are sent to the Chairman and the members via email as soon as they are ready. The participants have one week to comment, after which the minutes become final and extracts are issued to the operating units for action. and
- These minutes are systematically included within the preparation file of the next TICO, as a reminder of former decisions taken and comparative point for their application. »

The Treasury and Investment Committee is composed of the following members:

Chairman:	Charrier Bruno-Marie son of Bernard, Deputy Chief Executive Officer
Replacing the Chairman:	Julita Vincent son of Georges, Chief Financial Officer
Members:	Hoffmann Andre-Francois son of Bernard, Chief Risk Officer
	Skafidas Apostolos, son of Georgios, Financial Management Division Manager.

The Treasury and Investment Committee Members do not receive any remuneration for their participation in this Committee.

(ii) Market Risks Committee – MARCO

The Market Risks Committee has been established under the Management Circular no. 1728/12.11.2009, it operates in the framework of ALCO general instructions and monitors the implementation of the relevant decisions made by ALCO. It aims at supervising the credit margins, the interest rates risk, the exchange rate risk and the observation of the limits deriving from the Trading book - regulatory definition) of the Group.

The MARCO Committee operates according an approved regulation, the main points of which are the following:

« I. Role and Responsibilities of the Market Risk Committee (MARCO)

The Market Risk Committee is defined as the internal body of the Bank which monitors the implementation of the relevant policies as approved by the Alco.

II. Organization

The members of the MARCO are:

1. Head of CIB (Chairman)
2. Head of Capital Markets (Alternate Chairman)
3. Chief Risk Officer or the Head of Market Risks
4. Head of Market Risk
5. Head of Trading
6. Head of Financial Management

The attendance of the Chairman or the Alternate Chairman is compulsory as well as the attendance of three other members.

The attendance of the Chief Risk Officer or the Head of Market Risks is compulsory.

The Chairman of the committee may at his discretion invite other members of Emporiki's staff or external participants for presentation of specific item.

Decision is taken under the following process:

- All decision is taken based on a written proposal. No decision can occur based on oral information.
- Each participant must receive all the market requests and the risk assessment at minimum one day before the Committee's meeting. The risk assessment is based on the principle of independency. At minimum, 2 days are necessary to deliver such an assessment, while 5 working days is the standard. Regarding any decision eligible to ALCO validation, the Front office business line sends to Risk management the request at minimum 4 days before the Committee.
- Decisions are taken by the Chairman of the Committee.

All approvals within the Committee's delegation limits are subject to the favorable opinion of Risk Management. In case of unfavorable opinion by the Chief Risk Officer or the Head of Market Risks, the request must be escalated to the Chairman of the ALCO for decision.

The Committee is held on a bi-weekly basis. However, the Chairman, or the Secretary can call the Committee as needed, if this is considered necessary.

For emergency reasons, a Committee could be organized through the dedicated Public Folder without "physical" meeting. In that case, the Secretary of the Committee collects

the opinions and comments of the Members through lotus notes and the Decision Advice Note (DAN) is signed according to these opinions and comments.

In addition, in case of an exceptional emergency request, the decision can be taken by the Chairman of the Market Risk Committee or his Deputy. In such a case, a decision sheet is signed by the decision taker and a Risk Management opinion is needed as well. The emergency reasons must be written in a specific executive summary. . In case of unfavorable opinion by the Chief Risk Officer or the Head of Market Risks, the request must be escalated to the ALCO for decision.

The Capital Markets Division is in charge of the Committee secretary. His role is to organize the meetings of the MARCO, to produce the minutes of these meetings, and to have them validated and signed by the Chairman of the MARCO. Considering that these minutes includes the operational decisions taken by the Committee:

- This validation process must be led very quickly in order to allow operational teams to proceed with the application of these decisions in the shortest delay, and
- These minutes are systematically included within the preparation file of the next MARCO, as a reminder of former decisions taken and comparative point for their application. »

The Market Risk Committee is composed of the following Members:

Chairman:	Koutsoudakis Georgios son of Dimitrios-Spyridon, Enterprises, Investment and Private Banking Deputy General Manager
Replacing the Chairman:	Kontzias Evangelos son of Ioannis, Capital Markets Division Manager
Members:	Hoffmann Andre-Francois son of Bernard, Chief Risk Officer
	Sainis Athanasios son of Vasileios, Risk Management Division Deputy Manager.
	Lymperis Angelos, Bonds Sector Manager of the Capital Markets Division.
	Skafidas Apostolos, son of Georgios, Financial Management Division Manager

The Market Risks Committee Members do not receive any remuneration for their participation in this Committee.

2) Audit Committee

Audit Committee was established pursuant to BoD Minutes No. 2738/31.08.2006 and has reconstituted under Minutes No. 2788/05.05.2010 of the Bank's BoD.

The Audit Committee's nature is consulting, its composition complies with the art. 37, Law 3693/2008 and it is composed of the following Members:

Chairman	Nanquette Yves son of Henri, non executive BoD Member
Members:	Yannakis Emmanuelle daughter of Emmanuel, non executive BoD Member
	Papadiamantis Konstantinos, son of Pyrros, Independent non executive BoD Member

The Chairman and the Members of the Audit Committee do receive remuneration for their participation in this Committee.

The Audit Committee operates on the basis of an approved regulation. The Bank abides by the art. 37, Law 3693/2008, given the fact that pursuant to art. 29, para. 3 of its Articles in Association into fore, it is stipulated that:

«.....»

3. The Board of Directors, through a collective decision of its, is in charge of:
- a) the approval of the Internal Operating Regulation and the Bank's Personnel Regulation.
 - b) the more general policy on the Bank's remunerations, as stipulated by L. 3016/2002, on corporate governance as into force.
 - c) For the approval of the internal control system and the appointment of Internal Auditors.

By decision of the Board of Directors, the supervision of the internal auditors is assigned to one up to three of its executive members.

.....».

Therefore, pursuant to the aforementioned disposition of the Articles of Association, the General Assembly of the Shareholders has authorized the Bank's BoD to proceed with the appointment of the Audit Committee Members (i.e. the (Audit Committee" mentioned in art. 37 L. 3693/2008, which constitutes the supervisory body of the internal audits of the Bank).

Thus, the Audit Committee is appointed by the Bank's BoD, its duties comply with the provisions of art. 37, L. 3693/2008 and it is in charge of supporting BoD in exercising its duties, particularly as far as it regards the establishment of trust and transparency environment towards the business developments, by institutionalizing principles, rules, systems of accurate and valid information and audit mechanisms which will protect and promote the right management of the real estate and the resources of the Bank's Group.

Furthermore, it facilitates the communication between BoD, Management, Internal and External Auditors of the Bank in order for them to exchange views and information on audit issues.

The main duties and obligations of the Audit Committee are provided for by the Act of Governor of the Bank of Greece no. 2577/2006 and in particular: a) indicates the weak points and suggests improvements regarding the adequacy and efficiency of the Bank's Internal Control System, including risks monitoring and managing mechanisms b) controls and approves the reports on internal control and risk management

environment included in the solo and consolidated Financial Statements c) proposes to the BoD the periodical assignment, at least per three-year periods, to external auditors, who have the experience required, of a thorough assessment of the adequacy of the Internal Control System and of the compilation of a relative report notified to the Bank of Greece d) supervises the organization and operation of the Audit Committees of the Subsidiaries.

Specifically, according to BoD Meeting No. 2791/11.02.2011 of Emporiki Bank, the revised Charter of the Audit Committee of the Bank is as follows:

« **5.6 Audit Committee**

The Audit Committee (AC) is appointed by the Bank's Board of Directors (BoD) and validated by the first Shareholders General Assembly Meeting, which will be held after the AC appointment. The purpose of the Audit Committee is to support the Board of Directors in exercising its duties, especially in the development of an environment that transpires trust and transparency in the Bank's business activities. The AC facilitates communications among the Board of Directors and between the Board of Directors, the Bank's Management and the Bank's Internal and External Auditors regarding the internal control system issues, including the preparation of the financial statements and the management of risks. The function and operation of the Audit Committee is governed by the present Regulation.

5.6.1 Duties and obligations

The main duties and obligations of the Audit Committee are as follows:

5.6.1.1 Internal Control System (ICS)

- **Monitors and evaluates** the adequacy and effectiveness of the Bank's ICS, based on the data and information supplied by the Internal Audit General Division (Internal Audit), the Compliance Division, the Risk and Permanent Control General Division, the Accounting & Taxes Division as well as the findings and observations of the External Auditors and Supervisory Authorities and submits a relevant annual report to the Board of Directors.
- **Reviews and approves** the reports regarding the Bank's Internal Audit and Risk Management Environment, included in the stand alone and consolidated financial statements of the Bank.
- **Proposes** improvements as to the adequacy and effectiveness of the Bank's ICS and monitors the implementation of the relevant measures decided by the Bank's (BoD).
- **Proposes** to the Board of Directors, at least every three years, the assignment of the evaluation for the adequacy of the ICS and the preparation of a relevant report, in accordance with the provisions of Π.Δ.Τ.Ε.2577/06 (Act of Governor of the Bank of Greece), to other than the Bank's regular Certified Accountants - Auditors, who have the necessary experience. Authorizes the above auditors, to inform the Bank of Greece of their findings resulting from this evaluation.
- **Proposes** to the BoD the replacement of the above auditors after two successive evaluations at the most.
- **Receives** the Annual Report and the Half - year Presentation of Internal Control, established in accordance with instructions given by Head-Office of Credit

Agricole Group (DGL/CI) in the line with the French CRBF 97-02 regulation relating to internal control in credit institutions and investment firms.

- **Decides** the performance of additional regular and extraordinary audits in those areas that present weaknesses, by internal or external auditors, within the Committee's approved budget or after special approval by the BoD.
- **Supervises** the organization and operation of the Audit Committees of the Bank's subsidiary companies and works with them on relevant issues.
- **Approves** the chapters of the Rules of Operation Charter that are within its scope of supervision, in particular those regarding the internal control system, risk management, permanent control, Internal Audit, External Audit and Finance.

5.6.1.2 General Division of Internal Audit (Internal Audit)

The Audit Committee:

- **Evaluates** the work and effectiveness of the Internal Audit General Division, placing emphasis on issues regarding the quality of risk mapping, the priorities identified as a result of changes in the economic environment, the quality of the annual audit plan, the quality and range of the audits it performs and the effectiveness of its operations in general.
- **Approves** the annual audit plan and is informed, of its implementation, of the main conclusions of the audits performed, of the implementation, of the recommendations~ issued by the Internal Audit General Division, the external auditors, the Supervisory Authorities or by the Group General inspection of Credit Agricole S.A.
- **Ensures** that the Internal Audit General Division has the necessary access to data and information at all levels of the Bank's administration and the necessary financial and human resources required for the performance of its duties, in accordance with the applicable legal framework and audit standards.
- **Ensures** that the Internal Audit General Division works independently from executive Divisions and Departments responsible for the execution and recording of transactions.
- **Proposes** to the BoD the appointment of the Manager of the Internal Audit General; Division, following a recommendation made by the Group General Inspection of Credit Agricole S.A., and the termination of his term in accordance with the Group General Inspection of Credit Agricole S.A.

5.6.1.3 Financial Statements

The Audit Committee,

- **Oversees and evaluates** the procedures followed for the preparation of the Bank's periodical and annual financial statements, in accordance with the applicable accounting standards, as well as of all other major financial data and information that are to be published or submitted to the authorities and supervisory bodies.
- **Is informed** on the methods used in major unusual transactions for which there are different interpretations regarding the accounting procedure and examines whether the Bank used the proper accounting procedure. It also examines whether the notes in the financial statements are comprehensible and complete.
- **Reviews** the reports submitted by the External Auditors, especially on issues regarding non-compliance or deviation from the applicable accounting standards / practices and their impact / effect on the financial statements.

- **Reports** to the BoD in case the AC finds any aspect of the financial statements unsatisfactory.

5.6.1.4 External Audit

The Audit Committee in collaboration with the Audit Committee of the parent Bank (see art 5.6.8):

Regarding the appointment and evaluation, of the Audit firms and the Bank's regular certified auditors (from now on External Auditors):

- **Defines** the criteria and the procedures for the appointment of the external auditors.
- **Recommends** to the BoD the appointment and termination of the external auditors.
- **Develops** the Bank's policy on the replacement of the external auditors.
- **Evaluates** the work and contribution of the external auditors on an annual basis.
- **Investigates** the reasons for any resignation of external auditors and examines the necessity of further action.

In connection with the terms of the engagement contract and the fees of the External Auditors, the AC:

- **Examines** the scope and the content of the audit work as well as the terms of the contract to be signed with the external auditors.
- **Proposes** to the BoD the contract terms and the fee of the external auditors.

Regarding the independence of the External Auditors and the services they can provide to the Bank the AC:

- **Checks the independence** of the external auditors by examining the relations between the audit firms and their auditors with the Bank as well as the provision of other services that are considered conflicting based on the applicable legislation and international practices.
- **Develops** the policy to be applied for the provision of non-auditing services by the external auditors so as to ensure that their independence is not affected.

Regarding the External Auditors Reports, the Audit Committee:

- **Oversees** the audit performed by the external auditors of the Bank's periodical and annual financial statements and meets with them on a regular basis.
- **Is informed** by the external auditors on their findings, or any problems or weaknesses found on the Internal Control System (ICS) during the audit of the financial statements, in accordance with the applicable Auditing Standards.
- **Reviews** the relevant reports in cooperation with the external auditors.

In the context on the above duties the Audit Committee:

- **Evaluates** and discusses the audited financial statements and the major issues that have emerged during the audits, as well as the main accounting and auditing practices that were applied.
- **Investigates** any disputes that may arise between the Bank's Management and the external auditors regarding the financial statements of the Bank.

- **Authorizes** the external auditors to inform the Bank of Greece, if so requested, of their findings on the audit of the Bank's financial statements.

5.6.1.5 Compliance to Legislation, Regulation and Internal Rules

The Audit Committee:

- **Oversees** the quality of procedures implemented to enable activities to be done in accordance with applicable Greek and foreign Legislation and regulations.
- **Keeps** itself continuously Informed by the Bank's Management, the Compliance Division and the Legal Division of any changes occurring, or about to occur, on the applicable laws and regulations.
- **Keeps** itself informed by the Bank's Management for the audits performed by the supervisory authorities and the tax authorities and the relevant findings of those audits.
- **Examines** the way the Bank notifies its employees on issues regarding the Code of Conduct as well as on the procedures for the proper observation of the Code.
- **Establishes** confidential procedures for the Bank's employees to submit complaints and comments regarding compliance with the applicable legislation, regulations and proper accounting practices (whistle blowing).
- **Informs** the BoD on any issue regarding non-compliance of the Bank with the Laws and regulations governing its operations.

5.6.2 Authority

The Audit Committee has the authority to investigate any and all aspects of the Bank's operations. Every employee of the Bank must contribute to this cause and cooperate with the Members of the AC every time the Audit Committee requests it. The AC may, within its approved Budget, request the support of external consultants that have the necessary experience and expertise in the performance of its duties and obligations.

5.6.3 Audit Committee Budget

- The Audit Committee has its own, approved by the BoD budget, in order to have the necessary tools (methodologies, specialized external consultants, etc.) required for the effective performance of its duties.
- The Corporate Affairs & Secretariat Division provides secretarial support to the Audit Committee.

5.6.4 Composition

- The Audit Committee is appointed by the BoD among its Members, following a proposal made by the Chairman of the Board. It comprises at least three non-executive Members of the BoD. At least one of the above three Members must be independent, as provided by Law N. 3016/2002, with sufficient knowledge and experience on accounting and auditing issues. Its members are chosen so that the Audit Committee, as a whole, possess the qualifications and experience required to perform its duties and obligation, including an extensive knowledge of the broader environment within which the Bank operates (both in Greece and abroad) and of the information technology (IT) systems.
- The Members of the Committee are not allowed to hold positions or titles or perform transactions, which may be considered conflicting with the Committee's mission. The Members of the Audit Committee may participate in other Committees of the BoD.

- The Audit Committee Members are appointed for a term of four (4) years with the option to renew the appointment for two (2) more terms.
- The Chairman of the AC is appointed by the BoD among its non-executive Members, following a proposal made by the Chairman of the Board. The Committee's Chairman must possess the knowledge and experience required in order to supervise the auditing procedures and accounting issues.
- The Board of Directors may change the composition of the AC at any time it deems it necessary, following a proposal of the Chairman of the Board.

5.6.5 Meetings

- The Audit Committee meets on a regular basis, at least every calendar quarter, before the BoD approves the quarterly financial statements. It can also meet extraordinary on a request of its Chairman, or a majority of its Members or of the BoD.
- In case of force majeure it is possible for a Member or Members of the Audit Committee to participate in the meeting by video - conference or telephone conference. The Head of the Internal Audit normally attends the AC meetings. It is however noted, that there may be a need for meetings to be held among the AC Members exclusively. Other members of the Bank's Management, Executives of the parent Bank, External Auditors, or any consultants / experts whose presence is deemed necessary, may also attend its meetings.
- The Audit Committee is in quorum when half of its Members plus one are present (in integer number) and in any case the presence of the Chairman is required. The above-mentioned in quorum Committee decides by absolute majority of the Members present. In case of a tied vote, the Chairman's vote predominates. If the Committee consists of three Members the meeting can take place with the presence of at least two Members, one of which should be the Chairman. In this case of a tied vote, again the Chairman's vote predominates.
- The Board of Directors is informed whenever the Audit Committee does not reach a unanimous decision among its Members.
- The Members of the AC and the invited participants of the AC are under the provision of banking secrecy.

5.6.6 Minutes

Minutes are kept at all meetings of the AC, which are sent to the Members of the A.C and are validated at the next meeting of the AC; each Member is entitled to include his/her opinion, in summary.

The AC informs the BoD for the results of its overall operation and decisions. The AC submits to the Chairman of the BoD and the Chief Executive Officer copies of the validated and signed Minutes of the AC meetings.

5.6.7 Reports

The Audit Committee submits the following reports:

- **A Regular Report** to the Board of Directors regarding its activities at least every calendar quarter. Alternatively, the Chairman of the Committee informs the BoD -on the work of the Committee during the BoD meetings.
- **An Annual Report** to the Board of Directors regarding the work of the Audit Committee and especially the evaluation of the adequacy and effectiveness of

the Bank's ICS. This Report is then submitted and approved by the Board of Directors.

- After having been submitted to the AC, the **ICS Adequacy Evaluation Report** provided by independent certified accountants – auditors (see Article 5.6.1.1.), every three years, has to be sent to the Bank of Greece within the first six months of every 3-year period.

5.6.8 Cooperation with the Audit Committee of the parent Bank (Credit Agricole S.A. Group)

The Emporiki Bank Audit Committee cooperates with the AC of the parent Bank (C.A.sa). This cooperation consists in communicating and exchanging views on AC issues, especially those concerning the External Auditors (see Art. 5.6.1.4).

5.6.9. Cooperation with the Group General Inspection of the Credit Agricole S.A. Group

The Audit Committee is in continuous communication and cooperates with the Group General Inspection (IGL) of Credit Agricole S.A.».

3) Remuneration Committee

The Remuneration Committee was established pursuant to BoD Minutes No. 2738/31.08.2006 and has been reconstituted under Minutes No. 2788/05.05.2010 of the Bank's BoD.

The Remuneration Committee is composed of the following members:

Chairman:	Ebeoglou Nikolaos son of Michail, BoD Chairman, non-executive BoD Member
Members:	Hocher Jean-Yves son of Joseph, non executive BoD Member
	Badre Bertrand son of Denis, non executive BoD Member

The Remuneration Committee operates according to an approved regulation and proposes to the BoD for the following issues:

1. The determination of the Bank's CEO's salary, as well as, all data pertaining to the salary, indemnity or option granted to the CEO
2. Following a proposal made by the Chief Executive Officer, the salary determination (fixed and variable amounts) of the General Managers', who have been appointed by the Board of Directors
3. The amount of the BoD Members remuneration, which is submitted for approval to the Emporiki Bank of Greece S.A. General Assembly Meeting of the Shareholders.
4. Annual briefing on the remuneration (fixed and variable amounts) of the General Managers' of the international and domestic subsidiaries of Emporiki Bank of Greece S.A.
5. The allocation to the BoD Members of the total remunerations, which have been approved by the shareholders of Emporiki Bank of Greece S.A.
6. The conditions of implementing plans regarding subscription and purchase of shares, following the decision of the Bank's General Assembly Meeting of the

Shareholders and case by case plans of share capital increases, which apply to the Emporiki Bank of Greece S.A. Group executives.

Specifically, according to BoD Meeting No. 2790/03.11.2010 of Emporiki Bank, the Charter in force of the Remuneration Committee of the Bank is as follows:

« COMPOSITION

The Remuneration Committee is composed of three Board of Directors Members, preferably non-executive. The BoD appoints the Chairman of the Committee.

The General Manager, Group Human Resources participates in the meetings of the Remuneration Committee.

The Members of the Remuneration Committee who participate in the meetings of the Committee are liable to the rule of professional confidentiality.

DUTIES

The Remuneration Committee proposes to the BoD for the following issues:

1. The determination of the Bank's CEO's salary, as well as, all data pertaining to the salary, indemnity or option granted to the CEO.
2. Following a proposal made by the Chief Executive Officer, the salary determination (fixed and variable amounts) of the General Managers', who have been appointed by the Board of Directors.
3. The amount of the BoD Members remuneration, which is submitted for approval to the Emporiki Bank of Greece S.A. General Assembly Meeting of the Shareholders.
4. Annual briefing on the remuneration (fixed and variable amounts) of the General Managers' of the international and domestic subsidiaries of Emporiki Bank of Greece S.A.
5. The allocation to the BoD Members of the total remunerations, which have been approved by the shareholders of Emporiki Bank of Greece S.A.
6. The conditions of implementing plans regarding subscription and purchase of shares, following the decision of the Bank's General Assembly Meeting of the Shareholders and case by case plans of share capital increases, which apply to the Emporiki Bank of Greece S.A. Group executives.

The above-mentioned proposals are examined in detail by the Remuneration Committee, then are presented to the Chairman and the latter submits the final proposal for approval to the BoD.

The Remuneration Committee, within the framework of its tasks, has the jurisdiction to request the cooperation of collaborators or experts who are specialists on issues within the Committee's competencies.

OPERATION

The Remuneration Committee meets at least twice a year. The Chairman of the Committee can convoke other meetings of the Committee aside from those scheduled, whenever conditions require such.

Furthermore, extraordinary meetings can be held upon the request of the Bank's Board of Directors in order to examine any issue related to the duties and competencies of the Committee.

The Bank's BoD Secretary is appointed as Secretary of the Remuneration Committee.

REMUNERATION

The Members of the Committee may receive remuneration and this amount is determined on the basis of a relevant decision of the Bank's BoD, upon a proposal set forth by the Chairman of the BoD.

This Charter is approved by the Board of Directors of Emporiki Bank of Greece S.A.».

4) Risk Management Supervision Body.

The Risk Management Supervision Body was established pursuant to BoD Minutes No. 2753/26.07.2007 and has been reconstituted by the Minutes No. 2788/05.05.2010 of the Bank's BoD. It is composed of two BoD Members, pursuant to the dispositions of the Act of Governor of the Bank of Greece no 2577/2006 (IV-B-2.2-second subparagraph)

The Body in question, competent for Risk Management issues, is composed of the following Members:

Members:	Charrier Bruno-Marie son of Bernard, Deputy Chief Executive Officer
	Papadiamantis Konstantinos son of Pyrros, Independent non executive BoD Member

The Risk Management Supervision Body operates according to an approved Regulation and the main duties of the Risk Supervisory Authority are, at least, the following:

- To form the strategy of taking over risks of any kind and of managing capitals responding to the business targets set by the credit institution.
- To make sure the development of an internal system of risk management and its incorporation into the business decision-making procedure within all activities / units of the credit institutions and its subsidiaries.
- To set the principles, which must rule, the risk management as far as it concerns the recognition, provision, measurement, supervision, and overcoming of these risks.
- To receive and evaluate the reports submitted by the Risk Management Unit every three months and to inform the Board of Directors regarding the most important dangers the credit institution has taken over, and to provide guarantees for their efficient overcoming.
- To provide for stress tests on an annual, at least, basis regarding the market risks, credit risks, liquidity risks as well as similar practices regarding operational risk.

Specifically, according to BoD Meeting No. 2765/04.02.2009 of Emporiki Bank, the Charter in force of the Risk Management Supervision Body of the Bank is as follows:

«COMPOSITION

The Risk Supervisory Authority is appointed by the Bank's Board of Directors and composed of two to three BoD Members, of whom at least one is an executive member and one non-executive member.

The Chief Risk Officer participates in the meetings of the Risk Supervisory Authority.

The Members of the Risk Supervisory Authority who participate in the meetings are liable to the rule of professional confidentiality.

DUTIES

Pursuant to the Act of the Governor of the Bank of Greece no 2577/09.03.2006, the main duties of the Risk Supervisory Authority are, at least, the following:

- To form the strategy of taking over risks of any kind and of managing capitals responding to the business targets set by the credit institution.
- To make sure the development of an internal system of risk management and its incorporation into the business decision-making procedure within all activities / units of the credit institutions and its subsidiaries.
- To set the principles, which must rule, the risk management as far as it concerns the recognition, provision, measurement, supervision, and overcoming of these risks.
- To receive and evaluate the reports submitted by the Risk Management Unit every three months and to inform the Board of Directors regarding the most important dangers the credit institution has taken over, and to provide guarantees for their efficient overcoming.

To provide for stress tests on an annual, at least, basis regarding the market risks, credit risks, liquidity risks as well as similar practices regarding operational risk.

OPERATION

The Risk Supervisory Authority meets twice per year, at minimum, with the option to have more meetings annually. Meetings aside from those scheduled, can also be convoked on an extraordinary basis, whenever conditions require such and any BoD Member or Management executive considered advisable is invited. The extraordinary meetings can be held upon a request made by the Bank's BoD aiming at considering any issue related with the duties and competences of the Risk Supervisory Authority.

Minutes are kept at each meeting; they are reviewed by the CRO prior to validation and then signed by the RSA Members. A signed copy of the minutes is given to the CRO.

The entire supportive material of each meeting is attached to and filed with the corresponding Minutes, whereas the correspondence concerning the Risk Supervisory Authority is kept in an independent calendar archive.

The Secretary of the Audit Committee or any other person designated by the RSA, is appointed as Secretary of the Risk Supervisory Authority.

REMUNERATION

The Members of the Risk Supervisory Authority may receive remuneration. The amount is determined on the basis of a relevant decision of the Bank's Board of Directors, upon a proposal set by the Chairman of the BoD.

The BoD of Emporiki Bank of Greece S.A. approves this Operating Regulation.».

5) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was established pursuant to BoD Minutes no. 2763/26.09.2008 and has been reconstituted by the minutes no. 2790/03.11.2010 of the Bank's BoD.

The Corporate Social Responsibility Committee is composed of the following members:

Chairman:	Ebeoglou Nikolaos son of Michail, BoD Chairman, non-executive BoD Member
Members:	Dimakakos Fokion son of Fotios, executive BoD Member
	Spiliopoulos George son of Konstantinos, executive BoD Member

The Corporate Social Responsibility Committee proposes to the BoD for the following issues:

1. Adopting-strengthening corporate values and principles
2. Adopting Corporate Social Responsibility policies on the following issues:
 - Health & Safety at Work
 - Human Rights
 - Equal Treatment
 - Customer's complains
 - Environmental responsibility
 - Transparency
 - Issues raising justifiable public concern
3. Determination of annual Corporate Social Responsibility objectives.

Specifically, according to BoD Meeting No. 2763/26.09.2008 of Emporiki Bank, the Charter in force of the Corporate Social Responsibility Committee of the Bank is as follows:

COMPOSITION

The Corporate Social Responsibility Committee is composed of three Board of Directors Members, of whom at least one is a Non-Executive Member.

The BoD appoints the Chairman of the Committee.

The Executive Management Adviser on Corporate Social Responsibility participates in the meetings of the Corporate Social Responsibility Committee.

The Members of the Corporate Social Responsibility Committee who participate in the meetings of the Committee are liable to the rule of professional confidentiality.

DUTIES

The Corporate Social Responsibility Committee proposes to the BoD for the following issues:

1. Adopting-strengthening corporate values and principles
2. Adopting Corporate Social Responsibility policies on the following issues:
 - Health & Safety at Work
 - Human Rights
 - Equal Treatment
 - Customer's complains
 - Environmental responsibility
 - Transparency
 - Issues raising justifiable public concern
3. Determination of annual Corporate Social Responsibility objectives.

The above-mentioned proposals are examined in detail by the Corporate Social Responsibility Committee, and then are presented to the Chairman and the latter submits the final proposal for approval to the BoD.

The Corporate Social Responsibility Committee, within the framework of its tasks, has the jurisdiction to request the cooperation of collaborators or experts who are specialists on issues within the Committee's competencies.

OPERATION

The Corporate Social Responsibility Committee meets at least twice a year. The Chairman of the Committee can convoke other meetings of the Committee aside from those scheduled, whenever conditions require such.

Furthermore, extraordinary meetings can be held upon the request of the Bank's Board of Directors in order to examine any issue related to the duties and competencies of the Committee.

The Bank's BoD Secretary is appointed as Secretary of the Corporate Social Responsibility Committee.

REMUNERATION

The Members of the Committee may receive remuneration and this amount is determined on the basis of a relevant decision of the Bank's BoD, upon a proposal set forth by the Chairman of the BoD.

The Board of Directors of Emporiki Bank of Greece S.A. approves this Charter. ».

6) Internal Audit General Division

The Internal Audit General Division, included in the organizational chart of the Bank, has the duties provided for by the Act of Governor of the Bank of Greece no. 2577/2006.

In particular, the role of Internal Audit is to investigate cases, to carry out periodical audits in situ of the Divisions, the Branches of the Bank and its Subsidiaries as well as the IT Systems of the Group of the Bank, on the basis of documented data.

The purpose of the audit missions is to ensure the observation of internal and external regulations, the evaluation of the extent to which the risks have been limited (identification, registration, handling, prevention), of the level of business security, quality and efficiency of the organization of the Divisions, the Branches and the Subsidiaries of the Bank.

The Internal Audit works according to the requirements of the institutional framework applied by CASA Group as well as to the Hellenic institutional framework and the Hellenic Regulatory Authorities. It is not engaged in executive activities for any reason.

The Audit missions provide the Board of Directors and the CEO of the Bank, as well as the managerial and administrative bodies of the audited units a documented and impartial information regarding the quality of operations and the level of the Internal Audit System of the Bank's Divisions, Branches and Subsidiaries.

It monitors as well the accurate implementation of the recommendations, the projects and the structural actions of the missions of audit of the Bank's Divisions, Branches and Subsidiaries.

The following persons have positions of responsibility in the Internal Audit General Division:

Internal Audit General Division Head	Zafeiropoulos Panagiotis son of Dionysios
Internal Audit Unit Head	Flament Franck son of Andre
Specific Audits Sector Manager of the Internal Audit General Division	Papadopoulos Pavlos son of Nikolaos
Credit Audit Sector Manager of the Internal Audit General Division	Patsialidis Panagiotis son of Georgios
Administration Units and Group entities Audit Sector Manager of the Internal Audit General Division	Papadimitriou Dimitrios son of Argyrios

Athens, February 11th, 2011

The Board Chairman

The Vice Chairman & CEO

**III. Independent Auditors' Report and Group Financial Statements as at
31.12.2010**



Emporiki Bank

CRÉDIT AGRICOLE GROUP

**CONSOLIDATED
FINANCIAL STATEMENTS**

AS AT 31-12-2010

In accordance with International Financial Reporting Standards

Athens, 11th February 2011

Contents of the Consolidated Financial Statements

Independent Auditor’s Report	3
Statement of Comprehensive Income.....	5
Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows.....	8
Notes to the Consolidated Financial Statements	9
1. General Information.....	9
2. Summary of Significant Accounting Policies.....	9
3. Financial Risk Management	21
4. Critical Accounting Estimates, and Judgments in Applying Accounting Policies	31
5. Segment Reporting	32
6. Net Interest Income	33
7. Net Commission Income.....	34
8. Dividend Income	34
9. Net Trading Results	34
10. Gains less Losses from Investment Securities	34
11. Other Operating Income	35
12. Staff Costs.....	35
13. Other Operating Expenses	35
14. Income Tax Expense.....	35
15. Earnings per Share	36
16. Cash and Balances with Central Banks	36
17. Due from Other Banks	36
18. Trading Securities.....	37
19. Derivative financial instruments	37
20. Loans and Advances to Customers	38
21. Available-for-Sale Securities.....	40
22. Participation in Subsidiaries.....	40
23. Participation in Associates	41
24. Intangible Assets	42
25. Property, plant and equipment.....	43
26. Investment Property.....	44
27. Other Assets	44
28. Due to Other Banks	45
29. Due to Customers.....	45
30. Debt Securities in Issue.....	45
31. Other Borrowed Funds	46
32. Obligations to Pension Funds	47
33. Personnel Leaving Indemnities.....	47
34. Other Provisions	47
35. Other Liabilities.....	48
36. Deferred Tax Assets/ Liabilities.....	49
37. Contingent Liabilities and Commitments.....	50
38. Share Capital.....	51
39. Cash and Cash Equivalents	51
40. Related Party Transactions.....	51
41. Profit / (loss) from Discontinued Operations.....	53
42. Auditors’ fees	54
43. Capital Adequacy.....	55
44. Post Balance Sheet Events.....	55
45. Reclassifications	55



[Translation from the original text in Greek]

Independent Auditor's Report
To the Shareholders of Emporiki Bank of Greece S.A.
Reg. No. 6064/06/B/86/03

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Emporiki Bank of Greece S.A. (the "Bank") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of 31 December 2010 and the consolidated statements of comprehensive income, changes in equity and the cash flow 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 consolidated financial statements that are free from material misstatement, 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 about whether the consolidated financial statements are free from material misstatement.

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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Bank and its subsidiaries as at December 31, 2010, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Matter of emphasis

Without qualifying our opinion, we draw attention to note 32 of the accompanying consolidated financial statements, which describes events following the adoption of Law 3371/2005 (Social Security Regulation of Banking Institutions) by the Bank and the uncertain final outcome of related litigation.

Reference on Other Legal and Regulatory Matters

- a) Included in the Board of Directors' Report is the corporate governance statement that contains the information that is required by paragraph 3d of article 43a of Codified Law 2190/1920.
- b) We verified the conformity and consistency of the information given in the Board of Directors' report with the accompanying consolidated financial statements in accordance with the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, 11 February 2011

The Certified Auditor – Accountant



PricewaterhouseCoopers
Certified Auditors - Accountants
268 Kifissias Avenue, Halandri 152 32
SOEL Reg. No. 113

Dimitris Sourbis
SOEL Reg. No. 16891

Statement of Comprehensive Income

	Note	01/01 - 31/12/2010	01/01 - 31/12/2009
Interest & similar income		939.425	1.103.531
Interest expense & similar charges		<u>(289.582)</u>	<u>(561.832)</u>
Net interest income	6	649.843	541.699
Fee & commission income		131.587	142.018
Fee & commission expense		<u>(20.394)</u>	<u>(22.864)</u>
Net fee & commission income	7	111.193	119.154
Dividend income	8	776	567
Net trading results	9	(697)	12.415
Gains less losses from investment securities	10	(6.782)	1.059
Other operating income	11	<u>14.282</u>	<u>76.023</u>
Net operating income		768.615	750.917
Staff costs	12	(419.366)	(444.133)
	24,25,2		
Depreciation & amortization	6	(26.097)	(25.863)
Impairment losses on loans and advances	20	(1.026.023)	(650.682)
Other provisions		4.701	(7.751)
Other operating expenses	13	<u>(157.690)</u>	<u>(176.688)</u>
Total operating expenses		(1.624.475)	(1.305.117)
Share of (loss) / profit of associates		<u>(235)</u>	<u>(588)</u>
PROFIT / (LOSS) BEFORE INCOME TAX		(856.095)	(554.788)
Income tax expense	14	<u>(17.696)</u>	<u>(21.742)</u>
PROFIT / (LOSS) AFTER TAX - Continuing Operations		(873.791)	(576.530)
Profit / (loss) - discontinued operations	41	<u>-</u>	<u>(6.640)</u>
PROFIT/ (LOSS) AFTER INCOME TAX		(873.791)	(583.170)
Equity holders of the Bank		(873.469)	(582.585)
Non controlling interest		(322)	(585)
Net change in available-for-sale securities		(105.867)	58.703
Foreign exchange differences		<u>(1.321)</u>	<u>(5.858)</u>
Other comprehensive income for the year net of tax		(107.188)	52.845
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(980.979)	(530.325)
- Equity holders of the Bank		(980.658)	(529.730)
- Non controlling interest		(321)	(595)
Basic earnings/(losses) per share from continuing operations (in Euro)	15	(1,8797)	(2,4654)
Basic earnings/(losses) per share from discontinued operations (in Euro)	15	-	(0,0288)

Notes on pages 9 to 55 form an integral part of these consolidated financial statements.

Statement of Financial Position

	<u>Note</u>	<u>31 December 2010</u>	<u>31 December 2009</u>
ASSETS			
Cash and balances with Central Bank	16	1.014.563	1.085.351
Treasury bills		67.690	254.592
Due from other banks	17	2.397.786	2.529.556
Trading securities	18	49.373	91.377
Derivative financial instruments	19	132.223	73.313
Loans and advances to customers	20	21.293.457	22.124.167
Available-for-sale securities	21	834.933	1.226.648
Held-to-maturity securities		47.828	45.043
Investments in non consolidated subsidiaries	22	1.411	1.603
Investments in associates	23	1.671	1.976
Intangible assets	24	17.156	13.180
Property, plant and equipment	25	264.274	264.456
Investment property	26	128.484	117.497
Deferred tax assets	36	285.250	285.268
Income tax advance		677	2.462
Other assets	27	240.192	307.302
TOTAL ASSETS		26.776.968	28.423.791
LIABILITIES AND EQUITY			
Liabilities			
Due to other banks	28	8.666.647	7.397.685
Derivative financial instruments	19	143.940	136.055
Due to customers	29	12.245.577	15.493.779
Debt securities in issue	30	2.892.583	2.333.624
Other borrowed funds	31	1.072.261	1.071.949
Due to State pension funds	32	343.855	422.686
Personnel leaving indemnities	33	3.989	4.255
Other provisions	34	187.892	195.259
Current tax liabilities		833	2.267
Deferred tax liabilities	36	6.316	6.038
Other liabilities	35	269.889	221.676
Total Liabilities		25.833.782	27.285.273
Equity			
Share Capital	38	512.229	1.577.665
Cash advance for Share Capital increase	38	400.000	600.000
Share premium		1.123.476	360.906
Other reserves		454.186	565.884
Retained Earnings / (Losses)		(673.759)	(1.385.546)
Results for the year		(873.469)	(582.585)
		942.663	1.136.324
Non controlling interest		523	2.194
Total Equity		943.186	1.138.518
TOTAL LIABILITIES AND EQUITY		26.776.968	28.423.791

Notes on pages 9 to 55 form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

	Share capital	Cash advance for SCI	Share premium	Currency Translation differences	Other reserves	Retained Earnings/ (losses)	Total	Non controlling interests	Total
Balance as at 1 January 2009	728.153	-	371.404	(15.520)	542.992	(1.399.596)	227.433	19.447	246.880
Profit for the year	-	-	-	-	-	(582.585)	(582.585)	(585)	(583.170)
Foreign exchange differences	-	-	-	(5.848)	-	-	(5.848)	(10)	(5.858)
Other comprehensive income :									
Net change in available-for-sale securities	-	-	-	-	58.703	-	58.703	-	58.703
Total comprehensive income after income tax:	-	-	-	(5.848)	58.703	(582.585)	(529.730)	(595)	(530.325)
Appropriation of 2008	-	-	-	-	55	(55)	-	-	-
Share capital increase	849.512	-	(10.591)	-	-	-	838.921	-	838.921
Cash advance for Share Capital increase	-	600.000	-	-	-	-	600.000	-	600.000
Changes in subsidiaries shareholding structure	-	-	-	-	-	(300)	(300)	300	-
Subsidiaries' disposal	-	-	93	-	(14.498)	14.405	-	(16.958)	(16.958)
Balance as at 31 December 2009	1.577.665	600.000	360.906	(21.368)	587.252	(1.968.131)	1.136.324	2.194	1.138.518

	Share capital	Cash advance for SCI	Share premium	Currency Translation differences	Other reserves	Retained Earnings/ (losses)	Total	Non controlling interests	Total
Balance as at 1 January 2010	1.577.665	600.000	360.906	(21.368)	587.252	(1.968.131)	1.136.324	2.194	1.138.518
Profit for the year	-	-	-	-	-	(873.469)	(873.469)	(322)	(873.791)
Foreign exchange differences	-	-	-	(1.322)	-	-	(1.322)	1	(1.321)
Other comprehensive income :									
Net change in available-for-sale securities	-	-	-	-	(105.867)	-	(105.867)	-	(105.867)
Total comprehensive income after income tax:	-	-	-	(1.322)	(105.867)	(873.469)	(980.658)	(321)	(980.979)
Appropriation of 2009	-	-	-	-	69	(69)	-	-	-
Share capital increase	225.380	(600.000)	762.570	-	-	-	387.950	-	387.950
Cash advance for Share Capital increase	-	400.000	-	-	-	-	400.000	-	400.000
Changes in subs. shareholding structure	-	-	-	3	2	(958)	(953)	(37)	(990)
Subsidiaries' disposal	-	-	-	-	(991)	991	-	(1.313)	(1.313)
Write-off of Losses carried forward	(1.290.816)	-	-	-	(3.592)	1.294.408	-	-	-
Balance as at 31 December 2010	512.229	400.000	1.123.476	(22.687)	476.873	(1.547.228)	942.663	523	943.186

Notes on pages 9 to 55 form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

	<u>Period ended 31st 2010</u>	<u>December 2009</u>
Profit / (loss) before tax	(856.095)	(554.788)
<u>Adjustment for reconciliation of period result to cash flows from operating activities</u>		
<u>Adjustments for non cash items included in profit and loss for the period</u>		
Impairment of subsidiary	4.380	107
Profit from disposal of associate company	(427)	(1.958)
Depreciation and amortization	26.096	25.863
Provision for credit risks	1.027.009	664.252
Other provisions	(4.701)	7.752
Evaluation & accrued interests of derivative financial instruments	(51.025)	(3.387)
Accrued interests	(3.817)	(58.440)
Net (profit)/ loss from investment portfolio	2.829	792
Net (profit)/ loss from sale of fixed assets	(6.164)	(39.808)
Net (profit)/ loss from prepayment of bond issues	-	(27.274)
Share of (profit) / loss of associates	235	588
	994.415	568.487
<u>Net (increase)/ decrease of operating assets</u>		
Obligatory deposits to Bank of Greece	66.801	(234.084)
Due from other banks	30.966	101.305
Trading securities (less government bonds)	109.371	413.514
Loans and advances to customers (net of write-offs)	(197.030)	272.201
Other assets	67.110	(25.372)
	77.218	527.564
<u>Net increase/(decrease) operating liabilities</u>		
Due to other banks	1.266.330	3.406.563
Due to customers	(3.224.392)	(2.815.087)
Other liabilities	(64.305)	563
Personnel indemnities	(265)	75
	(2.022.632)	592.114
Total cash flows from operating activities	(1.807.094)	1.133.377
<u>Cash flows from investing activities</u>		
Changes in participations in non consolidated subsidiaries & adj.of associates' equity	(4.728)	(24.815)
Net change in property, plant and equipment, intangible assets and investment property	(34.713)	59.065
Net change of held to maturity securities	(2.785)	12.268
Net change of available-for-sale investments	282.780	387.099
Total cash flows from investing activities	240.554	433.617
<u>Cash flows from financing activities</u>		
Share capital increase	387.627	836.662
Cash advance for share capital increase	400.000	600.000
Repayment of bond loans through securitization	(39.588)	(79.696)
Repayment of other bond loans	(1.358.215)	(3.212.726)
Proceeds from the issue of subordinated debt	-	250.000
Proceeds from the issue of bonds	1.902.022	-
Net (increase)/decrease of own bonds	52.812	159.690
Total cash flows from financing activities	1.344.658	(1.446.070)
Net increase / (decrease) in cash and cash equivalents	(221.882)	120.924
Cash and cash equivalents, at beginning of period (Note 39)	2.067.293	1.946.369
Cash and cash equivalents, at end of period (Note 39)	1.845.411	2.067.293

Notes on pages 9 to 55 form an integral part of these consolidated financial statements

Notes to the Consolidated Financial Statements

1. General Information

Emporiki Bank ("Emporiki Bank" or the "Bank") operates in all banking activities (retail, corporate) as well as in investment banking, portfolio management and in general financial services. The Bank's registered office is at 11 Sofocleous Str. and its registration number as "Societe Anonyme" is 6064/06/B/86/03. The Bank offers services in Greece through its network of 331 branches and abroad through its branch in London as well as through its subsidiaries in Cyprus, Bulgaria, Albania, and Romania.

Emporiki Bank was established in Greece in 1907 and its shares are listed on the Athens Stock Exchange in the "Low Dispersion and Specific Features" category.

Its web site address is www.emporiki.gr.

The members of the Board of Directors, on 31.12.2010 are as follows:

Executive members

Alain	Strub	Chief Executive Officer, Vice Chairman
Bruno-Marie	Charrier	Deputy Chief Executive Officer
Fokion	Dimakakos	Member
Despina	Chalkidis	Member
Georgios	Spiliopoulos	Member

Non-executive members

Nikolaos	Ebeoglou	Chairman
Bertrnard	Badre	Member
Luc	Demazure	Member
Bruno	De Laage	Member
Yves	Nanquette	Member
Jean - Francois	Marchal	Member
Haralampos	David	Member
Jean - Yves	Hocher	Member
Giampiero	Maioli	Member
Emmanuelle	Yannakis	Member
Achilleus	Constantakopoulos	Member
Marc	Oppenheim	Member

Independent Non-executive members

Christoforos	Chatzopoulos	Member
Konstantinos	Papadiamantis	Member

The Board of Directors of the Bank approved these financial statements on 11th of February 2011.

The Bank's consolidated financial statements are included in the consolidated financial statements of Credit Agricole S.A. The registered office of Credit Agricole S.A. is 91-93, Boulevard Pasteur, 75015 Paris, France and its web site address is www.credit-agricole.fr

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are in accordance with the accounting policies included in the annual financial statements as at 31st December 2009.

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

a) Standards and Interpretations effective for the current financial period / year

- IFRS 3 (Revised) “Business Combinations” and IAS 27 (Amended) “Consolidated and Separate Financial Statements”

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. The amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Furthermore the acquirer in a business combination has the option of measuring the non-controlling interest, at the acquisition date, either at fair value or at the amount of the percentage of the non-controlling interest over the net assets acquired. The Group has applied the revised and amended standards from 1 January 2010.

- IFRS 2 (Amendment) “Share-based Payment”

The purpose of the amendment is to clarify the scope of IFRS 2 and the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services, when that entity has no obligation to settle the share-based payment transaction. This amendment does not have an impact on the Group’s financial statements.

- IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement”

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. This amendment is not relevant to the Group’s operations.

- IFRIC 12 – Service Concession Arrangements (EU endorsed for periods beginning on or after 30 March 2009)

This interpretation applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Group’s operations.

- IFRIC 15 - Agreements for the construction of real estate (EU endorsed for use from 1 January 2010)

This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to particular. This interpretation is not relevant to the Group’s operations.

- IFRIC 16 - Hedges of a net investment in a foreign operation (EU endorsed for use from 1 July 2009)

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Group, as the Group does not apply hedge accounting for any investment in a foreign operation.

- IFRIC 17 “Distributions of non-cash assets to owners”

This interpretation provides guidance on accounting for the following types of non-reciprocal distributions of assets by an entity to its owners acting in their capacity as owners: (a) distributions of non-cash assets and (b) distributions that give owners a choice of receiving either non-cash assets or a cash alternative. This interpretation does not have an impact on the Group’s financial statements.

- IFRIC 18 “Transfers of assets from customers” (EU-endorsed for use annual periods beginning on or after 31 October 2009)

This interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use to provide the customer with an ongoing supply of goods or services. In some cases, the entity receives cash from a customer which must be used only to acquire or construct the item of property, plant and equipment. This interpretation is not relevant to the Group.

b) Amendments to standards that form part of the IASB’s 2009 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in July 2009 of the results of the IASB’s annual improvements project. The following amendments are effective for the current financial period / year. In addition, unless otherwise stated, the following amendments do not have a material impact on the Group’s financial statements.

- IFRS 2 “Share-Based payment”

The amendment confirms that contributions of a business on formation of a joint venture and common control transactions are excluded from the scope of IFRS 2.

- IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”

The amendment clarifies disclosures required in respect of non-current assets classified as held for sale or discontinued operations.

- IFRS 8 “Operating Segments”

The amendment provides clarifications on the disclosure of information about segment assets.

- IAS 1 “Presentation of Financial Statements”

The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current.

- IAS 7 “Statement of Cash Flows”

The amendment requires that only expenditures that result in a recognized asset in the statement of financial position can be classified as investing activities.

- IAS 17 “Leases”

The amendment provides clarification as to the classification of leases of land and buildings as either finance or operating.

- IAS 18 “Revenue”

The amendment provides additional guidance regarding the determination as to whether an entity is acting as a principal or an agent.

- IAS 36 “Impairment of Assets”

The amendment clarifies that the largest cash-generating unit to which goodwill should be allocated for the purposes of impairment testing is an operating segment as defined by paragraph 5 of IFRS 8 (that is before the aggregation of segments).

- IAS 38 “Intangible Assets”

The amendments clarify (a) the requirements under IFRS 3 (revised) regarding accounting for intangible assets acquired in a business combination and (b) the description of valuation techniques commonly used by entities when measuring the fair value of intangible assets acquired in a business combination that are not traded in active markets.

- IAS 39 “Financial Instruments: Recognition and Measurement”

The amendments relate to (a) clarification on treating loan pre-payment penalties as closely related derivatives, (b) the scope exemption for business combination contracts and (c) clarification that gains or losses on cash flow hedge of a forecast transaction should be reclassified from equity to profit or loss in the period in which the hedged forecast cash flow affects profit or loss.

- IFRIC 9 “Reassessment of Embedded Derivatives”

The amendment clarifies that IFRIC 9 does not apply to possible reassessment, at the date of acquisition, to embedded derivatives in contracts acquired in a business combination between entities under common control.

- IFRIC 16 “Hedges of a Net Investment in a Foreign Operation”

The amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity within the group, including the foreign operation itself, as long as certain requirements are satisfied.

c) Standards and Interpretations effective from periods beginning on or after 1 January 2011

- IFRS 9 “Financial Instruments” (effective for annual periods beginning on or after 1 January 2013)

IFRS 9 is the first part of Phase 1 of the Board’s project to replace IAS 39. The IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. IFRS 9 states that financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs. Subsequently financial assets are measured at amortised cost or fair value and depend on the basis of the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. IFRS 9 prohibits reclassifications except in rare circumstances when the entity’s business model changes; in this case, the entity is required to reclassify affected financial assets prospectively. IFRS 9

classification principles indicate that all equity investments should be measured at fair value. However, management has an option to present in other comprehensive income unrealised and realised fair value gains and losses on equity investments that are not held for trading. Such designation is available on initial recognition on an instrument-by-instrument basis and is irrevocable. There is no subsequent recycling of fair value gains and losses to profit or loss; however, dividends from such investments will continue to be recognised in profit or loss. IFRS 9 removes the cost exemption for unquoted equities and derivatives on unquoted equities but provides guidance on when cost may be an appropriate estimate of fair value. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2013.

- IAS 12 (Amendment) “Income Taxes” (effective for annual periods beginning on or after 1 January 2012)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 “Investment Property”. Under IAS 12, the measurement of deferred tax depends on whether an entity expects to recover an asset through use or through sale. However, it is often difficult and subjective to determine the expected manner of recovery with respect to investment property measured at fair value in terms of IAS 40. To provide a practical approach in such cases, the amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The presumption cannot be rebutted for freehold land that is an investment property, because land can only be recovered through sale. This amendment has not yet been endorsed by the EU.

- IAS 24 (Amendment) “Related Party Disclosures” (effective for annual periods beginning on or after 1 January 2011)

This amendment attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. The Group will apply these changes from their effective date.

- IAS 32 (Amendment) “Financial Instruments: Presentation” (effective for annual periods beginning on or after 1 February 2010)

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity’s own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not expected to impact the Group’s financial statements.

- IFRS 7 (Amendment) “Financial Instruments: Disclosures” – transfers of financial assets (effective for annual periods beginning on or after 1 July 2011)

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has not yet been endorsed by the EU.

- IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments” (effective for annual periods beginning on or after 1 July 2010)

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group.

- IFRIC 14 (Amendment) “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (effective for annual periods beginning on or after 1 January 2011)

The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group.

d) Amendments to standards that form part of the IASB’s 2010 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB’s annual improvements project. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2011. In addition, unless otherwise stated, the following amendments will not have a material impact on the Group’s financial statements.

- IFRS 3 “Business Combinations”

The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii) measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

- IFRS 7 “Financial Instruments: Disclosures”

The amendments include multiple clarifications related to the disclosure of financial instruments.

- IAS 1 “Presentation of Financial Statements”

The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or within the notes.

- IAS 27 “Consolidated and Separate Financial Statements”

The amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

- IAS 34 “Interim Financial Reporting”

The amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

- IFRIC 13 “Customer Loyalty Programmes”

The amendment clarifies the meaning of the term ‘fair value’ in the context of measuring award credits under customer loyalty programmes.

2.1 Basis of preparation

The Financial Statements as at 31 December 2010 have been prepared in accordance with International Financial Reporting Standards (IFRS), which were issued by the International Accounting Standards Board and adopted by the European Union.

The consolidated financial statements are presented in Euro, the Bank’s functional currency, rounded to the nearest thousand unless otherwise indicated.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities over which the Group has the power directly or indirectly to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Inter-company transactions, balances and unrealized gains / losses on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognized at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Proportionate consolidation

The Group applied proportional consolidation for the first time in the consolidated financial statements as at 30 September 2005, for its share in the jointly controlled entities Emporiki Life AE and Emporiki Credicom AE. IAS 31 (interests in joint ventures) defines proportionate consolidation as a method of accounting whereby a venture's share of each of the assets, liabilities, income and expenses of a jointly controlled entity is combined line by line with similar items in the venturer's financial statements. IAS 31 asserts that this method of accounting is necessary in order to capture the substance and economic reality of a venturer's interest in a jointly controlled entity.

The application of proportionate consolidation means that the balance sheet of the venturer includes its share of the assets that it controls jointly and its share of liabilities for which it is jointly responsible. The income statement of the venturer includes its share of the income and expenses of the jointly controlled entity.

In 2010 the proportionate consolidation is not implemented after the disposal on 31.12.2009 of the subsidiaries which were consolidated on the afore-mentioned method.

2.3 Foreign currency translation

(a) Functional and presentation currency

The consolidated financial statements are presented in the functional and presentation currency of the Group, the Euro.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Translation differences on monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve as of 1 January 2004.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (1) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (2) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (3) all resulting exchange differences are recognized as a separate component of equity and they are recycled to the Income Statement on the sale of the entity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.4 Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments either for hedging purposes or for trading purposes and on behalf of customers. The Group uses the following derivatives: OTC and exchange traded options, futures, interest rate and currency swaps and forwards.

Derivatives are initially recognized at acquisition cost on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, if market prices are not available.

The method of recognising 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 item being hedged. The Group designates certain derivatives as either:

- (a) Hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge),
- (b) Hedges of highly probable future cash flows attributable to a recognised asset or liability, or a forecasted transaction (cash flow hedge) or
- (c) Hedges of a net investment in a foreign operation (net investment hedge).

Hedge accounting is used for derivatives designated in this way provided certain criteria are met

For economic purposes, the Group designates certain derivatives as either hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedge) or, hedges of highly probable future cash flows attributable to a recognized asset or liability, or a forecasted transaction (cash flow hedge) or hedges for a net investment in a foreign subsidiary. 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.

(a) 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 amortised 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.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects 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 recognised when the forecast transaction is ultimately recognised 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.

(c) Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is disposed of.

2.5 Interest income and expense

Interest income and expense are recognized in the consolidated income statement for all instruments measured at amortized cost using the effective interest method and includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Interest and similar income includes interest income from loans and advances to customers, interest income from fixed and floating interest-bearing securities and also premium or discount amortization of bonds and other financial instruments.

The Group does not recognize interest income on non-performing loans. Interest income for these loans are recorded in off balance sheet accounts until they are considered performing.

2.6 Fee and commission income

Fees and commissions are generally recognized on an accrual basis when the service has been provided. Loan commitment fees for loans that are likely to be drawn down are deferred (together with related direct costs) and recognized as an adjustment to the effective interest rate on the loans.

2.7 Dividend Income

Dividends are recognized in the income statement when the right to receive payment is established.

2.8 Financial assets

The Group classifies its financial assets in the following 4 categories. Management determines the classification of its investments at initial recognition and reassess at reporting period.

(a) 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.

(b) 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, goods or services directly to a debtor with no intention of trading the receivable. Loans include originated loans and do not include acquired loans.

(c) Held-to-maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. The Group has designated securities, with a book value of € 47.828, as at 31 December 2010.

(d) 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 in categories (a), (c), (d) above are recognized on settlement date – the date that a financial asset is delivered to or by the Group, which for held to maturity assets and available for sale securities includes transaction costs. Loans and advances (category b) are recognized when cash is advanced to the borrowers.

Available-for-sale financial assets are subsequently carried at fair value. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized directly in equity, until the financial assets is derecognized or impaired at which time the cumulative gain or loss previously recognized in equity should be recognized in profit or loss.

Financial assets at fair value through profit or loss are subsequently measured at fair value based on closing rates. Gains and losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are included in the income statement in the period in which they arise.

Loans and receivables and held-to-maturity investments are carried at amortized cost using the effective interest method less impairment losses. These assets are examined for impairment losses which is when the present value of expected cash flows discounted at the effective rate is less than book value.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, and other valuation techniques commonly used by market participants.

The Group assesses at each reporting period if there are indications of impairment. For equity instruments classified as available-for-sale such indications exist when the hedge is a prolong decline in the fair value compared to cost. If such impairment exists the remaining amount in equity is transferred to the income statement.

2.9 Off - setting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when:

- a) there is a legally enforceable right to offset the recognized amounts and
- b) there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.10 Sale and repurchase agreements

Securities sold subject to repurchase agreements (“repos”) are included in the financial statements of the Group as assets; the counterparty liability is included in amounts due to other banks, deposits from banks, other deposits or deposits due to customers, as appropriate.

Securities purchased by the Group under agreements to resell (“reverse repos”) are recorded as loans and advances to other banks or customers, as appropriate. These securities are not included in the Group’s financial statements.

The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

2.11 Impairment of financial assets

Assets with an infinite useful life and are not depreciated but are assessed for impairment losses at each balance sheet date or whenever there is an indication that the reporting balance is non recoverable. Assets that are depreciated are tested for impairment loss when there is evidence that the book value is not recoverable. The recoverable amount is the largest amount between fair value less selling costs and value in use. In estimating the recoverable amount assets are classified in smaller cash generating units. Impairment loss when incurred is recognized to the income statement.

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 group of assets is impaired includes observable data that comes to the attention of the Group about the following loss events:

- (i) significant financial difficulty of the issuer or obligor;
- (ii) a breach of contract, such as a default or delinquency in interest or principal payments;
- (iii) 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;
- (iv) it is becoming probable that the borrower will go bankrupt or will follow a financial restructuring;
- (v) the disappearance of an active market for that financial asset because of financial difficulties;
- (vi) 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 borrowers 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 Group 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.

Changes in the expected cash flows are recognized in the income statement as a gain if there is a release or a loss if there is an increase.

Impairment loss is considered the difference between the carrying amount at the date of the impairment test loss and the expected cash flows of the assets discounted using the original effective interest rate.

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.

In subsequent periods, possible change in expected cash flows as result of a change in the financial asset, are recognized in the income statement and the amount of the impairment loss is reversed or increased by adjusting the allowance account through the income statement.

2.12 Intangible assets - Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized on the basis of the expected useful lives (three to five years).

Costs associated with developing or maintaining computer software programs are recognized as an expense as incurred.

2.13 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Description	Years
Buildings and leasehold improvements	40
Computer Hardware	3 to 4
Vehicles	5 to 7
Furniture and equipment	5 to 7

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

On transition date to IFRS (1 January 2004) the Group valued land and buildings at fair value based on professional valuations. This fair value was considered as deemed cost.

2.14 Investment property

The Group classifies land and buildings that are not used for operational purposes or are held for investment purposes (rental income or capital appreciation) as investment property and records them at amortized cost less impairment losses. The Group depreciates investment property during its useful life, which is estimated at 40 years. On transition date to IFRS (1 January

2004) the Group classified investment property at fair value as determined by professional valuers. Fair value was considered as their deemed cost.

2.15 Leases

(a) The Group as lessee

Leases of fixed assets where the Bank has substantially all the risks and rewards of ownership are classified as finance leases.. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period. Property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to the income statement on a straight-line basis over the year of the lease.

(b) The Group as lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Assets leased out under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognized on a straight-line basis over the lease term.

The afore-mentioned analysis is not applicable in 2010, due to disposal on 31.12.2009 of the subsidiary leasing company.

2.16 Insurance activities

a) Provision for insurance claim

As a result of normal operations of the Group insurance companies, obligations or outstanding claims occur, most of which are delayed, due to their nature or are under legal proceedings. Specialists along with legal council, where considered necessary, determine the settlement of these claims and the fair value of any liabilities of the insurance companies.

This provision is determined on a file-by-file basis, based on supporting evidence and taken into account direct claims and third party fees such as lawyers, court and judicial expenses.

b) Recognition of income

Insurance premium fees are recognized as income during the period of the insurance contract (short term life contracts and contracts for settlement of claims). For long term life contracts income is recognized on issue of the contract and the relevant expense is recognized by the method of technical reserves.

c) Reinsurance contracts

Reinsurance contracts are contracts issued by one insurer to compensate losses on one or more contracts issued by and the insurer.

d) Unbundling of components

The Group insurance companies issue investment contracts on a unit linked basis or a defined acquisition fund – DAF. The fair value of a unit link fund is determined by the current net price of a unit, which reflects the fair value of the asset linked to the fund time, times the number of the units held by the issuer on a balance sheet date.

The fair value of the liability of DAF is determined by the contributions made less acquisitions or amounts settled plus investment income from the use of the asset during the period.

e) Assessment of provision

Provisions are accounted for in accordance with IFRS 4 based on the level of provisions less defined acquisition costs (DAC). Current discounted cash flows are used less direct expenses. Future cash flows are discounted using yield curves. Any amounts

that are insufficient are deducted from DAC and a corresponding liability for the risk is determined. Any DAC deducted cannot be replaced.

The afore-mentioned analysis is not applicable in 2010, due to disposal on 31.12.2009 of the subsidiaries insurance companies.

2.17 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including: cash and non-restricted balances with the Bank of Greece, treasury bills and other eligible bills, loans and advances to banks, amounts due from other banks and short-term government securities.

2.18 Provisions

Provisions for restructuring costs and legal claims are recognized when:

- i) the Group has a present legal or constructive obligation as a result of past events;
- ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and
- iii) the amount has been reliably estimated.

2.19 Employee benefits

(a) Short-term obligations

Short-term obligations to employees in cash or other non-monetary items are recognized as an expense on an accrual basis.

(b) Post employment benefits

The Group has only defined contribution plans. The contributions are recognized as employee benefit expense when they are due and also as health and medical treatment programs.

The current status of the Group's obligations to pension funds is described in detail in note 32.

(c) Employee termination benefits

Employee termination benefits are paid when employees leave prior to retirement. The Group records a liability when it is obliged to pay an amount according to a detailed employee scheme or when there are motives for voluntary termination. Long-term employment schemes are discounted.

In case the amount is not known precisely, termination benefits are recognized as a contingent liability.

2.20 Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the temporary difference can be utilized. Deferred taxes are presented separately as assets and liabilities and are not offset.

Deferred taxes are presented separately as assets and liabilities and are not offset.

Income tax payable on profits, based on the applicable tax law, is recognized as an expense in the period in which profits arise. The tax effects of income tax losses available for carry forward are recognized as an asset when it is probable that future taxable profits will be available against with these losses can be utilized.

2.21 Debt securities and other issues

Debt securities and subordinated debts of the Group are recognized initially at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred. These are subsequently measured at amortized cost.

2.22 Share capital

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds. Directly attributable costs of issuing shares for the purpose of acquiring an entity are included in the cost of the acquired entity.

Where the Group purchases the Group's equity share capital, the consideration paid is deducted from total shareholders' equity as treasury shares until they are sold or cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

2.23 Fiduciary activities

The Group commonly acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Group.

2.24 Related-party transactions

Related parties include companies within the control of the Group, companies for which the Group exerts significant influence, Board of Directors members and their close family members. The Group enters into transactions with related parties in the usual course of its business.

2.25 Segment reporting

The business segments are the primary reporting format of the Group. Taking into consideration the Group's internal reporting system and organizational structure, the following reportable business segments have been identified:

- Retail banking
- Corporate banking
- Insurance and asset management activities
- Investment banking and Treasury
- Other

2.26 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

3. Financial Risk Management

3.1 Financial Risk factors

The Group's activities are related with financial instrument risks including risks from derivatives. The Bank receives deposits from customers for different time intervals offering fixed and floating rates. The Bank invests these funds to achieve higher than the average offer rate. To expand this spread the Bank receives short-term deposits and offers higher rates for long-term liabilities maintaining adequate liquidity coverage for all possible obligations that may occur.

The Group is exposed to various risks such as credit, liquidity, cash flow and fair value risk from the change in rates. The general risk management policy for the Bank is focused on confronting the uncertainties of financial markets and tries to minimize any negative effects to the profits for the Bank. The Bank uses financial derivatives such as futures/forwards and interest rate swaps to hedge these risks.

Risk management apart from credit risk is maintained by the financial management division adapting to regulations and decisions that are approved by the Banks' management and by the Asset Liability Committee (ALCO). Credit risk management is governed by the Credit Committee that defines the credit risk strategy and monitors its progress. Risk Management defines,

estimates and confronts all financial risks in cooperation with the departments that are involved with these risks. The Management gives instructions and guidelines for central risk management and special instructions for confronting special risks such as foreign exchange, interest and credit risk.

Cash flow hedging and fair value hedging for changes in interest rates

Operating income and cash flows of the Bank are affected by the change in interest rates. The Bank in several cases is exposed to floating rates loans and enters into a interest rate swap (IRS) to hedge cash flows on future interest payments that result in converting floating loans to fixed.

IRS contracts allow the Bank to convert long-term exposure from floating to fixed at a lower rate from that on inception. Through IRS the Bank agrees with third parties to swap at a notional amount the primarily difference between floating and fixed.

Interest rate risk arises from medium and long-term loans. Floating rate loans expose the Bank to cash flow risks. Fixed rate loans expose the Bank to fair value risks. It is the Bank's policy to have approximately their entire loan portfolio with floating rates.

3.2 Credit Risk

Emporiki Group's main strategic target is the effective management of the total undertaken risks in order to ensure an efficient use of capital in relation to risk appetite as well as business development.

The Bank assigns significant priority in developing internal risk rating tools that identify the level of risk associated with borrowers' creditworthiness based on specific characteristics per type of exposure. This effort is aligned with the requirements of the new Pillar II Regulatory framework, regarding the capital adequacy obligations and the norms of Emporiki Group.

The credit approval process is subject to a detailed risk monitoring, review and analysis on an on-going basis in accordance with the norms and practices of Credit Agricole SA.

Regarding the credit risk strategy per portfolio, the following have to be pointed out:

Corporate Credit Risk Strategy

Regarding the corporate risk assessment, Emporiki has incorporated in the credit decision-making process "Anadefi", Credit Agricoles' rating model for corporate exposures. The above mentioned model uses a 15 grade scale for assessing the quality of the counterparty based on quantitative and qualitative criteria to calculate the inferred probability of default for each rating grade.

The existence of a quantitative credit rating system creates a basis to compare credit risk, allows the possibility of linking risk with pricing, assists the realization of more accurate provisions, facilitates the evaluation of capital requirements by supervisory authorities and contributes to more accurate credit approval processes.

Apart from the corporate rating tool, Emporiki in order to effectively assess concentration risk has established sector limits and limits per Group of counterparties, which are closely monitored and reviewed on an annual basis.

Additionally, the portfolio of the Corporate exposures is reviewed at least on a yearly basis taking into account both the Corporate and Risk Business lines, while the amount, the type and the complexity per exposure are approved by different delegation levels via specific Credit Decision Processes. As a result, a more diversified portfolio is achieved with less concentrated exposures.

Further to the above and regarding the Medium Companies after the establishment of Business Centres, the risk policy has been reviewed along with the following developments:

A monitoring process has been adopted aiming to prevent any risk increase. In specific, an alert procedure for downgraded borrowers has been established with special reference to incidents of non-payment, significant decrease of the activity, and other financial, legal and managerial events that may indicate a possible deterioration of the credit quality.

Specific guidelines have been developed for all SMEs exposures regarding the Bank's risk appetite and credit policy rules.

Professionals & Small Business Credit Risk Strategy

For Professionals & Small Enterprises credit exposures, systemic control tools that verify the fulfilment of specific credit policy rules are applied via the fulfilment of the electronic credit application form.

During 2009 Emporiki acquired a new rating model for small companies with C category books. Moreover, a bespoke application scorecard, is used for small business and professionals.

The Approval process is centralized for these loans and in this concept the delegation power of the Branches has been decreased significantly.

Credit Risk Strategy for Individuals

Credit financing to private individuals is primarily designed to meet consumer and housing (e.g. purchase, building, completion, extension, repair of a residential property, purchase of land for the building of a house or business premises) needs.

Lending to Individuals is mainly based upon the fulfilment of general credit policy rules, as well as upon bespoke application scorecards for consumer loans. Those scorecards are closely monitored by the Risk Management division in co-operation with Credit Agricole's via several validation and calibration procedures.

The entire approval process until the disbursement is Centralised in a Credit Centre who performs not only the assessment but also all the back office operations. In specific, this Unit is responsible to assess all requests based on the Credit Policy of the Bank, to verify the completeness and accuracy of the documentations, to check the collaterals' status (eg. full ownership etc.), to co-operate with the Real Estate Division for the evaluation of the collateral market value.

3.2.1 Impairment and Provisions

The table below shows the percentage of the Group's on-balance sheet items relating to loans and advances and the associated impairment provision for each of the Group's internal credit rating categories:

	2010		2009	
	Loans & advances (%)	Impairment Provision (%)	Loans & advances (%)	Impairment Provision (%)
Standard monitoring	69,0	0,8	77,9	0,8
Special monitoring	6,4	4,5	3,4	4,7
Sub-standard	24,6	44,1	18,7	36,6
Total	100	11,7	100	7,7

3.2.2 Maximum exposure to credit risk before collateral held or other credit enhancements

The following table presents the Group's maximum credit risk exposure as of 31/12/2010 and 31/12/2009, without including collateral held or other credit enhancements. For on-balance sheet assets, the credit exposures are based on their carrying amounts as reported on the balance sheet.

	Maximum Exposure	
	2010	2009
Credit risk exposures relating to on-balance sheet assets are :		
Treasury bills	67.690	254.592
Due from other banks	2.397.786	2.529.556
Trading securities - Debt securities	49.368	91.271
Derivative financial instruments	132.223	73.313
Loans and advances to customers:		
Loans to Individuals:		
Credit Cards	330.619	363.838
Consumer Loans	1.449.048	1.640.918
Mortgage Loans	7.379.245	7.779.682
Loans to corporate entities:		
Large Corporate Customers	7.371.352	7.372.920
Small and medium size enterprises (SMEs)	4.150.275	4.346.580
Revolving Easy Business	393.676	474.084
Other receivables	219.242	146.145
Available-for-sale securities - Debt securities	813.323	1.188.942
Held-to-maturity securities	47.828	45.043
Other assets	240.192	307.302
Credit risk exposures relating to off-balance sheet items are as follows:		
Letters of guarantee	1.956.340	2.033.470
Total	26.998.207	28.647.656

3.2.3 Loans and advances

Loans and advances to customers and to banks are summarized as follows:

	2010		2009	
	Loans and advances to customers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Neither past due nor impaired	14.346.840	2.397.786	15.865.466	2.529.556
Past due but not impaired	3.482.669	-	3.588.174	-
Impaired	6.275.080	-	4.492.851	-
Gross Total	24.104.589	-	23.946.491	2.529.556
Less: allowance for impairment	2.811.132	-	1.822.324	-
Net Total	21.293.457	2.397.786	22.124.167	2.529.556

(a) Loans and advances neither past due or impaired by rating class

31 December 2010

	Credit Cards	Term Loans	Mortgages	Loans to Corporate Entities	SMEs	Revolving Easy Business	Other receivables	Total Loans & advances to customers	Loans and advances to banks
Standard monitoring	205.566	715.965	4.618.123	5.833.830	1.604.444	204.868	219.242	13.402.038	2.397.786
Special monitoring	-	3.347	1.090	614.197	195.698	-	-	814.332	-
Sub-standard	51	15.739	94.454	1.832	17.503	891	-	130.470	-
Total	205.617	735.051	4.713.667	6.449.859	1.817.645	205.759	219.242	14.346.840	2.397.786

31 December 2009

	Credit Cards	Term Loans	Mortgages	Loans to Corporate Entities	SMEs	Revolving Easy Business	Other receivables	Total Loans & advances to customers	Loans and advances to banks
Standard monitoring	235.257	904.015	5.350.222	5.836.470	2.338.032	279.010	146.143	15.089.149	2.529.556
Special monitoring	-	-	21	219.460	125.568	-	-	345.049	-
Sub-standard	44	17.491	108.894	295.030	9.707	102	-	431.268	-
Total	235.301	921.506	5.459.137	6.350.960	2.473.307	279.112	146.143	15.865.466	2.529.556

(b) Loans and advances past due but not impaired

31 December 2010

	Credit Cards	Term Loans	Mortgages	Loans to Corporate Entities	SMEs	Revolving Easy Business	Total
Past due up to 30 days	55.431	119.526	549.594	496.987	1.407.853	96.222	2.725.613
Past due up to 30-90 days	10.797	56.434	254.714	107.489	133.484	23.244	586.162
Past due up to 90-180 days	1.463	6.787	91.312	10.163	2.476	2.397	114.598
Past due more than 180 days	-	4.435	27.843	13.223	10.795	-	56.296
Total	67.691	187.182	923.463	627.862	1.554.608	121.863	3.482.669

31 December 2009

	Credit Cards	Term Loans	Mortgages	Loans to Corporate Entities	SMEs	Revolving Easy Business	Total
Past due up to 30 days	66.066	168.559	644.917	461.240	1.347.739	104.919	2.793.440
Past due up to 30-90 days	14.293	89.160	313.289	33.650	118.907	25.889	595.188
Past due up to 90-180 days	1.980	11.636	153.021	222	4.784	3.812	175.455
Past due more than 180 days	-	-	12.848	-	11.243	-	24.091
Total	82.339	269.355	1.124.075	495.112	1.482.673	134.620	3.588.174

(c) **Loans and advances individually impaired**

31 December 2010

	Credit Cards	Term Loans	Mortgages	Large Corporate Customers	SMEs	Easy Business	Other Receivables	Total
Impaired loans	189.495	1.064.569	2.342.281	624.193	1.737.715	316.432	395	6.275.080
	189.495	1.064.569	2.342.281	624.193	1.737.715	316.432	395	6.275.080
out of which have less than 90 pdp	15.054	90.279	277.300	158.943	262.551	45.485	-	849.612
Allowance for impairment	132.184	537.754	600.166	330.562	959.696	250.377	393	2.811.132

31 December 2009

	Credit Cards	Term Loans	Mortgages	Large Corporate Customers	SMEs	Easy Business	Other Receivables	Total
Impaired loans	128.136	823.673	1.540.485	456.132	1.325.302	204.805	14.318	4.492.851
	128.136	823.673	1.540.485	456.132	1.325.302	204.805	14.318	4.492.851
out of which have less than 90 pdp	14.726	194.627	430.845	157.672	166.540	19.840	-	984.250
Allowance for impairment	80.994	380.912	349.199	207.840	644.608	144.453	14.318	1.822.324

3.2.4 Debt securities, treasury bills and other eligible bills

The table below presents an analysis of debt securities, treasury bills and other eligible bills by rating agency designation at 31 December 2010, based on Moody's rating

	Treasury bills	Trading securities	Available-for-sale securities	Held-to-maturity securities	Total
Aaa	-	-	38.537	-	38.537
Aa1 – Aa3	-	-	271.872	47.828	319.700
A1 – A3	-	2.155	126.236	-	128.391
Baa1 – Baa3	67.690	47.213	376.678	-	491.581
Total	67.690	49.368	813.323	47.828	978.209

3.2.5 Concentration of risks of financial assets with credit risk exposure

(a) Geographical Sectors

The geographical concentration allocates exposures to regions based on the counterparties' country of domicile. The Group's credit exposure, by geographical region as of 31 December 2010 and as of 31 December 2009, is mainly concentrated in Europe.

(b) Industry Sectors

31 December 2010	Financial Institutions	Manuf/ing	Real Estate	Whole sale & Retail Trade	Public Sector	Other Industries	Individuals	Total
Treasury bills	-	-	-	-	67.690	-	-	67.690
Due from other banks	2.397.786	-	-	-	-	-	-	2.397.786
Trading securities - Debt securities	-	-	-	-	49.368	-	-	49.368
Derivative financial instruments	132.223	-	-	-	-	-	-	132.223
Loans and advances to customers:								
Loans to Individuals:								
Credit Cards	-	-	-	-	-	-	330.619	330.619
Consumer Loans	-	-	-	-	-	-	1.449.048	1.449.048
Mortgage Loans	-	-	-	-	-	-	7.379.245	7.379.245
Loans to corporate entities:								
Large Corporate Customers	75.514	775.746	819.827	4.283.641	193.936	1.222.688	-	7.371.352
Small and medium size enterprises	21.798	385.249	414.893	2.328.427	33.219	934.851	31.838	4.150.275
Revolving Easy Business	-	57	19	157	-	1.087	392.356	393.676
Other receivables	-	-	-	-	-	219.242	-	219.242
AFS securities -Debt securities	610.553	-	-	-	202.770	-	-	813.323
Held-to-maturity securities	-	-	-	-	-	47.828	-	47.828
Other assets	120	784	1.293	907	147	230.360	6.581	240.192
Total	3.237.994	1.161.836	1.236.032	6.613.132	547.130	2.656.056	9.589.687	25.041.867
As at 31 December 2009	4.244.567	1.282.680	1.444.827	6.124.674	914.831	2.340.013	10.262.594	26.614.186

3.3 Market risk

Market risk is the risk that the value of a portfolio, either an investment portfolio or a trading portfolio, will decrease due to the change in value of the market risk factors. For Emporiki Group, the market risk factors are mainly interest rates and foreign exchange rates and consequently the associated market risk are:

- Interest rate risk is the risk (variability in value) borne by an interest-bearing asset, such as a bond, due to variability of interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa.
- Currency risk is a form of risk that arises from the change in price of one currency against another. Whenever investors or companies have assets or business operations across national borders, they face currency risk if their positions are not hedged.

There are a number of standard calculations that Emporiki uses for measuring Market Risk on a portfolio consisting of bonds and derivatives. The most common techniques include:

- Marking to market, calculating the net market value of the assets and liabilities, sometimes called the "market value of portfolio equity".
- Calculating the bond's duration and Basis Point Value, the sensitivity of the asset's price to interest rate movements.
- Calculating the Value-at-Risk of the portfolio
- Applying Stress testing on the market value by shifting the yield curve in a specific way.

a) Value at Risk

Value at Risk is the calculation of the potential loss amount due to market risk, according to the assumption that the composition of the portfolio measured remains unchanged over the specified period. The VAR model assumes a certain 'holding period' until positions can be closed (1 day) and the level of confidence is equal to 99%. There is therefore a specified statistical probability (1%) that actual loss could be greater than the VAR estimate. It also assumes that market moves occurring over this holding period will follow a similar pattern to those that have occurred over 1-day period in the past. Emporiki bank assessment of past movements is based on data for the past one year. Emporiki applies these historical changes in rates, prices, indices, etc. directly to its current positions – a method known as historical simulation. Actual outcomes are monitored regularly to test the validity of the assumptions and parameters/factors used in the VAR calculation. The use of this approach does not prevent losses outside of these limits in the event of more significant market movements. As VAR constitutes an integral part of Emporiki's market risk control regime, the ALCO committee annually for all trading and non-trading portfolio operations establishes VAR limits.

b) Stress tests

Stress tests provide an indication of the potential size of losses that could arise in extreme conditions. The stress tests include: risk factor stress testing, where stress movements are applied to each risk category; and ad hoc stress testing. The results of the stress tests are reviewed by senior management and presented to ALCO Committee.

VAR summary for 2010 and 2009:

(a) Trading & Non - Trading portfolio VaR by Risk Type

	01/01- 31/12/2010			01/01- 31/12/2009		
	Average	High	Low	Average	High	Low
Foreign exchange risk	231	269	198	87	421	3
Interest rate risk	916	1.518	629	1.512	2.495	701
Equities risk	3	4	1	223	532	4
Total VAR	995	1.610	700	1.550	2.536	945

(b) Trading portfolio VaR by Risk Type

	01/01- 31/12/2010			01/01- 31/12/2009		
	Average	High	Low	Average	High	Low
Foreign exchange risk	202	234	173	61	136	4
Interest rate risk	694	1.315	468	833	1.082	532
Equities risk	-	-	-	-	-	-
Total VAR	797	1.516	518	838	1.095	501

(c) Non - Trading portfolio VaR by Risk Type

	01/01- 31/12/2010			01/01- 31/12/2009		
	Average	High	Low	Average	High	Low
Foreign exchange risk	32	39	27	128	196	32
Interest rate risk	345	1.280	162	204	436	65
Equities risk	3	4	1	334	919	3
Total VAR	347	1.274	161	378	915	80

3.4 Liquidity risk

Liquidity risk is the risk arising from the difference between the maturity of asset and liability items. Liquidity risk expresses the danger that the Bank cannot fulfill its obligations in the future due to these differences between financial instruments or transactions.

The Group measures this risk and controls it by using a developed liquidity management system that has various controls. The Group adheres to liquidity restraints authorized by the regulatory authorities locally and abroad as well as to internal limits.

The Group controls and manages liquidity risk throughout the period by using the following:

- a) Minimum reserve balance as defined by the Bank of Greece.
- b) Liquidity indexes defined by the Bank of Greece and internally.

Emporiki Group's operations abroad adhere to liquidity rules defined by the Bank of Greece and local regulatory decisions.

The following table summarizes the financial assets and liability items of the Group by remaining maturity as at the reporting date.

31 December 2010

	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non Defined maturity	Total
ASSETS							
Cash and balances with Central Bank	851.216	-	-	-	-	163.347	1.014.563
Treasury bills	50.241	4.595	12.854	-	-	-	67.690
Due from other banks	2.031.843	34.238	109.016	208.569	14.120	-	2.397.786
Trading securities	5	37.685	822	1.892	6.814	2.155	49.373
Derivative financial instruments	-	-	-	-	-	132.223	132.223
Loans and advances to customers	5.659.578	1.549.562	2.479.621	4.578.208	7.025.777	711	21.293.457
Available-for-sale securities	12.033	99.533	76.752	355.225	276.100	15.290	834.933
Held-to-maturity securities	-	-	14.946	32.882	-	-	47.828
Other assets	17.456	27.539	10.485	3.857	968	179.887	240.192
Total Financial Assets	8.622.372	1.753.152	2.704.496	5.180.633	7.323.779	493.613	26.078.045
Liabilities							
Due to other banks	5.741.682	2.322.711	543.440	58.814	-	-	8.666.647
Derivative financial instruments	-	-	-	-	-	143.940	143.940
Due to customers	8.136.832	1.076.407	2.663.974	209.138	109	159.117	12.245.577
Debt securities in issue	-	-	274.522	1.813.821	804.167	73	2.892.583
Other borrowed funds	-	-	-	-	1.072.261	-	1.072.261
Due to State pension funds	81.544	-	84.422	177.889	-	-	343.855
Other liabilities	7.189	33	3.623	-	24	259.020	269.889
Total Financial Liabilities	13.967.247	3.399.151	3.569.981	2.259.662	1.876.561	562.150	25.634.752
Net on-balance sheet financial position	(5.344.875)	(1.645.999)	(865.485)	2.920.973	5.447.217	(68.537)	443.294

31 December 2009

	Up to 1 month	1-3 months	3- 12 months	1-5 years	Over 5 years	Non Defined maturity	Total
Total Financial Assets	8.186.992	1.914.409	3.359.252	6.458.425	8.989.066	(1.170.795)	27.737.349
Total Financial Liabilities	13.851.874	3.986.092	5.730.912	1.719.084	1.253.773	535.719	27.077.454
Net on-balance sheet financial position	(5.664.882)	(2.071.683)	(2.371.660)	4.739.341	7.735.293	(1.706.514)	659.895

3.5 Establishment of fair values

The fair value of quoted investments, which are negotiable in active markets/stock exchanges, such as derivatives, shares, bonds, mutual funds, is established based on current bid prices valid at balance sheet date.

If the market for a financial asset is not active (and for unlisted securities), fair values are established by using valuation techniques and assumptions based on market information at the balance sheet date.

3.6 Fair Values of Financial Assets and Liabilities

(a) Financial instruments not measured at fair value

The following table presents the book and fair values for the financial instruments (assets and liabilities) that are not measured in fair value:

	Book Value		Fair Value	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Financial assets				
Due from other banks	2.397.786	2.529.556	2.397.786	2.529.556
Loans and advances to customers (after provisions)	21.293.457	22.124.167	22.840.682	23.190.158
Held-to-maturity securities	47.828	45.043	47.828	45.043
Financial liabilities				
Due to other banks	8.666.647	7.397.685	8.665.235	7.397.685
Due to customers	12.245.577	15.493.779	12.244.979	15.493.779
Debt securities in issue	2.892.583	2.333.624	2.831.632	2.317.057
Other borrowed funds	1.072.261	1.071.949	1.037.627	1.038.258

The fair value of the loans and advances to customers is calculated by discounting the future cash flows with the appropriate interest rates for similar term. The calculation of the fair value of debt securities in issue is based on discounting future cash flows with inter-bank rates according to the duration.

The fair value of a financial instrument reflects the price at which an asset can be traded or a debt settled, between informed parties, willing to conclude a transaction at normal price.

The fair value indicated above represent estimations as of the closing date. They are subject – amongst other factors- to adjustments, according to market conditions prevailing at the valuation date. Those calculations represent our best possible estimate. It is based on a set of assumptions. Since the underlying models include uncertainties, the fair values may not materialize if those financial instruments were to be sold or settled in the future.

In practical terms, and on a going concern basis, the overall value of those instruments could not materialize through an immediate market transaction."

(b) Fair value hierarchy

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

- Level 1– Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, London Stock Exchange, Frankfurt Stock Exchange, New York Stock Exchange) and exchanges traded derivatives like futures (for example, Nasdaq, S&P 500).
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes the majority of the OTC derivative contracts, traded loans and issued structured debt. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.

- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

3.6.1 Assets and Liabilities measured at fair value

31 December 2010	Level 1	Level 2	Level 3	Total
Financial assets held for trading				
- Debt securities	117.063	-	-	117.063
- Derivatives	-	93.324	-	93.324
Hedging derivatives	-	38.899	-	38.899
Available for sale financial assets				
- Investment securities - debt	813.323	-	-	813.323
- Investment securities – equity & mutual funds	9.732	11.878	-	21.610
Total assets	940.118	144.101	-	1.084.219
Financial liabilities held for trading				
- Derivatives	-	101.740	-	101.739
Hedging derivatives	-	42.200	-	42.200
Total liabilities	-	143.940	-	143.940

4. Critical Accounting Estimates, and Judgments in Applying Accounting Policies

The management of the Group makes estimates and assumptions 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 factor, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment on loans and advances

The Group reviews its loan portfolios to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group, or national or local economic conditions that correlate with defaults on assets in the group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows.

(b) Fair value of derivatives

The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques are used to determine fair value, they are validated and periodically reviewed by qualified personnel independent of the area that created them. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments.

(c) Impairment of available-for-sale equity investments

The Group determines that available-for-sale equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgement. In making this judgement, the Group evaluates among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

(d) Income taxes

The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(e) Due to state pension funds

The estimates, judgements and assumptions, concerning the liabilities to State pension funds are illustrated in Note 32.

(f) Investments in associates

The estimates, judgements and assumptions, concerning the investments in associates are illustrated in Note 23.

5. Segment Reporting

5.1 Segment results of operations

<u>From 1/1 to 31/12/2010</u>	Total	Retail Banking	Corporate Banking	Investment Banking & Treasury	Other
Net interest income	649.843	366.048	124.545	170.366	(11.116)
Net commission income	111.193	87.296	34.108	4.427	(14.638)
Other income	7.579	392	-	(7.226)	14.413
Net Operating Income	768.615	453.736	158.653	167.567	(11.341)
Staff costs	(419.366)	(340.690)	(24.088)	(12.534)	(42.054)
Impairment on loans and advances	(1.026.023)	(895.275)	(130.678)	(70)	-
Other provisions	4.701	368	-	-	4.333
Other operating expenses	(183.787)	(151.329)	(9.878)	(7.697)	(14.883)
Net Operating Expenses	(1.624.475)	(1.386.926)	(164.644)	(20.301)	(52.604)
Share of gain / (loss) of associates	(235)	-	-	(235)	-
Profit / (loss) before tax	(856.095)	(933.190)	(5.991)	147.031	(63.945)
<u>From 1/1 to 31/12/2009</u>	Total	Retail Banking	Corporate Banking	Investment Banking & Treasury	Other
Net interest income	541.699	324.374	114.703	100.907	1.715
Net commission income	119.154	93.614	33.489	8.719	(16.668)
Other income	90.064	49.869	-	(34.774)	74.969
Net Operating Income	750.917	467.857	148.192	74.852	60.016
Staff costs	(444.133)	(361.504)	(25.612)	(13.367)	(43.650)
Impairment on loans and advances	(650.682)	(598.826)	(51.856)	-	-
Other Provisions	(7.751)	(18)	-	-	(7.733)
Other operating expenses	(202.551)	(160.124)	(11.228)	(10.153)	(21.046)
Net Operating Expenses	(1.305.117)	(1.120.472)	(88.696)	(23.520)	(72.429)
Share of gain / (loss) of associates	(588)	-	-	(588)	-
Profit / (loss) before tax	(554.788)	(652.615)	59.496	50.744	(12.413)

Retail banking includes all services and products offered to individuals, freelance professionals and small and medium size entities.

Corporate banking includes all products and services offered to corporations and shipping companies.

Investment banking and Treasury include financial services, consulting and transaction services on capital exchange issues and on dealing room activities.

Other includes all non-financial or insurance activities and administrative and back office functions of the Bank.

The allocation of interest income in various business segments, is based on the Fund Transfer Pricing Model, which has been developed by the Bank.

5.2 Geographical information

	2010		2009	
	Net Income	Non current Assets	Net Income	Non current Assets
Greece	740.643	384.374	806.820	369.065
Germany	283	-	3.118	1
Romania	13.502	8.953	10.677	9.362
Bulgaria	15.357	8.273	13.580	8.099
Albania	14.022	6.353	18.215	6.016
Cyprus	26.411	1.949	19.117	2.543
Great Britain	(41.603)	12	(120.610)	47
Total	768.615	409.914	750.917	395.133

6. Net Interest Income

	01/01- 31/12/2010	01/01- 31/12/2009
Interest and similar income		
Cash and short-term funds	46.705	74.165
Bonds/ Treasury bills	131.169	165.009
Loans and advances	761.551	864.357
	939.425	1.103.531
Interest expense & similar charges		
Banks and customers	(203.538)	(395.341)
Debt securities	(42.209)	(119.814)
Securities and repos	(311)	(2.966)
Obligations to pension funds	(12.658)	(14.422)
Other borrowing funds	(30.866)	(29.289)
	(289.582)	(561.832)
Net interest income	649.843	541.699

7. Net Commission Income	01/01- 31/12/2010	01/01- 31/12/2009
Fee & commission income		
Loans	39.381	34.053
Working capital	6.486	6.302
Letters of guarantee	17.065	15.957
Credit cards	17.290	21.750
Imports – Exports	4.807	4.952
	4.572	3.900
Other commissions	41.986	55.103
	131.587	142.018
Fee & commission expense		
Credit card commissions	(3.910)	(4.717)
Guarantees received from parent company	(14.636)	(14.742)
Other	(1.848)	(3.405)
	(20.394)	(22.864)
Net fee & commission income	111.193	119.154
8. Dividend Income	01/01- 31/12/2010	01/01- 31/12/2009
Trading portfolio	364	147
Available-for-sale portfolio	412	420
Total dividend income	776	567
9. Net Trading Results	01/01- 31/12/2010	01/01- 31/12/2009
Net profit / (loss) from transactions and foreign exchange valuation	13.189	14.090
Net profit / (loss) from sale and valuation of bonds	(17.369)	1.592
Net profit / (loss) from sale & valuation of shares & other variable yield securities	(1)	(603)
Net profit / (loss) from sale and valuation of derivatives	3.485	(2.664)
Total net trading results	(696)	12.415
10. Gains less Losses from Investment Securities	01/01- 31/12/2010	01/01- 31/12/2009
Impairment of bonds	167	(1.395)
Net profit / (loss) from sale of shares and other variable yield securities	49	1.053
Impairment of shares	(2.798)	(194)
Net profit / (loss) from sale and valuation of mutual funds	(2.878)	(256)
Impairment of mutual funds	(1.553)	-
Net profit / (loss) from sale of subsidiaries	428	1.958
Impairment of subsidiaries	(197)	(107)
Total gain less losses investment portfolio	(6.782)	1.059

11. Other Operating Income

	<u>01/01- 31/12/2010</u>	<u>01/01- 31/12/2009</u>
Rental income	1.130	1.032
Proceeds from written-off receivables	18	2.027
Net profit / (loss) from the sale of fixed assets	6.164	39.816
Income from non banking subsidiaries	4.451	3.124
Net profit / (loss) from the buy-back of debt securities in issue	-	27.274
Other income	<u>2.519</u>	<u>2.750</u>
Total other operating income	<u>14.282</u>	<u>76.023</u>

12. Staff Costs

	<u>01/01- 31/12/2010</u>	<u>01/01- 31/12/2009</u>
Salaries and wages	(263.335)	(282.825)
Social security costs (principal and auxiliary plans)	(67.069)	(89.068)
Other benefits	<u>(88.962)</u>	<u>(72.240)</u>
Total staff costs	<u>(419.366)</u>	<u>(444.133)</u>

Total personnel of the Group as at 31 December 2010 were 5.784 compared to 6.430 as at 31 December 2009.

13. Other Operating Expenses

	<u>01/01- 31/12/2010</u>	<u>01/01- 31/12/2009</u>
Fees and third party expenses	(19.497)	(8.012)
Third parties fees	(46.649)	(42.455)
Insurance fees	(3.181)	(1.599)
Taxes and duties	(18.236)	(19.798)
Other expenses	<u>(70.127)</u>	<u>(104.824)</u>
Total other operating expenses	<u>(157.690)</u>	<u>(176.688)</u>

14. Income Tax Expense

	<u>01/01- 31/12/2010</u>	<u>01/01- 31/12/2009</u>
Tax for the period (provision)	(17.085)	(42.767)
Deferred taxation (Note 36)	<u>(611)</u>	<u>21.025</u>
Total income tax expense	<u>(17.696)</u>	<u>(21.742)</u>

15. Earnings per Share

	<u>01/01- 31/12/2010</u>	<u>01/01- 31/12/2009</u>
Attribute profit / (loss) to the Bank shareholders (in € thousands)	(873.469)	(582.585)
Average number of shares (excluding own shares)	464.682.818	233.573.580
Basic and diluted profit / (loss) per share (in €)	<u>(1,8797)</u>	<u>(2,4942)</u>

Basic earnings per share is calculated on the profit after tax attributable to the Bank's shareholders and the weighted average number of shares outstanding during the period after deducting own shares in ownership during the period.

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding during the period and the profit or loss attributable to ordinary equity holders for all the effects of dilutive potential ordinary shares. There were no outstanding dilutive ordinary shares during the periods presented in these financial statements.

16. Cash and Balances with Central Banks

	<u>31/12/2010</u>	<u>31/12/2009</u>
Cash	223.483	244.568
Deposits at Central Bank excluding obligatory deposits for liquidity purposes	115.260	102.231
Cheques receivables – Central Bank clearing office	8.072	4.050
Included as cash and cash equivalents (Note 39)	346.815	350.849
Obligatory deposits at Central Banks	667.164	734.006
Accrued Interest	584	496
Total cash and balances with Central Bank	<u>1.014.563</u>	<u>1.085.351</u>

Obligatory deposits with Central Bank is a requirement set by the Bank of Greece for all financial institutions established in Greece and are equal to 2% of total customer deposits (excluding the first € 100 thousands). The Bank is also required to maintain a current account with Bank of Greece in order to facilitate inter-bank transactions through the Trans European – Automated Real Time Gross Settlement Express Transfer System (TARGET).

17. Due from Other Banks

	<u>31/12/2010</u>	<u>31/12/2009</u>
Cheques receivable	6.485	5.910
On demand	115.996	190.313
Placements in other banks	1.280.217	1.328.974
Other amounts due	41.165	17.362
Included as cash and cash equivalents (Note 39)	1.443.863	1.542.559
Placements in other banks not included in cash and cash equivalents	951.308	983.365
Loans and borrowings in other banks	2.615	3.632
Total due from other banks	<u>2.397.786</u>	<u>2.529.556</u>

18. Trading Securities

	<u>31/12/2010</u>	<u>31/12/2009</u>
Hellenic Republic bonds not included in cash and cash equivalents	49.368	91.271
Listed shares	5	12
Non listed shares	-	94
Total trading securities	<u>49.373</u>	<u>91.377</u>

19. Derivative financial instruments

	<u>31/12/2010</u>			<u>31/12/2009</u>		
	Fair value			Fair value		
	Contract/ Nominal value	Assets	Liabilities	Contract/ Nominal value	Assets	Liabilities
(1) Derivatives held for trading						
a) Currency derivatives						
Currency forwards	116.660	960	942	60.432	550	843
Currency swaps	220.608	509	48	1.168.183	3.870	3.740
Currency options	81.626	602	602	21.652	460	460
		<u>2.071</u>	<u>1.592</u>		<u>4.880</u>	<u>5.043</u>
b) Interest rate derivatives						
Interest rate swaps	3.871.271	89.144	98.151	3.052.865	54.658	60.474
Caps & Floors	1.480.844	2.090	1.997	999.098	2.956	2.349
		<u>91.234</u>	<u>100.148</u>		<u>57.614</u>	<u>62.823</u>
c) Bond Futures						
Exchange traded bond futures	9.600	19	-	7.500	16	-
		<u>19</u>	<u>-</u>		<u>16</u>	<u>-</u>
Total derivatives held for trading		<u>93.324</u>	<u>101.740</u>		<u>62.510</u>	<u>67.866</u>
(2) Derivatives designated as fair value hedge						
a) Interest rate derivatives						
Interest rate swaps	4.475.500	38.899	42.200	5.516.300	10.803	68.189
		<u>38.899</u>	<u>42.200</u>		<u>10.803</u>	<u>68.189</u>
Total derivatives assets / liabilities		<u>132.223</u>	<u>143.940</u>		<u>73.313</u>	<u>136.055</u>

20. Loans and Advances to Customers

	<u>31/12/2010</u>	<u>31/12/2009</u>
Loans to individuals		
Credit cards	462.331	445.492
Term loans	1.944.583	2.017.276
Mortgage loans	<u>7.972.931</u>	<u>8.112.903</u>
	10.379.845	10.575.671
Loans to corporate entities		
Large corporate customers	7.735.559	7.532.882
Small and medium size enterprises	5.072.901	5.007.991
Freelancers (Easy Business)	<u>642.954</u>	<u>617.288</u>
	13.451.414	13.158.161
Other advances	219.637	160.461
Accrued Interest	<u>53.693</u>	<u>52.198</u>
Total loans and advances to customers	<u>24.104.589</u>	<u>23.946.490</u>
Less: Impairment losses on loans and advances	2.811.132	1.822.324
	<u>21.293.457</u>	<u>22.124.167</u>
Floating interest rate	21.788.962	18.607.966
Fixed interest rate	<u>2.261.934</u>	<u>5.286.328</u>
Total loans and advances to customers	<u>24.050.896</u>	<u>23.894.294</u>

	<u>31/12/2010</u>	<u>31/12/2009</u>
Impairment losses on loans and advances		
Balance at 1 January	1.822.324	1.296.099
Discontinued operations	-	(49.281)
Transfer to “Other Provisions”	(14.300)	-
Transfer to AFS Portfolio	(6.149)	-
Unwinding (realisation of impairment loss) and write-offs	(17.752)	(98.090)
Impairment provision for loans and advances (before recoveries)	1.027.009	664.251
Transfer from “Loans and advances to customers”	<u>-</u>	<u>9.345</u>
Balance at 31 December	<u>2.811.132</u>	<u>1.822.324</u>

The impairment losses on loans and advances of the current period, that appear in the income statement, include proceeds from written-off receivables amount to € 986 thousands (€ 13.569 thousands for the period 01/01-31/12/2009).

Reconciliation of allowance account for losses on loans & advances by class is as follows:

	Loans to individuals			
	Credit Cards	Term Loans	Mortgages	Total
Balance at 1 January 2009	56.573	324.826	237.367	618.766
Discontinued Operations	-	(38.229)	-	(38.229)
Reclassifications	1.517	(3.169)	1.652	-
Impairment losses for loans and advances	41.643	127.891	104.503	274.037
Unwinding (realisation of impairment loss) and write-offs	(19.116)	(36.509)	(100)	(55.725)
Transfer from “Loans and advances to customers”	1.037	1.548	405	2.990
Balance at 31 December 2009	81.654	376.358	343.828	801.840
Balance at 1 January 2010	81.654	376.358	343.828	801.840
Adjustments to opening	(1.318)	1.110	2.834	2.626
Impairment losses for loans and advances	52.624	160.651	254.306	467.581
Unwinding (realisation of impairment loss) and write-offs	(776)	(365)	(802)	(1.943)
Balance at 31 December 2010	132.184	537.754	600.166	1.270.104

	Loans to legal entities				Total
	Large Corporate Customers	SME's	Easy Business	Other receivables	
Balance at 1 January 2009	188.705	403.344	69.662	15.621	677.332
Discontinued Operations	(11.052)	-	-	-	(11.052)
Reclassifications	(29.876)	29.876	-	-	-
Impairment losses for loans and advances	51.856	263.163	75.195	-	390.214
Unwinding (realisation of impairment loss) and write-offs	(8.300)	(32.356)	(404)	(1.305)	(42.365)
Transfer from “Loans and advances to customers”	-	6.355	-	-	6.355
Balance at 31 December 2009	191.333	670.382	144.453	14.316	1.020.484
Balance at 1 January 2010	191.333	670.382	144.453	14.316	1.020.484
Adjustments to opening	17.893	(20.520)	-	-	(2.626)
Impairment losses for loans and advances	136.723	316.404	105.924	377	559.428
Unwinding (realisation of impairment loss) and write-offs	(9.238)	(6.570)	-	-	(15.809)
Transfer to “Other Provisions”	-	-	-	(14.300)	(14.300)
Transfer to AFS Portfolio	(6.149)	-	-	-	(6.149)
Balance at 31 December 2010	330.562	959.696	250.377	393	1.541.028

21. Available-for-Sale Securities

	<u>31/12/2010</u>	<u>31/12/2009</u>
Treasury bills	20.424	16.157
Bonds issued by Hellenic Republic	202.770	305.770
Bonds from other issuers	590.129	867.015
Listed shares	719	1.407
Non listed shares	9.300	10.100
Mutual funds	11.591	26.199
Total available-for-sale securities	<u>834.933</u>	<u>1.226.648</u>

In accordance with the amendment of IAS 39 “Reclassification of Financial Assets”, the Group has reclassified during 2008 corporate bonds amounted to € 102 million from the Trading portfolio into the Available-for-Sale portfolio. At 31 December 2010 the nominal and the fair value of these bonds was € 35 million and € 23,8 million respectively.

The loss from the revaluation difference recognized directly in equity for the fiscal year 2010, amounted to € 2,7 million.

22. Participation in Subsidiaries

The following subsidiaries were consolidated using the full consolidation method:

Company	Country of incorporation	Direct & indirect % participation as at	
		31/12/2010	31/12/2009
1 EMPORIKI BANK-GERMANY GMBH .	GERMANY	-	100,00
2 EMPORIKI BANK-BULGARIA A.D.	BULGARIA	100,00	100,00
3 EMPORIKI BANK-ALBANIA S.A.	ALBANIA	100,00	100,00
4 EMPORIKI BANK CYPRUS LTD	CYPRUS	96,57	93,71
5 EMPORIKI VENTURE CAPITAL DEVELOPED MARKETS LTD	CYPRUS	100,00	100,00
6 EMPORIKI VENTURE CAPITAL EMERGING MARKETS LTD	CYPRUS	100,00	100,00
7 EMPORIKI GROUP FINANCE P.L.C.	U.K.	100,00	100,00
8 EMPORIKI MANAGEMENT	GREECE	100,00	100,00
9 EMPORIKI BANK-ROMANIA S.A.	ROMANIA	99,62	99,41
10 EMPORIKI DEVELOPMENT & REAL ESTATE MANAGEMENT	GREECE	100,00	100,00
11 GREEK INDUSTRY OF BAGS	GREECE	-	58,71

The Bank’s Board of Directors during 2007 decided, to cease the operations of “EMPORIKI BANK GERMANY GmbH” and to initiate the liquidation process of the company. In the beginning of 2008, the management decided to continue part of the operations in Germany through branches and has undertaken the obligation to purchase any remaining portfolio of the under liquidation subsidiary. From 2009, Emporiki Bank operates in Germany through its branch which has undertaken the customer portfolio of the subsidiary, while the management of Emporiki Bank decided the withdrawal from the German banking market. On 30 November 2010 the liquidation procedure of “EMPORIKI BANK GERMANY GmbH” was completed and on 13 December 2010 the Frankfurt Branch-Germany of Emporiki Bank completed its activities and was closed.

The Bank, on 2 February 2010, bought-out of the (full) stake, currently owned by minority holder, in the Bank’s subsidiary “EMPORIKI BANK CYPRUS LTD”, in total 500.000 common shares that represented 2,097% of the total share capital of the latter. Continuously, the Bank, on 14 April 2010, covered by 100% the share capital increase of “EMPORIKI BANK CYPRUS LIMITED” by disbursing the amount of € 8.999.998,47. Consequently, after the share capital increase the Bank owns 28.107.530 shares of its subsidiary which represent the 96,57% of its share capital.

The Bank, on 9 February 2010, covered by 100% the share capital increase of its subsidiary “EMPORIKI BANK ROMANIA S.A.” by disbursing the amount of 78.517.500 RON. Continuously, the Bank, on 22 April 2010, covered by 100% the share capital increase of the latter by converting the subordinated debt of 25.000.000 RON into capital. Consequently, the participation of the Group amounts to 99,62%.

The Bank, on 15 June 2010, covered the share capital increase of its subsidiary “EMPORIKI BANK BULGARIA EAD” by disbursing the amount of 19.558.300 BGN. The share capital of “EMPORIKI BANK BULGARIA EAD” amounts to 71.163.240 BGN and corresponds to 71.163.240 common shares of nominal value 1 BGN each.

On 23 December 2010, the Bank sold its participation in the company “TOTAL CARE NETWORK S.A. - INTEGRATED SYSTEM FOR HEALTH CARE SERVICES” (i.e. 186.900 common shares which were representing 70,00% of the total share capital of the company). The afore-mentioned company was excluded from consolidation due to its immateriality.

On 30 December 2010 the shareholders of the subsidiary “EMPORIKI MANAGEMENT” decided a share capital increase by € 341.986,20, through an issuance of 11.652 new shares (due to a capitalization of goodwill occurred by readjustment of value of real estates of the company). Additionally, it was decided the reduction of share capital by € 2.201.488,39. According to the afore-mentioned decisions the share capital of “EMPORIKI MANAGEMENT” will amount to € 6.541.906, divided in 297.901 shares, of nominal value € 21,96 each.

The Bank on 31 December 2010 signed an agreement to sale its participation in the company “EMPORIKI GREEK INDUSTRY OF BAGS” (i.e. 20.500 common shares which were representing 58,71% of the company) for € 1,76 mil.

The main subsidiaries that were also excluded from consolidation due to their immateriality are:

Company

- 1 EMPORIKI MEDIA LTD
- 2 BANKING DEVELOPMENT TRAINING AND RESEARCH CENTER
- 3 PRESERVILLE ENTERPRISES LTD
- 4 ORMISTONE HOLDINGS LTD
- 5 DICAPRIO
- 6 RESEARCH BANK OF HISTORICAL ARCHIVES (Non-profit organization)
- 7 MR SNACK

23. Participation in Associates

The Group participates by 21,71% in the share capital of “EULER HERMES EMPORIKI”, which is incorporated in Greece. There have not been any changes in the participation in 2010.

The associate “INCURIAM INVESTMENT LTD” was excluded from consolidation due to its immateriality.

24. Intangible Assets

	<u>Software</u>
1 January 2009	
Cost	89.531
Accumulated depreciation	<u>(75.931)</u>
Net book value	<u>13.600</u>

31 December 2009	
Opening net book value	13.600
Discontinued Operations	(1.152)
Additions/Disposals	6.119
Change in depreciation	<u>(5.387)</u>
Closing net book value	<u>13.180</u>

31 December 2009	
Cost	94.498
Accumulated depreciation	<u>(81.318)</u>
Net book value	<u>13.180</u>

31 December 2010	
Opening net book value	13.180
Additions / disposals	10.225
Change in depreciation	<u>(6.249)</u>
Closing net book value	<u>17.156</u>

31 December 2010	
Cost	104.723
Accumulated depreciation	<u>(87.567)</u>
Net book value	<u>17.156</u>

25. Property, plant and equipment

	Land, Buildings and Leasehold Improvements	Other Fixed Assets	Total
1 January 2009			
Cost	290.381	279.290	569.671
Accumulated depreciation	<u>(17.657)</u>	<u>(212.234)</u>	<u>(229.891)</u>
Net book value	<u>272.724</u>	<u>67.056</u>	<u>339.780</u>
31 December 2009			
Opening net book value	272.724	67.056	339.780
Discontinued operations	(658)	(16.105)	(16.763)
Additions / disposals	(36.716)	(2.521)	(39.237)
Change in depreciation	<u>(15.065)</u>	<u>(4.259)</u>	<u>(19.324)</u>
Closing net book value	<u>220.285</u>	<u>44.171</u>	<u>264.456</u>
31 December 2009			
Cost	253.007	260.664	513.671
Accumulated depreciation	<u>(32.722)</u>	<u>(216.493)</u>	<u>(249.215)</u>
Net book value	<u>220.285</u>	<u>44.171</u>	<u>264.456</u>
31 December 2010			
Opening net book value	220.285	44.171	264.456
Additions / disposals	2.280	17.466	19.746
Additions / disposals -Subsidiaries' Disposals	(112)	(1.319)	(1.431)
Change in depreciation	(7.774)	(10.623)	(18.397)
Change in depreciation – Subsidiaries' Disposals	<u>(5)</u>	<u>(95)</u>	<u>(100)</u>
Closing net book value	<u>214.674</u>	<u>49.600</u>	<u>264.274</u>
31 December 2010			
Cost	255.170	276.715	531.885
Accumulated depreciation	<u>(40.496)</u>	<u>(227.115)</u>	<u>(267.611)</u>
Net book value	<u>214.674</u>	<u>49.600</u>	<u>264.274</u>

26. Investment Property

	<u>Land</u>	<u>Buildings and Equipment</u>	<u>Total</u>
1 January 2009			
Cost	62.842	59.199	122.041
Accumulated depreciation	-	(17.253)	(17.253)
Net book value	<u>62.842</u>	<u>41.946</u>	<u>104.788</u>
31 December 2009			
Opening net book value	62.842	41.946	104.788
Impairment	(638)	-	(638)
Additions / disposals	3.944	10.555	14.499
Change in depreciation	-	(1.152)	(1.152)
Closing net book value	<u>66.148</u>	<u>51.349</u>	<u>117.497</u>
31 December 2009			
Cost	66.148	69.754	135.902
Accumulated depreciation	-	(18.405)	(18.405)
Net book value	<u>66.148</u>	<u>51.349</u>	<u>117.497</u>
31 December 2010			
Opening net book value	66.148	51.349	117.497
Additions / disposals	4.530	7.807	12.337
Change in depreciation	-	(1.350)	(1.350)
Closing net book value	<u>70.678</u>	<u>57.806</u>	<u>128.484</u>
31 December 2010			
Cost	70.678	77.561	148.239
Accumulated depreciation	-	(19.755)	(19.755)
Net book value	<u>70.678</u>	<u>57.806</u>	<u>128.484</u>

27. Other Assets

	<u>31/12/2010</u>	<u>31/12/2009</u>
Prepaid expenses	2.939	1.803
Accrued income	66.588	15.978
Other	170.665	289.521
Total other assets	<u>240.192</u>	<u>307.302</u>

28. Due to Other Banks

	<u>31/12/2010</u>	<u>31/12/2009</u>
Borrowings from banks	8.640.808	7.364.509
Current accounts	25.173	33.112
Other liabilities	666	64
Total due to other banks	<u>8.666.647</u>	<u>7.397.685</u>

29. Due to Customers

	<u>31/12/2010</u>	<u>31/12/2009</u>
Deposits from legal entities		
Sight accounts	1.157.172	1.476.488
Term deposits	672.503	1.119.330
	<u>1.829.675</u>	<u>2.595.818</u>
Deposits from individuals		
Current accounts	754.044	508.842
Term deposits	4.426.358	5.874.267
Saving accounts	5.142.034	6.366.136
	<u>10.322.436</u>	<u>12.749.245</u>
Accrued interest	12.316	36.946
Cheques and remittances payable	81.150	111.770
Total due to customers	<u>12.245.577</u>	<u>15.493.779</u>
Fixed interest rate	5.098.861	6.993.596
Floating interest rate	7.053.250	8.351.467
Total deposits	<u>12.152.111</u>	<u>15.345.063</u>

*In 2010, due to additional benefits to depositors (cheques e.t.c), elements of a product which applies to saving accounts, changed. Thus, existing accounts, which amount to € 306.566, were reclassified, during the year of 2010, from Saving accounts to Current accounts.

30. Debt Securities in Issue

	<u>31/12/2010</u>	<u>31/12/2009</u>
Debt securities	2.887.289	2.329.766
Other credit titles	73	73
Accrued interest	5.221	3.785
Total debt securities in issue	<u>2.892.583</u>	<u>2.333.624</u>

In 2010 Emporiki Bank repaid, through the special purpose entity “Lithos Mortgage Finance Plc”, € 39.588.347 mortgage backed securities.

As at 31 December 2010, the Bank owned debt securities issued by “Lithos Mortgage Finance Plc” and “Emporiki Group Finance Plc”, with a total value of € 31.317.693.

In 2010, Emporiki Bank called back debt securities with a total nominal value of € 158.224.000, while debt securities with a total nominal value of € 1.200.000.000 were matured.

In 2010, Emporiki Bank issued, through “Emporiki Group Finance Plc”, debts of € 1.902.021.650.

	<u>Nominal Value in €</u>	<u>Start Date</u>	<u>Maturity Date</u>	<u>Interest</u>
1	200.000.000	12.03.2010	12.03.2014	3m Euribor + 0,750%
2	22.000.000	31.03.2010	31.03.2020	3m Euribor + 0,950%
3	200.000.000	15.04.2010	15.04.2013	3m Euribor + 0,650%
4	100.000.000	15.04.2010	15.04.2015	3m Euribor + 0,850%
5	6.805.000	08.04.2010	08.04.2015	3m Euribor + 0,950%
6	200.000.000	29.06.2010	29.12.2013	3m Euribor + 1,035%
7	300.000.000	29.06.2010	29.06.2012	3m Euribor + 0,650%
8	100.000.000	11.06.2010	11.06.2015	3m Euribor + 1,060%
9	250.000.000	11.06.2010	11.06.2014	3m Euribor + 0,925%
10	70.000.000	11.06.2010	11.06.2012	3m Euribor + 0,480%
11	21.976.650	22.11.2010	23.11.2011	Fixed rate 1,5%
12	31.240.000	22.12.2010	22.12.2020	3m Euribor + 1,180%
13	300.000.000	01.12.2010	01.12.2015	3m Euribor + 0,970%
14	50.000.000	21.12.2010	21.12.2016	3m Euribor + 1,180%
15	<u>50.000.000</u>	21.12.2010	21.12.2017	3m Euribor + 1,220%
Total	1.902.021.650			

31. Other Borrowed Funds

	<u>31/12/2010</u>	<u>31/12/2009</u>
Subordinated loans due to parent company	350.000	350.000
Subordinated notes due to parent company	300.000	300.000
Hybrid securities due to parent company	420.000	420.000
Accrued interest	2.261	1.949
Total other borrowed funds	<u>1.072.261</u>	<u>1.071.949</u>

32. Obligations to Pension Funds

The submission of the Auxiliary Pension Fund (TEAPETE) for the Bank's employees to the provisions of the laws 3371/2005 and 3455/2006 resulted to a) the diminution of the Bank's disadvantage to pay higher social contributions and b) the transparency regarding the estimated actuarial loss of the Bank.

Following the provisions of the new law 3371/2005, an economic study was performed by independent specialized actuaries, in order to determine the cost of including TEAPETE into the above-mentioned auxiliary funds (IKA-ETEAM and ETAT). This economic study was completed within the 1st quarter of 2006 and was approved by the relevant committee of the Ministry of Economy and Finance and it was ratified by law (L. 3455/2006). According to the study the Bank will pay to IKA-ETEAM and ETAT, for its pensioners a special contribution of €786,3 millions in total (upfront or within a period of 10 years bearing an interest rate of 3,53%). In addition, the Bank will be obliged to pay additional contributions compared to those defined by ETEAM regulations for its employees hired before 31/12/2004 through to retirement. The terms of the payment of the increased contributions were established following a ministerial decision IKA Φ20203/19189/931/7.11.06. The Bank proceeds to the payment of the scheduled installments as these were defined in the economic study mentioned above. The outstanding balance of the liability as at 31.12.2010 was € 343,8 mil.

The Employee Union has litigated the aforementioned submission and has proceeded relevant legal actions. For one legal action, which was discussed in the First Instance Court of Athens, the ruling was issued, number 116/2008, and judged that the provisions of Law 3455/2006 are unconstitutional and the termination of employee contracts relating the Bank, the Employee Union and the TEAPETE is abusive. The Bank has proceeded legal action against the aforementioned court ruling which was discussed on 24.03.2009. During the aforementioned trial the Greek State has proceeded intervention in favor of the Bank. The Court of Appeal judgment number 4007/2009 (published 30.06.2009) rejected the Bank's appeal and validated the First Instance judgment. On December 2009, the Bank and the Greek State have appealed before the Supreme Court of Appeal. The Bank's appeal hearing was determined for 20.01.2011, however it was postponed for 17.03.2011. The economic impact of the judgment cannot be currently assessed.

It should be noted that the State Council (in plenary session), pursuant to a series of recent decisions (Nr. 2197-2203/2010) rejected the petitions of bank employees and unions against Presidential Decree 209/2006, issued pursuant to L.3371/2005, and admitted that the inclusion of bank employees in the ETAT (Single Fund for the Social Insurance of Bank Employees) is consistent with the Greek Constitution. The above-mentioned decisions constitute an important factor, which will most probably affect the outcome of the case before the Supreme Court of Appeal.

33. Personnel Leaving Indemnities

	<u>31/12/2010</u>	<u>31/12/2009</u>
Law 2112/20 employee claims	543	814
Defined benefit plans of foreign subsidiaries	3.446	3.441
Total personnel leaving indemnities	<u>3.989</u>	<u>4.255</u>

34. Other Provisions

	<u>31/12/2010</u>	<u>31/12/2009</u>
Provisions for tax issues	64.800	65.536
Provisions for non – used vacation leaves	145	764
Provisions for litigations	51.104	51.131
Provisions for suspense accounts & other receivable	50.306	55.482
Provisions for guarantees given	20.264	20.277
Other provisions	1.273	2.069
Total other provisions	<u>187.892</u>	<u>195.259</u>

The movement of other provisions is analyzed as follows :

	Tax	Non-taken Vacation leaves	Litigations	Suspense accounts & other receivables	Guarantees given	Other	Total
Balance as at 1 January 2009	40.315	2.014	49.969	52.158	19.777	2.591	166.824
Discontinued operations	(4.426)	-	(724)	-	-	(67)	(5.217)
Charge /release for the period	29.634	1.466	4.495	3.324	3.000	(348)	41.571
Foreign exchange differences	13	-	-	-	-	15	28
Utilisation	-	(2.716)	(2.609)	-	(2.500)	(122)	(7.947)
Balance as at 31 December 2009	65.536	764	51.131	55.482	20.277	2.069	195.259

Balance as at 1 January 2010	65.536	764	51.131	55.482	20.277	2.069	195.259
Charge /release for the period	15.754	(23)	537	(5.052)	-	(990)	10.226
Transfers	-	(596)	-	14.300	-	-	13.704
Foreign exchange differences	(1)	-	-	-	-	8	7
Utilisation	(16.489)	-	(564)	(14.424)	(13)	186	(31.304)
Balance as at 31 December 2010	64.800	145	51.104	50.306	20.264	1.273	187.892

According to the contract of purchase and selling agreement of 08.03.2007 between the Bank and Groupama Phoenix, (relatively the transferring of shares to Groupama International), there are two arbitral awards against the Bank which will be judged by the International Chamber of Commerce since the arbitral court will be set up.

In accordance with the arbitral awards of 05.06.2009 and 26.06.2009, the Bank is called to pay the amount of € 13 mil. approx. given the forcing of the Bank to the statements and guarantees of Groupama Phoenix, as well as any extraordinary expenses that may arise, when the judge of arbitral awards between Bank and Groupama will be completed.

35. Other Liabilities

	31/12/2010	31/12/2009
Dividends payable	-	250
Accrued expenses and deferred income	22.932	51.425
Other	246.957	170.001
Total other liabilities	269.889	221.676

36. Deferred Tax Assets/ Liabilities

	<u>31/12/2010</u>	<u>31/12/2009</u>
Deferred tax assets		
Intangible assets write-off	2.481	2.713
Impairment of loans and receivables	532.478	335.872
Provision for the cost of transfer to ETEAM	66.424	81.653
Commissions recognition based on effective interest rates	2.835	3.134
Impairment of investments for companies under liquidation	5.600	5.600
Provision for staff expenses	7.061	7.641
Other provisions	14.343	18.224
Other temporary tax differences	669	1.003
Subsidiaries' disposal	-	222
	<u>631.891</u>	<u>456.062</u>
Reassessment of recoverability	(346.641)	(170.794)
	<u>285.250</u>	<u>285.268</u>
Deferred tax liabilities		
Buildings reduced depreciation rates	5.283	4.750
Other temporary tax differences	1.033	1.050
Subsidiaries' disposal	-	238
	<u>6.316</u>	<u>6.038</u>
Net deferred tax assets	<u>278.934</u>	<u>279.230</u>

The movement of the net deferred assets is as follows :

	<u>31/12/2010</u>	<u>31/12/2009</u>
At 1 January	279.230	255.892
Statement of Comprehensive Income	(611)	21.025
Subsidiaries' disposal	(8)	
Share Premium		
Share capital expenses write-off	323	2.313
At 31 December	278.934	279.230

The (charge)/ release of deferred tax assets and liabilities through the income statement is:

	<u>31/12/2010</u>	<u>31/12/2009</u>
Deferred tax (income statement)		
Intangible assets variation	(555)	(134)
Impairment of loans and receivables	196.606	126.580
Commission recognition based on real interest rates	(299)	(559)
Provision for staff expenses	(580)	437
Buildings reduced depreciation rates	(533)	(439)
Provision for the cost of transfer to ETEAM & ETAT	(15.229)	(14.709)
Other provisions	(3.881)	273
Other temporary tax differences	(317)	370
Subsidiaries' disposal	24	-
Reassessment of recoverability	(175.847)	(90.794)
Total deferred tax	<u>(611)</u>	<u>21.025</u>

The Management of the Bank, taking into consideration the current financial circumstances of the Bank and the effect of the market conditions, undertook provisioning policy by reducing the deferred tax asset in total by € 346,6 mil. (€ 175,8 mil for 2010). For the same reason, deferred tax asset for tax losses carried has not been recognised.

37. Contingent Liabilities and Commitments

a) Legal issues

The Group during the normal course of its business is a defendant in claims from customers and other legal actions. According to the consultation of the Legal division the ultimate disposition of these matters is not expected to have any material effect on the financial position or operations of the Group.

b) Tax issues

Tax authorities have audited the companies of Emporiki Group for all years up to and including the year as reported in the following table :

Company	Year
1 EMPORIKI BANK	2008
3 EMPORIKI BANK-BULGARIA A.D.	2008
4 EMPORIKI BANK-ALBANIA S.A.	2008
5 EMPORIKI BANK CYPRUS	2002
6 EMPORIKI VENTURE CAPITAL DEVELOPED MARKETS LTD	2005
7 EMPORIKI VENTURE CAPITAL EMERGING MARKETS LTD	2005
8 EMPORIKI GROUP FINANCE P.L.C.	2008
9 EMPORIKI MANAGEMENT	2006
10 EMPORIKI BANK-ROMANIA S.A.	2008
11 EMPORIKI DEVELOPMENT & REAL ESTATE MANAGEMENT	2004

c) Commitments

	<u>31/12/2010</u>	<u>31/12/2009</u>
Letters of guarantee	1.956.340	2.033.470
Unused approved credit limits	<u>17.171.400</u>	<u>17.700.554</u>
	<u>19.127.740</u>	<u>19.734.024</u>

d) Pledged assets

Pledged assets as at 31 December 2010 amount to € 1.247.228 thousands (€ 1.541.005 thousands as at 31 December 2009) including Hellenic Republic and other issuers bonds pledged by the Bank of Greece for the purposes of transactions through TARGET, by the derivatives clearing house (ETESEP) as margin insurance and pledged by foreign financial institutions for funding purposes.

Additionally, on 31 December 2010 loans with a total nominal value of € 739.560 thousands have been pledged by the Bank of Greece for funding purposes.

Finally, bonds with a nominal value of € 63.010 thousands are provided as collateral as part of repurchasing agreements (repos) with other credit institutions.

38. Share Capital

The share capital of the Group as at 31 December 2010 amounts to € 512.228.885 comprising by 512.228.885 ordinary shares of € 1,00 nominal value each. At 31 December 2009, amounted to € 1.577.664.968 comprising by 286.848.176 ordinary shares of € 5,5 nominal value per share.

On December 14th 2009, the Extra-Ordinary General Assembly of the Shareholders approved the decrease of the Bank's Share Capital by the amount of partially written off accumulated accounting losses amounting to € 1.290.816.792 by reduction of the share's nominal price from € 5,50 to € 1,00 and the simultaneous share capital increase by payment in cash of the amount of € 989.421.312,51 by issue and offer of 225.380.709 new, common, intangible, registered with vote rights shares of the Bank of € 1,00 nominal value per share. The Board of Directors of A.S.E, during its meeting of 26/03/2010, approved the listing of these 225.380.709 new shares, starting on 30/03/2010.

In the fourth quarter of 2010, Credit Agricole as the main shareholder has granted a cash advance of € 400 million for a SCI in order to enhance the capital adequacy of Emporiki Group.

39. Cash and Cash Equivalents

For cash flow purposes cash and cash equivalents includes the following accounts that have maturity up to 3 months from the date of purchase.

	<u>31/12/2010</u>	<u>31/12/2009</u>
Cash and balances with Central Banks (Note 16)	346.815	350.849
Treasury bills	54.733	173.885
Due from banks (Note 17)	1.443.863	1.542.559
Total cash and cash equivalents	<u>1.845.411</u>	<u>2.067.293</u>

40. Related Party Transactions

The major shareholders of the Bank as at 31 December 2010 are Credit Agricole SA and SACAM International with participating interest of 91% and 5% respectively, as also pension funds with participating interest of 0,45%. The remaining shares are widely held and traded on the Athens Stock Exchange.

Transactions and balances with Board of Directors members and Executive Committee members

Board of Directors	<u>01/01 - 31/12/2010</u>	<u>01/01 - 31/12/2009</u>
Board of Directors and Executive Committee fees *	4.490	5.773

	<u>31/12/2010</u>	<u>31/12/2009</u>
Deposits	2.162	1.128
Loans	1.207	988

* The fees of the non-executive members of the Board of Directors of the Bank were € 176 thousands for the year 2010 and € 230 thousands for the year 2009 respectively.

Deposits and loans refer to members of the Board of Directors and their immediate family and companies they control or influence.

Transactions and balances with Credit Agricole Group (incl. the transactions of Emporiki Bank's subsidiaries)

	<u>31/12/2010</u>	<u>31/12/2009</u>
Assets		
Due from other banks	2.970.307	2.962.760
Loans and advances to customers	23.048	506.028
Derivative Financial Instruments	43.297	16.138
Other assets	9.510	14.789
	3.046.162	3.499.715
Liabilities		
Due to banks	8.443.047	6.970.421
Due to customers	79.427	90.654
Derivative Financial Instruments	113.359	104.933
Debt securities in issue	2.728.330	2.182.395
Other borrowed funds	1.472.294	1.072.140
Other liabilities	6.592	9.502
	12.843.049	10.430.045
	<u>01/01- 31/12/2010</u>	<u>01/01- 31/12/2009</u>
Income		
Interest & similar income	42.364	61.582
Fee & commission income	15.494	9.201
Trading result	14.791	4.277
Other operating income	5.288	31.159
	77.937	106.219
Expense		
Interest expense & similar charges	111.257	165.960
Fee & commission expense	15.156	17.178
Staff expenses	1.107	2.056
Other operating expenses	10.624	8.777
	138.144	193.971

The related party transactions and balances are summarized as follows :

	<u>01/01- 31/12/2010</u>	<u>01/01- 31/12/2009</u>
Income	77.937	107.446
Expense	138.144	193.999
Fees for Board of Directors members and key management personnel	4.490	5.773
	220.571	307.218

	<u>31/12/2010</u>	<u>31/12/2009</u>
Assets	3.046.162	3.499.715
Liabilities	12.843.049	10.430.045
Receivables from BoD members and key management personnel	1.207	988
Liabilities to Board of Directors members and key management personnel	2.162	1.128
	15.892.580	13.931.876

41. Profit / (loss) from Discontinued Operations

	<u>01/01- 31/12/2010</u>	<u>01/01- 31/12/2009</u>
Statement of Comprehensive Income		
EMPORIKI CREDICOM	-	(16.642)
EMPORIKI INSURANCES	-	119
EMPORIKI LIFE	-	1.142
EMPORIKI ASSET MANAGEMENT	-	(1.390)
EMPORIKI LEASING	-	2.379
	-	(14.392)
Capital gain / (loss) from disposal		
EMPORIKI CREDICOM	-	(18.149)
EMPORIKI INSURANCES	-	5.939
EMPORIKI LIFE	-	24.884
EMPORIKI ASSET MANAGEMENT	-	968
EMPORIKI LEASING	-	(5.890)
	-	7.752
Total	-	(6.640)

Statement of Comprehensive Income

	01/01 – 31/12/2009					
	EMPORIKI CREDICOM	EMPORIKI INSURANCES	EMPORIKI LIFE	EMPORIKI ASSET MANAGEMENT	EMPORIKI LEASING	Total
Interest & similar income	13.962	-	3.260	(2)	13.021	30.241
Interest expense & similar charge	1.120	156	252	(2)	(3)	1.523
Net interest income	15.082	156	3.512	(4)	13.018	31.764
Fee & commission income	2.394	(94)	(3.603)	2.219	(164)	752
Fee & commission expense	(5.209)	-	83	(285)	(1)	(5.412)
Net commission income	(2.815)	(94)	(3.520)	1.934	(165)	(4.660)
Net premiums from insurance contracts	(71)	718	60.606	-	-	61.253
Net claims and benefits on insurance contracts	-	(28)	(53.013)	-	-	(53.041)
Net income from insurance operations	(71)	690	7.593	-	-	8.212
Dividend income	-	-	64	-	-	64
Net trading results	-	2	(1.218)	164	-	(1.052)
Gains less losses from investment securities	(3.996)	-	(1.373)	-	-	(5.369)
Other operating income	206	(16)	(1.529)	198	417	(724)
Net operating income	8.406	738	3.529	2.292	13.270	28.235
Staff costs	(6.714)	(356)	(968)	(2.457)	(2.985)	(13.480)
Depreciation & amortization	(559)	(65)	(81)	(115)	(100)	(920)
Impairment losses on loans and receivables	(14.813)	-	-	-	(4.420)	(19.233)
Other provisions	(27)	-	-	-	-	(27)
Other operating expenses	(3.187)	(151)	(577)	(1.085)	(963)	(5.963)
Total operating expenses	(25.300)	(572)	(1.626)	(3.657)	(8.468)	(39.623)
Profit /(loss) from associated undertakings	(506)	-	-	-	-	(506)
Profit/ (Loss) before income tax	(17.400)	166	1.903	(1.365)	4.802	(11.894)
Income tax expense	758	(47)	(762)	(24)	(2.423)	(2.498)
Profit / (Loss) after tax	(16.642)	119	1.141	(1.389)	2.379	(14.392)
- Equity holders of the Bank	(16.642)	119	1.141	(1.015)	1.903	(14.494)
- Non controlling interest	-	-	-	(374)	476	102
Basic earnings per share (in Euro)	(0,0712)	0,0005	0,0049	(0,0043)	0,0081	(0,0621)

42. Auditors' fees

The total fees charged by the Bank's statutory auditor, for the financial year of 2010, are analysed as follows :

	31/12/2010	31/12/2009
Fees for statutory audit assignment	894	1.097
Fees for other audit assignments	479	377
Fees for tax consulting services	74	95
Fees for other non-audit assignments	121	703
Total	<u>1.568</u>	<u>2.272</u>

43. Capital Adequacy

The Group's solvency ratio is calculated in accordance with Law 3601/2007 and BOG decisions 2630/29.10.2010 "Definition of equity for credit institutions in Greece" and 2588/20.08.2007 "Solvency ratio for credit institutions".

Based on the current legislative framework, the Capital adequacy relevant index is analyzed as follows (amounts in billions euro):

Weighted Assets

Weighted Assets on credit risks	16,321
Weighted Assets on market risks	0,100
Weighted Assets on operational risks	<u>1,315</u>
Total Risk Weighted Assets	<u>17,736</u>

Regulatory Shareholder's Equity

Tier # 1 Capital	1,559
Tier # 2 Capital	0,618
Deductible amounts	<u>(0,002)</u>
Total Regulatory Equity	<u>2,175</u>

The CAD ratio at group level as at the 31st of December 2010 is estimated to be aprox. 12,26%. The calculation of the Capital Adequacy Ratio as of 31 December 2010, has taken into account the guarantee received by the parent company Credit Agricole S.A and the cash advance of € 400 mil.

44. Post Balance Sheet Events

The Group successfully completed, on February 1st, 2011, a bond loan securitization totaling €1,166 million, in accordance with the provisions of the law 3156/2003. The notes were issued through "Lemnos PLC" a special purpose vehicle, incorporated in the UK. CACIB and Deutsche Bank have been appointed as Arrangers of the issue.

A significant progress for the implementation of Emporiki Bank's Restructuring & Development Plan, which provides, among others, for the rationalization and best possible utilization of its real estate property, marks the sale agreement of 14 owned-assets portfolio throughout Greece, as a total consideration of 45 million Euros, signed with a Greek-American investor, who is active in this sector.

45. Reclassifications

Certain amounts in prior years have been reclassified to conform to the current presentation. Specifically, in the Statement of Financial Position of 2009 an amount of € 14.422 thousands has been reclassified from "Other Liabilities" to "Due to State Pension Fund".

**IV. Independent Auditors' Report and Solo Financial statements as at
31.12.2010**



Emporiki Bank

CRÉDIT AGRICOLE GROUP

**Financial
Statements**

as at 31-12-2010

In accordance with International Financial Reporting Standards

Athens, 11th February 2011

Contents of the Financial Statements

Independent Auditor’s Report	3
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the financial statements	9
1. General information	9
2. Summary of significant accounting policies	9
3. Financial risk Management	18
4. Critical accounting estimates, and judgements in applying accounting policies	28
5. Segment reporting	29
6. Net Interest Income	30
7. Net fee & commission Income	30
8. Dividend Income	31
9. Net trading results	31
10. Gain less losses of investment portfolio	31
11. Other Income	31
12. Staff Costs	31
13. Other Operating Expenses	32
14. Income tax expense	32
15. Earnings per share	32
16. Cash and balances with Central Bank	33
17. Due from other Banks	33
18. Trading Securities	33
19. Derivative financial instrument	34
20. Loans and advances to customers	35
21. Available-for-sale securities	36
22. Investments in subsidiaries / associates	37
23. Intangible Assets	38
24. Property, plant and equipment	39
25. Investment Property	40
26. Other assets	40
27. Due to banks	41
28. Due to customers	41
29. Debt securities in issue	41
30. Other borrowed funds	42
31. Other liabilities	42
32. Deferred tax assets/liabilities	43
33. Obligations to pension funds	44
34. Other provisions	44
35. Contingent liabilities and commitments	45
36. Share capital and own shares	46
37. Other reserves	46
38. Cash and cash equivalents	46
39. Related party transactions	47
40. Dividends paid	48
41. Auditors’ fees	48
42. Capital adequacy	48
43. Post balance sheet events	49
44. Reclassifications	49



[Translation from the original text in Greek]

Independent Auditor's Report.
To the Shareholders of Emporiki Bank of Greece S.A.
Reg. No. 6064/06/B/86/03

Report on the Financial Statements

We have audited the accompanying financial statements of Emporiki Bank of Greece S.A. (the "Bank"), which comprise the statement of financial position as of 31 December 2010 and the statements of comprehensive income, changes in equity and the cash flow 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 misstatement, 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and 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 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 entity'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.

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as at December 31, 2010, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Matter of emphasis

Without qualifying our opinion, we draw attention to note 33 of the accompanying financial statements, which describes events following the adoption of Law 3371/2005 (Social Security Regulation of Banking Institutions) by the Bank and the uncertain final outcome of related litigation.

Reference on Other Legal and Regulatory Matters

- a) Included in the Board of Directors' Report is the corporate governance statement that contains the information that is required by paragraph 3d of article 43a of Codified Law 2190/1920.
- b) We verified the conformity and consistency of the information given in the Board of Directors' report with the accompanying financial statements in accordance with the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, 11 February 2011

The Certified Auditor – Accountant



PricewaterhouseCoopers
Certified Auditors - Accountants
268 Kifissias Avenue, Halandri 152 32
SOEL Reg. No. 113

Dimitris Sourbis
SOEL Reg. No. 16891

Statement of Comprehensive Income

	Note	1 January- 31 December 2010	1 January- 31 December 2009
Interest & similar income		861.910	1.032.693
Interest expense & similar charges		(266.974)	(530.174)
NET INTEREST INCOME	6	594.936	502.519
Fee & commission income		126.209	137.079
Fee & commission expense		(19.780)	(22.501)
NET FEE & COMMISSION INCOME	7	106.429	114.578
Dividend income	8	337	446
Net trading results	9	(3.325)	2.372
Gains less losses from investment securities	10	(4.708)	(31.333)
Other operating income	11	9.936	72.642
NET OPERATING INCOME		703.605	661.224
Staff costs	12	(388.864)	(413.464)
Depreciation & amortization	23,24,25	(19.932)	(20.743)
Impairment losses on loans and advances	20	(992.110)	(623.578)
Other provisions		4.493	(7.679)
Other operating expenses	13	(143.013)	(164.522)
TOTAL OPERATING EXPENSES		(1.539.426)	(1.229.986)
PROFIT / (LOSS) BEFORE INCOME TAX		(835.821)	(568.762)
Income tax expense	14	(16.000)	(17.876)
PROFIT / (LOSS) AFTER INCOME TAX		(851.821)	(586.638)
Other comprehensive income			
Net change in available-for-sale securities		(105.997)	59.755
Other comprehensive income for the year net of tax		(105.997)	59.755
Total comprehensive income for the year		(957.818)	(526.883)
Basic and diluted earnings / (losses) per share (in Euro)	15	(1,8331)	(2,5116)

Statement of Financial Position

	Note	31 December 2010	31 December 2009
ASSETS			
Cash and balances with Central Bank	16	901.984	1.011.438
Treasury bills		67.690	254.592
Due from other banks	17	3.113.380	3.161.580
Trading securities	18	49.368	91.271
Derivative financial instruments	19	132.262	73.313
Loans and advances to customers	20	20.175.411	21.111.304
Available-for-sale securities	21	807.975	1.203.034
Held-to-maturity securities		33.081	45.043
Investments in subsidiaries	22	230.940	205.516
Investments in associates	22	1.895	1.965
Intangible assets	23	11.541	9.434
Property, plant and equipment	24	244.515	240.800
Investment property	25	124.008	113.040
Deferred tax assets	32	283.566	283.050
Income tax advance		-	1.344
Other assets	26	225.469	293.564
TOTAL ASSETS		26.403.085	28.100.288
LIABILITIES AND EQUITY			
Liabilities			
Due to other banks	27	8.856.207	7.555.894
Derivative financial instruments	19	143.963	136.070
Due to customers	28	11.704.371	15.061.149
Debt securities in issue	29	2.892.888	2.333.624
Other borrowed funds	30	1.072.354	1.072.043
Due to State pension fund	33	343.855	422.686
Other provisions	34	182.224	188.636
Deferred tax liabilities	32	5.266	4.750
Other liabilities	31	258.072	211.682
Total liabilities		25.459.200	26.986.534
Equity			
Share Capital	36	512.229	1.577.665
Cash advance for share capital increase	36	400.000	600.000
Share premium		1.123.530	360.960
Other reserves	37	473.509	579.506
Retained earnings / (losses)		(713.562)	(1.417.739)
Results for the year		(851.821)	(586.638)
Total equity		943.885	1.113.754
TOTAL LIABILITIES AND EQUITY		26.403.085	28.100.288

Statement of Changes in Equity

	Share capital	Cash advance for SCI	Share premium	Other reserves	Retained earnings / (losses)	Total
Balance as at 1 January 2009	728.153	-	371.497	519.751	(1.417.739)	201.662
Profit / (loss) for the year	-	-	-	-	(586.638)	(586.638)
Other comprehensive income:						
Net change in available-for-sale securities	-	-	-	59.755	-	59.755
Total comprehensive income for the year	-	-	-	59.755	(586.638)	(526.883)
Share capital increase	849.512	-	(10.537)	-	-	838.975
Cash advance for share capital increase	-	600.000	-	-	-	600.000
Balance as at 31 December 2009	1.577.665	600.000	360.960	579.506	(2.004.377)	1.113.754

	Share capital	Cash advance for SCI	Share premium	Other reserves	Retained earnings / (losses)	Total
Balance as at 1 January 2010	1.577.665	600.000	360.960	579.506	(2.004.377)	1.113.754
Profit / (loss) for the year	-	-	-	-	(851.821)	(851.821)
Other comprehensive income:						
Net change in available-for-sale securities	-	-	-	(105.997)	-	(105.997)
Total comprehensive income for the year	-	-	-	(105.997)	(851.821)	(957.818)
Share capital increase	225.379	(600.000)	762.570	-	-	387.949
Write-off of losses carried forward	(1.290.815)	-	-	-	1.290.815	-
Cash advance for share capital increase	-	400.000	-	-	-	400.000
Balance as at 31 December 2010	512.229	400.000	1.123.530	473.509	(1.565.383)	943.885

Statement of Cash Flows

	1 January – 31 December 2010	1 January – 31 December 2009
Cash flows from operating activities		
Profit / (loss) before tax	(835.821)	(568.762)
<u>Adjustment for reconciliation of period result to cash flows from operating activities</u>		
<u>Adjustments for non-cash items included in profit and loss for the year:</u>		
Depreciation and amortization	19.932	20.743
Net (profit) / loss from sale of subsidiaries/associates	(2.510)	(6.126)
Impairment of mutual funds	1.553	-
Impairment of shares	2.787	-
Impairment of subsidiaries	-	36.667
Impairment losses on loans and advances	992.110	623.578
Other provisions	(4.493)	7.679
Revaluation difference of derivative financial instruments	(51.056)	(3.373)
Accrued interest	(3.817)	(58.440)
Net (gain) from the buy-back of debt securities in issue	-	(27.274)
Net (profit) / loss from sale of available-for-sale securities	2.878	598
Net (profit) / loss from sale of fixed assets	(6.110)	(40.205)
	<u>951.274</u>	<u>553.847</u>
<u>Net (increase) / decrease of operating assets:</u>		
Obligatory deposits to Bank of Greece	105.860	(263.331)
Due from other banks	25.338	92.538
Trading securities	109.267	413.513
Loans and advances to customers (net of write-offs)	(57.924)	245.839
Other assets	68.095	(88.719)
	<u>250.636</u>	<u>399.840</u>
<u>Net increase / (decrease) of operating liabilities:</u>		
Due to other banks	1.297.680	3.439.231
Due to customers	(3.332.967)	(2.851.299)
Other liabilities	(59.031)	(60.860)
	<u>(2.094.318)</u>	<u>527.072</u>
Total cash flows from operating activities	(1.728.229)	911.997
Cash flows from investing activities		
Increase of participations in subsidiaries	(25.424)	48.204
Decrease of participations in associates	70	23.234
Net change in property, plant & equipment, intangible & investment property	(30.614)	64.625
Net change in held-to-maturity investments	11.962	12.268
Net change in available-for-sale investments	284.118	402.818
Total cash flows from investing activities	240.112	551.149
Cash flows from financing activities		
Proceeds from the issue of bonds	1.902.022	-
Proceeds from the issue of subordinated debt	-	250.000
Repayment of bond loans through securitisation	(39.588)	(79.696)
Repayment of other bond loans	(1.358.214)	(3.212.726)
Share capital increase	387.627	836.662
Cash advance for share capital increase	400.000	600.000
Net (increase) / decrease of own bonds	52.812	159.690
Total cash flows from financing activities	1.344.659	(1.446.070)
Net increase/(decrease) in cash and cash equivalents	(143.458)	17.076
Cash and cash equivalents, at beginning of year (Note 38)	2.681.468	2.664.392
Cash and cash equivalents, at end of year (Note 38)	2.538.010	2.681.468

Notes on pages 9 to 49 form an integral part of these financial statements

Notes to the financial Statements

1. General information

Emporiki Bank ("Emporiki Bank" or the "Bank") operates in all banking activities (retail, corporate) as well as in investment banking, asset management, portfolio management and in general financial services. The Bank's registered office is at 11 Sofokleous Str. and its registration number as "Societe Anonyme" is 6064/06/B/86/03. The Bank offers services in Greece through its network of 331 branches and abroad through its branch in London as well as through its subsidiaries in Cyprus, Bulgaria, Albania, and Romania.

Emporiki Bank was established in Greece in 1907 and its shares are listed on the Athens Stock Exchange in the "Low Dispersion and Specific Features" category.

Its web site address is www.emporiki.gr.

The members of the Board of Directors, on 31st of December 2010 are as follows:

Executive members		
Alain	Strub	Chief Executive Officer, Vice Chairman
Bruno-Marie	Charrier	Deputy Chief Executive Officer
Fokion	Dimakakos	Member
Georgios	Spiliopoulos	Member
Despina	Chalkidi	Member
Non-executive members		
Nikolaos	Ebeoglou	Chairman
Bertrand	Badre	Member
Luc	Demazure	Member
Bruno	De Laage	Member
Yves	Nanquette	Member
Jean - Francois	Marchal	Member
Marc	Oppenheim	Member
Haralampos	David	Member
Jean-Yves	Hocher	Member
Emmanuelle	Yannakis	Member
Achilleus	Constantakopoulos	Member
Giampiero	Maioli	Member
Independent non-executive members		
Konstantinos	Papadiamantis	Member
Christoforos	Chatzopoulos	Member

The Board of Directors of the Bank approved these Financial Statements on 11th of February 2011.

The Bank's financial statements are included in the consolidated financial statements of Credit Agricole S.A. The registered office of Credit Agricole S.A. is at 91-93, Boulevard Pasteur, 75015 Paris, France and its web site address is www.credit-agricole.fr

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Standards and Interpretations effective for the current financial year

- **IFRS 3 (Revised) "Business Combinations" and IAS 27 (Amended) "Consolidated and Separate Financial Statements"**

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss. The amended IAS 27 requires that a change in ownership interest of a subsidiary to be accounted for as an equity transaction. The amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

Furthermore the acquirer in a business combination has the option of measuring the non-controlling interest, at the acquisition date, either at fair value or at the amount of the percentage of the non-controlling interest over the net assets acquired. The Bank has applied the revised and amended standards from 1 January 2010.

- **IFRS 2 (Amendment) “Share-based Payment”**

The purpose of the amendment is to clarify the scope of IFRS 2 and the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services, when that entity has no obligation to settle the share-based payment transaction. This amendment does not have an impact on the Bank’s financial statements.

- **IAS 39 (Amendment) “Financial Instruments: Recognition and Measurement”**

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations.

- **IFRIC 12 – Service Concession Arrangements (EU endorsed for periods beginning on or after 30 March 2009)**

This interpretation applies to companies that participate in service concession arrangements. This interpretation is not relevant to the Bank’s operations.

- **IFRIC 15 - Agreements for the construction of real estate (EU endorsed for use from 1 January 2010)**

This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to particular. This interpretation is not relevant to the Bank’s operations.

- **IFRIC 16 - Hedges of a net investment in a foreign operation (EU endorsed for use from 1 July 2009)**

This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Bank, as the Bank does not apply hedge accounting for any investment in a foreign operation.

- **IFRIC 17 “Distributions of non-cash assets to owners”**

This interpretation provides guidance on accounting for the following types of non-reciprocal distributions of assets by an entity to its owners acting in their capacity as owners: (a) distributions of non-cash assets and (b) distributions that give owners a choice of receiving either non-cash assets or a cash alternative. This interpretation does not have an impact on the Bank’s financial statements.

- **IFRIC 18 “Transfers of assets from customers” (EU-endorsed for use annual periods beginning on or after 31 October 2009)**

This interpretation clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use to provide the customer with an ongoing supply of goods or services. In some cases, the entity receives cash from a customer which must be used only to acquire or construct the item of property, plant and equipment. This interpretation is not relevant to the Bank.

b) Amendments to standards that form part of the IASB’s 2009 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in April 2009 of the results of the IASB’s annual improvements project. The following amendments are effective for the current financial year. In addition, unless otherwise stated, the following amendments do not have a material impact on the Bank’s financial statements.

- **IFRS 2 “Share-Based payment”**

The amendment confirms that contributions of a business on formation of a joint venture and common control transactions are excluded from the scope of IFRS 2.

- **IFRS 5 “ Non-current Assets Held for Sale and Discontinued Operations”**

The amendment clarifies disclosures required in respect of non-current assets classified as held for sale or discontinued operations.

- **IFRS 8 “Operating Segments”**

The amendment provides clarifications on the disclosure of information about segment assets.

- **IAS 1 “Presentation of Financial Statements”**

The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current.

- **IAS 7 “Statement of Cash Flows”**

The amendment requires that only expenditures that result in a recognized asset in the statement of financial position can be classified as investing activities.

- **IAS 17 “Leases”**

The amendment provides clarification as to the classification of leases of land and buildings as either finance or operating.

- **IAS 18 “Revenue”**

The amendment provides additional guidance regarding the determination as to whether an entity is acting as a principal or an agent.

- **IAS 36 “Impairment of Assets”**

The amendment clarifies that the largest cash-generating unit to which goodwill should be allocated for the purposes of impairment testing is an operating segment as defined by paragraph 5 of IFRS 8 (that is before the aggregation of segments).

- **IAS 38 “Intangible Assets”**

The amendments clarify (a) the requirements under IFRS 3 (revised) regarding accounting for intangible assets acquired in a business combination and (b) the description of valuation techniques commonly used by entities when measuring the fair value of intangible assets acquired in a business combination that are not traded in active markets.

- **IAS 39 “Financial Instruments: Recognition and Measurement”**

The amendments relate to (a) clarification on treating loan pre-payment penalties as closely related derivatives, (b) the scope exemption for business combination contracts and (c) clarification that gains or losses on cash flow hedge of a forecast transaction should be reclassified from equity to profit or loss in the period in which the hedged forecast cash flow affects profit or loss.

- **IFRIC 9 “Reassessment of Embedded Derivatives”**

The amendment clarifies that IFRIC 9 does not apply to possible reassessment, at the date of acquisition, to embedded derivatives in contracts acquired in a business combination between entities under common control.

- **IFRIC 16 “Hedges of a Net Investment in a Foreign Operation”**

The amendment states that, in a hedge of a net investment in a foreign operation, qualifying hedging instruments may be held by any entity within the Bank, including the foreign operation itself, as long as certain requirements are satisfied.

c) Standards and Interpretations effective from periods beginning on or after 1 January 2011

- **IFRS 9 “Financial Instruments” (effective for annual periods beginning on or after 1 January 2013)**

IFRS 9 is the first part of Phase 1 of the Board’s project to replace IAS 39. The IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. IFRS 9 states that financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs. Subsequently financial assets are measured at amortised cost or fair value and depend on the basis of the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. IFRS 9 prohibits reclassifications except in rare circumstances when the entity’s business model changes; in this case, the entity is required to reclassify affected financial assets prospectively. IFRS 9 classification principles indicate that all equity investments should be measured at fair value. However, management has an option to present in other comprehensive income unrealised and realised fair value gains and losses on equity investments that are not held for trading. Such designation is available on initial recognition on an instrument-by-instrument basis and is irrevocable. There is no subsequent recycling of fair value gains and losses to profit or loss; however, dividends from such investments will continue to be recognised in profit or loss. IFRS 9 removes the cost exemption for unquoted equities and derivatives on unquoted equities but provides guidance on when cost may be an appropriate estimate of fair value. The Bank is currently investigating the impact of IFRS 9 on its financial statements. The Bank cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Bank decide if IFRS 9 will be adopted prior to 1 January 2013.

- **IAS 12 (Amendment) “Income Taxes” (effective for annual periods beginning on or after 1 January 2012)**

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 “Investment Property”. Under IAS 12, the measurement of deferred tax depends on whether an entity expects to recover an asset through use or through sale. However, it is often difficult and subjective to determine the expected manner of recovery with respect to investment property measured at fair value in terms of IAS 40. To provide a practical approach in such cases, the amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The presumption cannot be rebutted for freehold land that is an investment property, because land can only be recovered through sale. This amendment has not yet been endorsed by the EU.

- **IAS 24 (Amendment) “Related Party Disclosures” (effective for annual periods beginning on or after 1 January 2011)**

This amendment attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. The Bank will apply these changes from their effective date.

- **IAS 32 (Amendment) “Financial Instruments: Presentation” (effective for annual periods beginning on or after 1 February 2010)**

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity’s own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not expected to impact the Bank’s financial statements.

- **IFRS 7 (Amendment) “Financial Instruments: Disclosures” – transfers of financial assets** (effective for annual periods beginning on or after 1 July 2011)

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has not yet been endorsed by the EU.

- **IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”** (effective for annual periods beginning on or after 1 July 2010)

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Bank.

- **IFRIC 14 (Amendment) “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”** (effective for annual periods beginning on or after 1 January 2011)

The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Bank.

d) Amendments to standards that form part of the IASB’s 2010 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB’s annual improvements project. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1 January 2011. In addition, unless otherwise stated, the following amendments will not have a material impact on the Bank’s financial statements. The amendments have not yet been endorsed by the EU.

- **IFRS 3 “Business Combinations”**

The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii) measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

- **IFRS 7 “Financial Instruments: Disclosures”**

The amendments include multiple clarifications related to the disclosure of financial instruments.

- **IAS 1 “Presentation of Financial Statements”**

The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or within the notes.

- **IAS 27 “Consolidated and Separate Financial Statements”**

The amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

- **IAS 34 “Interim Financial Reporting”**

The amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

- **IFRIC 13 “Customer Loyalty Programmes”**

The amendment clarifies the meaning of the term ‘fair value’ in the context of measuring award credits under customer loyalty programmes.

2.1 Basis of preparation

The Financial Statements as at 31 December 2010 have been prepared in accordance with International Financial Reporting Standards (IFRS), which were issued by the International Accounting Standards Board and adopted by the European Union.

The financial statements are presented in Euro, the Bank’s functional currency, rounded to the nearest thousand unless otherwise indicated.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

2.2 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in the functional and presentation currency of the Bank, the Euro.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Translation differences on monetary items, such as equities included in the trading portfolio are reported as part of the fair value gain or loss. Translation differences on monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value adjustment reserve as of 1 January 2004.

2.3 Derivative financial instruments and hedge accounting

The Bank uses derivative financial instruments either for hedging purposes or for trading purposes and on behalf of customers. The Bank uses the following derivatives: OTC and exchange traded options, futures, interest rate and currency swaps and forwards.

Derivatives are initially recognized at acquisition cost on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, if market prices are not available.

The method of recognising 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 item being hedged. The Bank designates certain derivatives as either:

- (a) Hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge),
- (b) Hedges of highly probable future cash flows attributable to a recognised asset or liability, or a forecasted transaction (cash flow hedge) or
- (c) Hedges of a net investment in a foreign operation (net investment hedge).

Hedge accounting is used for derivatives designated in this way provided certain criteria are met. The Bank designates certain derivatives as either hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedge) or, hedges of highly probable future cash flows attributable to a recognized asset or liability, or a forecasted transaction (cash flow hedge) or hedges for a net investment in a foreign subsidiary. 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.

(a) 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 amortised 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.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects 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 recognised when the forecast transaction is ultimately recognised 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.

(c) Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is disposed of.

2.4 Interest income and expense

Interest income and expense are recognized in the income statement for all instruments measured at amortized cost using the effective interest method, taking into account all fees and commissions paid or received between parties to the financial asset or expense over the points paid or received between parties to the contract. Interest and similar income includes interest income from loans and advances to customers, interest income from fixed and floating interest-bearing securities and also premium or discount amortization of securities and other financial instruments.

The Bank does not recognize interest income on non-performing loans. Interest income for these loans are recorded in off balance sheet accounts until these items are considered performing.

2.5 Fee and commission income

Fees and commissions are generally recognized on an accrual basis when the service has been provided. Loan commitment fees for loans that are likely to be drawn down are deferred (together with all related direct costs) and recognized as an adjustment to the effective interest rate on the loans.

2.6 Dividend Income

Dividends are recognized in the income statement when the right to receive payment is established.

2.7 Financial assets

The Bank classifies its financial assets in the following 4 categories. Management determines the classification of its investments at initial recognition and reassessment at reporting period.

(a) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading (including derivatives), and other financial assets 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.

(b) 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, goods or services directly to a debtor with no intention of trading the receivable. Loans include originated loans and do not include acquired loans.

(c) Held-to-maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank's management has the positive intention and ability to hold to maturity. The Bank has designated securities, with a book value of 33.081 euro, as at 31 December 2010.

(d) 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 categories (a), (c), (d) above are recognized on settlement date – the date that a financial asset is delivered to or by the Bank, which for held to maturity assets and available for sale securities includes transaction costs. Loans and advances (category b) are recognized when cash is advanced to the borrowers.

Available-for-sale financial assets are subsequently carried at fair value. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized directly in equity, until the financial assets is derecognized or impaired at which time the cumulative gain or loss previously recognized in equity should be recognized in profit or loss.

Financial assets at fair value through profit or loss are subsequently measured at fair value based on closing rates. Gains and losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are included in the income statement in the period in which they arise.

Loans and receivables and held-to-maturity investments are carried at amortized cost using the effective interest method less impairment losses. These assets are examined for impairment losses, which is when the present value of expected cash flows discounted at the effective rate is less than book value.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Bank establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, and other valuation techniques commonly used by market participants.

The Bank assesses at each reporting period if there are indications of impairment. For equity instruments classified as available-for-sale such indications exist when the hedge is a considerable or prolonged decline in the fair value compared to cost. If such impairment exists the remaining amount in equity is transferred to the income statement.

2.8 Off-setting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when:

- a) there is a legally enforceable right to offset the recognized amounts and
- b) there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.9 Sale and repurchase agreements

Securities sold subject to repurchase agreements (“repos”) are included in the financial statements of the Bank as assets; the counterparty liability is included in amounts due to other banks, deposits from banks, other deposits or deposits due to customers, as appropriate.

Securities purchased by the Bank under agreements to resell (“reverse repos”) are recorded as loans and advances to other banks or customers, as appropriate. These securities are not included in the Bank's financial statements.

The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

2.10 Impairment of financial assets

Assets with an infinite useful life and are not depreciated but are assessed for impairment losses at each balance sheet date or whenever there is an indication that the reporting balance is non recoverable. Assets that are depreciated are tested for impairment loss when there is evidence that the book value is not recoverable. The recoverable amount is the largest amount between fair value less selling costs and value in use. In estimating the recoverable amount assets are classified in smaller cash generating units. Impairment loss when incurred is recognized to the income statement.

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets (loans, investments) 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 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 issuer or 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 is becoming probable that the borrower will go bankrupt or will follow a financial restructuring,
- e. the disappearance of an active market for that financial asset because of financial difficulties,
- f. 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 bank, including:
 - adverse changes in the payment status of borrowers in the bank, or
 - national or local economic conditions that correlate with defaults on the assets in the bank

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.

Changes in the expected cash flows are recognized in the income statement as a gain if there is a release or a loss if there is an increase.

Impairment loss is considered the difference between the carrying amount at the date of the impairment test loss and the expected cash flows of the assets discounted using the original effective interest rate.

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.

In subsequent periods, possible change in expected cash flows as result of a change in the financial asset, are recognized in the income statement and the amount of the impairment loss is reversed or increased by adjusting the allowance account through the income statement.

2.11 Intangible assets – Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized on the basis of the expected useful lives (three to five years).

Costs associated with developing or maintaining computer software programs are recognized as an expense as incurred.

2.12 Property, plant and equipment

Operating property, plant and equipment are stated at historical cost less depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	<u>Years</u>
Buildings and leasehold improvements	40
Computer Hardware	3 to 4
Vehicles	5 to 7
Furniture and equipment	5 to 7

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

On transition date to IFRS (1 January 2004) the Bank valued land and buildings at fair value based on professional valuations. This fair value was considered as deemed cost.

2.13 Investment property

The Bank classifies land and buildings that are not used for operational purposes or are held for investment purposes (rental income or capital appreciation) as investment property and records them at amortized cost less impairment losses. The Bank depreciates investment property during its useful life, which is estimated at 40 years. On transition date to IFRS (1 January 2004) the Bank classified investment property at fair value as determined by professional valuers. Fair value was considered as their deemed cost.

2.14 Leases (The Bank as lessee)

Leases of fixed assets where the Bank has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease year. Fixed assets acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to the income statement on a straight-line basis over the year of the lease.

2.15 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including: cash and non-restricted balances with the Bank of Greece, treasury bills and other eligible bills, loans and advances to banks, amounts due from other banks and short-term government securities.

2.16 Provisions

Provisions for restructuring costs and legal claims are recognized when:

- (1) the Bank has a present legal or constructive obligation as a result of past events;
- (2) it is more likely than not that an outflow of resources will be required to settle the obligation; and
- (3) the amount has been reliably estimated.

2.17 Employee benefits

- (a) Short-term obligations

Short-term obligations to employees in cash or other non-monetary items are recognized as an expense on an accrual basis.

- (b) Post employment benefits

The Bank has only defined contribution plans. The contributions are recognized as employee benefit expense when they are due and also as health and medical treatment programs.

The current status of the Bank's obligations to pension funds is described in detail in note 33.

- (c) Employee termination benefits

Employee termination benefits are paid when employees leave prior to retirement. The Bank records a liability when it is obliged to pay an amount according to a detailed employee scheme or when there are motives for voluntary termination. Long-term employment schemes are discounted.

In case the number of the beneficiary employees is not known precisely, termination benefits are recognized as a contingent liability.

2.18 Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the temporary difference can be utilized.

Deferred taxes are presented separately as assets and liabilities and are not offset.

Income tax payable on profits, based on the applicable tax law rate, is recognized as an expense in the period in which profits arise. The tax effects of income tax losses available for carry forward are recognized as an asset when it is probable that future taxable profits will be available against with these losses can be utilized.

2.19 Debt securities and other debt issues

Debt securities issues and subordinated debt of the Bank are recognized initially at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred. They are subsequently measured at amortized cost.

2.20 Share capital and own shares

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds. Directly attributable costs of issuing shares for the purpose of acquiring an entity are included in the cost of the acquired entity.

Where the Bank purchases the Bank's equity share capital, the consideration paid is deducted from total shareholders' equity as treasury shares until they are sold or cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

2.21 Fiduciary activities

The Bank commonly acts as trustee and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Bank.

2.22 Related-party transactions

Related parties include companies within the control of the Bank, companies for which the Bank exerts significant influence, Board of Directors members and their close family members. The bank enters into transactions with related parties in the usual course of its business.

2.23 Segment reporting

The business segments are the primary reporting format of the Bank. Taking into consideration the Bank's internal reporting system and organizational structure, the following reportable business segments have been identified:

- Retail banking
- Corporate banking
- Investment banking and Treasury
- Other

2.24 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

3. Financial Risk Management

3.1 Financial risk factors

The Bank's activities are related with financial instrument risks including risks from derivatives. The Bank receives deposits from customers for different time intervals offering fixed and floating rates. The Bank invests these funds to achieve higher than the average offer rate. To expand this spread the Bank receives short-term deposits and offers higher rates for long-term liabilities maintaining adequate liquidity coverage for all possible obligations that may occur.

The Bank is exposed to various risks such as credit, liquidity, cash flow and fair value risk from the change in rates. The general risk management policy for the Bank is focused on confronting the uncertainties of financial markets and tries to minimize any negative effects to the profits for the Bank. The Bank uses financial derivatives such as futures/forwards and interest rate swaps to hedge these risks.

Risk management apart from credit risk is maintained by the financial management division adapting to regulations and decisions that are approved by the Banks' management and by the Asset Liability Committee (ALCO). Credit risk management is governed by the Credit Committee that defines the credit risk strategy and monitors its progress. Risk Management defines estimates and confronts all financial risks in cooperation with the departments that are involved with these risks. The Management gives instructions and guidelines for central risk management and special instructions for confronting special risks such as foreign exchange, interest and credit risk.

Cash flow hedging and fair value hedging for changes in interest rates

Operating income and cash flows of the Bank are affected by the change in interest rates. The Bank in several cases is exposed to floating rates loans and enters into an interest rate swap (IRS) to hedge cash flows on future interest payments that result in converting floating loans to fixed.

IRS contracts allow the Bank to convert long-term exposure from floating to fixed at a lower rate from that on inception. Through IRS the Bank agrees with third parties to swap at a notional amount the primarily difference between floating and fixed.

Interest rate risk arises from medium and long-term loans. Floating rate loans expose the Bank to cash flow risks. Fixed rate loans expose the Bank to fair value risks. It is the Bank's policy to have approximately their entire loan portfolio with floating rates.

3.2 Credit risk

Emporiki Bank's main strategic target is the effective management of the total undertaken risks in order to ensure an efficient use of capital in relation to risk appetite as well as business development.

The Bank assigns significant priority in developing internal risk rating tools that identify the level of risk associated with borrowers' creditworthiness based on specific characteristics per type of exposure. This effort is aligned with the requirements of the new Pillar II Regulatory framework, regarding the capital adequacy obligations and the norms of Emporiki Group.

The credit approval process is subject to a detailed risk monitoring, review and analysis on an on-going basis in accordance with the norms and practices of Credit Agricole SA.

Regarding the credit risk strategy per portfolio, the following have to be pointed out:

Corporate Credit Risk Strategy:

Regarding the corporate risk assessment, Emporiki has incorporated in the credit decision-making process "Anadefi", Credit Agricoles' rating model for corporate exposures. The above mentioned model uses a 15 grade scale for assessing the quality of the counterparty based on quantitative and qualitative criteria to calculate the inferred probability of default for each rating grade.

The existence of a quantitative credit rating system creates a basis to compare credit risk, allows the possibility of linking risk with pricing, assists the realization of more accurate provisions, facilitates the evaluation of capital requirements by supervisory authorities and contributes to more accurate credit approval processes.

Apart from the corporate rating tool, Emporiki in order to effectively assess concentration risk has established sector limits and limits per Group of counterparties, which are closely monitored and reviewed on an annual basis.

Additionally, the portfolio of the Corporate exposures is reviewed at least on a yearly basis taking into account both the Corporate and Risk Business lines, while the amount, the type and the complexity per exposure are approved by different delegation levels via specific Credit Decision Processes. As a result, a more diversified portfolio is achieved with less concentrated exposures.

Further to the above and regarding the Medium Companies after the establishment of Business Centres, the risk policy has been reviewed along with the following developments:

A monitoring process has been adopted aiming to prevent any risk increase. In specific, an alert procedure for downgraded borrowers has been established with special reference to incidents of non-payment, significant decrease of the activity, and other financial, legal and managerial events that may indicate a possible deterioration of the credit quality.

Specific guidelines have been developed for all SMEs exposures regarding the Bank's risk appetite and credit policy rules.

Professionals & Small Business Credit Risk Strategy:

For Professionals & Small Enterprises credit exposures, systemic control tools that verify the fulfilment of specific credit policy rules are applied via the fulfilment of the electronic credit application form.

During 2009 Emporiki acquired a new rating model for small companies with C category books. Moreover, a bespoke application scorecard, is used for small business and professionals.

The Approval process is centralized for these loans and in this concept the delegation power of the Branches has been decreased significantly.

Credit Risk Strategy for Individuals:

Credit financing to private individuals is primarily designed to meet consumer and housing (e.g. purchase, building, completion, extension, repair of a residential property, purchase of land for the building of a house or business premises) needs.

Lending to Individuals is mainly based upon the fulfilment of general credit policy rules, as well as upon bespoke application scorecards for consumer loans. Those scorecards are closely monitored by the Risk Management division in co-operation with Credit Agricole's via several validation and calibration procedures.

The entire approval process until the disbursement is Centralised in a Credit Centre who performs not only the assessment but also all the back office operations. In specific, this Unit is responsible to assess all requests based on the Credit Policy of the Bank, to verify the completeness and accuracy of the documentations, to check the collaterals' status (eg. full ownership etc.), to co-operate with the Real Estate Division for the evaluation of the collateral market value.

3.2.1 Impairment and Provisions

The table below shows the percentage of the Bank's on-balance sheet items relating to loans and advances and the associated impairment provision for each of the Bank's internal credit rating categories:

	2010		2009	
	Loans & advances (%)	Impairment Provision (%)	Loans & advances (%)	Impairment Provision (%)
Standard monitoring	68,4	0,7	77,9	0,8
Special monitoring	6,3	4,7	2,8	6,0
Sub-standard	25,2	43,9	19,2	36,0
Total	100	11,9	100	7,7

3.2.2 Maximum exposure to credit risk before collateral held or other credit enhancements

The following table presents the Bank's maximum credit risk exposure as of 31/12/2010 and 31/12/2009, without including collateral held or other credit enhancements. For on-balance sheet assets, the credit exposures are based on their carrying amounts as reported on the balance sheet.

	Maximum Exposure	
	2010	2009
<u>Credit risk exposures relating to on-balance sheet assets are :</u>		
Treasury bills	67.690	254.592
Due from other banks	3.113.380	3.161.580
Trading securities - Debt securities	49.368	91.271
Derivative financial instruments	132.262	73.313
Loans and advances to customers:		
Loans to Individuals:		
Credit Cards	322.776	357.309
Term Loans	1.315.880	1.582.569
Mortgage Loans	6.930.690	7.386.655
Loans to corporate entities:		
Large Corporate Customers	6.962.085	6.887.376
Small and medium size enterprises (SME's)	4.031.061	4.277.166
Revolving Easy Business	393.676	474.085
Other receivables and share loans	219.242	146.143
Available-for-sale securities - Debt securities	792.899	1.172.516
Held-to-maturity securities	33.081	45.043
Other assets	225.469	293.564
<u>Credit risk exposures relating to off-balance sheet assets are :</u>		
Letters of guarantee	2.014.154	2.068.199
Total	26.603.713	28.271.381

3.2.3 Loans and advances

Loans and advances to customers and to banks are summarized as follows:

	2010		2009	
	Loans and advances to customers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Neither past due nor impaired	13.614.809	3.113.380	15.066.130	3.161.580
Past due but not impaired	3.223.623	-	3.483.604	-
Impaired	6.057.687	-	4.324.550	-
Gross Total	22.896.119	3.113.380	22.874.284	3.161.580
Less: allowance for impairment	2.720.708	-	1.762.980	-
Net Total	20.175.411	3.113.380	21.111.304	3.161.580

(a) Loans and advances neither past due or impaired by rating class

31 December 2010

	Credit cards	Term Loans	Mortgages	Loans to corporate entities	SMEs	Revolving Easy Business	Other receivables	Loans and advances to customers	Loans and advances to banks
Standard monitoring	201.822	613.318	4.359.769	5.610.276	1.543.202	204.868	219.242	12.752.497	3.113.380
special monitoring	-	-	-	545.681	190.439	-	-	736.120	-
sub-standard	51	15.707	93.422	5	16.116	891	-	126.192	-
Total	201.872	629.025	4.453.191	6.155.962	1.749.757	205.759	219.242	13.614.809	3.113.380

31 December 2009

	Credit cards	Term Loans	Mortgages	Loans to corporate entities	SMEs	Revolving Easy Business	Other receivables	Loans and advances to customers	Loans and advances to banks
standard monitoring	229.471	852.942	4.993.706	5.728.470	2.060.072	279.010	146.143	14.289.814	3.161.580
special monitoring	-	-	-	20	219.460	125.568	-	-	345.049
sub-standard	44	17.491	108.894	295.029	9.707	102	-	431.267	-
Total	229.515	870.433	5.102.620	6.242.960	2.195.347	279.112	146.143	15.066.130	3.161.580

(b) Loans and advances past due but not impaired

31 December 2010

Loans to individuals

	Credit cards	Term Loans	Mortgages Loans	Total
Past due up to 30 days	54.557	108.736	492.934	656.227
past due 30-90 days	10.271	51.833	217.712	279.817
past due 90-180 days	1.176	5.110	81.507	87.794
past due more than 180 days	-	-	6.645	6.645
Total	66.004	165.680	798.799	1.030.483

Loans to Corporate entities

	Loans to corporate entities	SMEs	Revolving Easy Business	Total
Past due up to 30 days	459.522	1.394.049	96.222	1.949.793
Past due 30-90 days	92.259	125.448	23.244	240.950
Past due 90-180 days	-	-	2.397	2.397
Past due more than 180 days	-	-	-	0
Total	551.781	1.519.497	121.863	2.193.140

31 December 2009

Loans to individuals

	Credit Cards	Term Loans	Mortgage Loans	Total
Past due up to 30 days	65.048	165.355	608.805	839.207
Past due 30-90 days	14.285	88.693	312.920	415.898
Past due 90-180 days	1.980	11.636	152.836	166.452
Past due more than 180 days	-	-	12.848	12.848
Total	81.313	265.684	1.087.409	1.434.406

Loans to Corporate entities

	Loans to corporate entities	SMEs	Revolving Easy Business	Total
Past due up to 30 days	459.503	1.289.552	104.919	1.853.974
Past due 30-90 days	32.546	117.790	25.889	176.225
Past due 90-180 days	222	3.722	3.812	7.757
Past due more than 180 days	-	11.243	-	11.243
Total	492.271	1.422.307	134.620	2.049.198

(c) **Loans and advances individually impaired**

31 December 2010

	Credit cards	Term Loans	Mortgages	Loans to corporate entities	SMEs	Revolving Easy Business	Other receivables	Total
Impaired loans	184.466	1.044.750	2.262.710	561.777	1.687.157	316.432	394	6.057.687
	184.466	1.044.750	2.262.710	561.777	1.687.157	316.432	394	6.057.687
out of which have less than 90 pdp	14.975	86.753	270.495	137.462	258.587	45.485	-	813.757
Allowance for impairment	129.566	523.575	584.011	307.434	925.351	250.377	394	2.720.708

31 December 2009

	Credit cards	Term Loans	Mortgages	Loans to corporate entities	SMEs	Revolving Easy Business	Other receivables	Total
Impaired loans	124.839	814.959	1.534.454	348.047	1.283.128	204.805	14.318	4.324.550
	124.839	814.959	1.534.454	348.047	1.283.128	204.805	14.318	4.324.550
out of which have less than 90 pdp	14.347	192.568	429.159	120.310	161.240	19.840	-	937.464
Allowance for impairment	78.357	368.507	337.828	195.901	623.616	144.453	14.318	1.762.980

3.2.4 Debt securities, treasury bills and other eligible bills

The table below presents an analysis of debt securities, treasury bills and other eligible bills by rating agency designation at 31 December 2010, based on Moody's rating.

	Treasury bills	Trading securities	Available-for-sale securities	Held-to-maturity securities	Total
Aaa	-	-	38.537	-	38.537
Aa1 - Aa3	-	-	271.872	33.081	304.953
A1 - A3	-	2.155	126.236	-	128.391
Baa1 - Baa3	67.690	47.213	356.254	-	471.157
Total	67.690	49.368	792.899	33.081	943.038

3.2.5 Concentration of risks of financial assets with credit risk exposure

(a) **Geographical Sectors**

The geographical concentration allocates exposures to regions based on the counterparties' country of domicile. The Bank's credit exposure, by geographical region as of 31 December 2010 and as of 31 December 2009, is mainly concentrated in Europe.

(b) Industry Sectors

31 December 2010	Financial Institutions	Manufacturing	Real Estate & Construction	Whole sale & Retail Trade	Public Sector	Other Industries	Individuals	Total
Treasury bills	-	-	-	-	67.690	-	-	67.690
Due from other banks	3.113.380	-	-	-	-	-	-	3.113.380
Trading securities - Debt securities	-	-	-	-	49.368	-	-	49.368
Derivative financial instruments	132.262	-	-	-	-	-	-	132.262
Loans and advances to customers:								
Loans to Individuals:								
Credit Cards	-	-	-	-	-	-	322.776	322.776
Term Loans	-	-	-	-	-	-	1.315.880	1.315.880
Mortgage Loans	-	-	-	-	-	-	6.930.690	6.930.690
Loans to corporate entities:								
Large Corporate Customers	72.117	731.854	700.387	4.209.887	193.936	1.053.904	-	6.962.085
Small and medium size enterprises	21.779	378.370	387.522	2.318.896	33.219	891.275	-	4.031.061
Revolving Easy Business	-	57	19	157	-	1.087	392.356	393.676
Other receivables	-	-	-	-	-	219.242	-	219.242
Available for sale securities - Debt securities	590.129	-	-	-	202.770	-	-	792.899
Held-to-maturity securities	-	-	-	-	-	33.081	-	33.081
Other assets	-	-	-	-	-	225.469	-	225.469
Total	3.929.667	1.110.281	1.087.928	6.528.940	546.983	2.424.058	8.961.702	24.589.559
As at 31 December 2009	4.837.484	1.200.660	1.260.810	6.051.141	914.831	2.138.963	9.799.292	26.203.181

3.3 Market risk

Market risk is the risk that the value of a portfolio, either an investment portfolio or a trading portfolio, will decrease due to the change in value of the market risk factors. For Emporiki Bank, the market risk factors are mainly interest rates and foreign exchange rates and consequently the associated market risk are:

- Interest rate risk is the risk (variability in value) borne by an interest-bearing asset, such as a bond, due to variability of interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa.
- Currency risk is a form of risk that arises from the change in price of one currency against another. Whenever investors or companies have assets or business operations across national borders, they face currency risk if their positions are not hedged.

There are a number of standard calculations that Emporiki uses for measuring Market Risk on a portfolio consisting of bonds and derivatives. The most common techniques include:

- Marking to market, calculating the net market value of the assets and liabilities, sometimes called the "market value of portfolio equity".
- Calculating the bond's duration and Basis Point Value, the sensitivity of the asset's price to interest rate movements.
- Calculating the Value-at-Risk of the portfolio
- Applying Stress testing on the market value by shifting the yield curve in a specific way.

Value at Risk is the calculation of the potential loss amount due to market risk, according to the assumption that the composition of the portfolio measured remains unchanged over the specified period. The VAR model assumes a certain 'holding period' until positions can be closed (1 day) and the level of confidence is equal to 99%. There is therefore a specified statistical probability (1%) that actual loss could be greater than the VAR estimate. It also assumes that market moves occurring over this holding period will follow a similar pattern to those that have occurred over 1-day period in the past. Emporiki bank assessment of past movements is based on data for the past one year. Emporiki applies these historical changes in rates, prices, indices, etc. directly to its current positions – a method known as historical simulation. Actual outcomes are monitored regularly to test the validity of the assumptions and parameters/factors used in the VAR calculation. The use of this approach does not prevent losses outside of these limits in the

event of more significant market movements. As VAR constitutes an integral part of Emporiki's market risk control regime, the ALCO committee annually for all trading and non-trading portfolio operations establishes VAR limits.

Stress tests provide an indication of the potential size of losses that could arise in extreme conditions. The stress tests include: risk factor stress testing, where stress movements are applied to each risk category; and ad hoc stress testing. The results of the stress tests are reviewed by senior management and presented to ALCO Committee.

VAR summary for 2010 and 2009

(a) Trading and Non - Trading portfolio VAR by Risk Type

	01/01- 31/12/2010			01/01- 31/12/2009		
	Average	High	Low	Average	High	Low
Foreign exchange risk	231	269	198	87	421	3
Interest rate risk	916	1.518	629	1.512	2.495	701
Equities risk	3	4	1	223	532	4
Total VAR	995	1.610	700	1.550	2.536	945

(b) Trading portfolio VAR by Risk Type

	01/01- 31/12/2010			01/01- 31/12/2009		
	Average	High	Low	Average	High	Low
Foreign exchange risk	202	234	173	61	136	4
Interest rate risk	694	1.315	468	833	1.082	532
Equities risk	-	-	-	-	-	-
Total VAR	797	1.516	518	838	1.095	501

(c) Non – Trading portfolio VAR by Risk Type

	01/01- 31/12/2010			01/01- 31/12/2009		
	Average	High	Low	Average	High	Low
Foreign exchange risk	32	39	27	128	196	32
Interest rate risk	345	1.280	162	204	436	65
Equities risk	3	4	1	334	919	3
Total VAR	347	1.274	161	378	915	80

3.4 Liquidity risk

Liquidity risk is the risk arising from the difference between the maturity of asset and liability items. Liquidity risk expresses the danger that the Bank cannot fulfil its obligations in the future due to these differences between financial instruments or transactions.

The Bank measures this risk and controls it by using a developed liquidity management system that has various controls. The Bank adheres to liquidity restraints authorized by the regulatory authorities locally and abroad as well as to internal limits.

The Bank controls and manages liquidity risk throughout the period by using the following:

- (a) Minimum reserve balance as defined by the Bank of Greece.
- (b) Liquidity indexes defined by the Bank of Greece and internally.

The Bank's operations abroad adhere to liquidity rules defined by the Bank of Greece and local regulatory decisions.

The following table summarizes the financial assets and liabilities items of the Bank by remaining maturity as at the reporting date.

31 December 2010

	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Not Defined maturity	Total
Cash and balances with Central Bank	738.637	-	-	-	-	163.347	901.984
Treasury bills	50.241	4.595	12.854	-	-	-	67.690
Due from other banks	2.131.157	52.448	130.322	269.916	529.538	-	3.113.380
Trading securities	-	37.685	822	1.892	6.814	2.155	49.368
Derivative financial instruments	-	-	-	-	-	132.262	132.262
Loans and advances to customers	5.536.857	1.497.106	2.374.967	4.385.279	6.381.203	-	20.175.411
Available for sale securities	9.692	99.534	63.604	351.328	268.741	15.077	807.975
Held-to-maturity securities	-	-	199	32.882	-	-	33.081
Other assets	15.525	25.340	5.223	662	-	178.720	225.469
Total financial assets	8.482.109	1.716.707	2.587.991	5.041.958	7.186.295	491.561	25.506.621
Due to other banks	5.915.428	2.337.190	544.778	58.811	-	-	8.856.207
Derivative financial instruments	-	-	-	-	-	143.963	143.963
Due to customers	7.864.786	985.430	2.489.730	205.310	-	159.117	11.704.372
Debt securities in issue	-	-	274.522	1.814.126	804.167	73	2.892.888
Other borrowed funds	-	-	-	-	1.072.354	-	1.072.354
Due to State pension fund	81.544	-	84.422	177.889	-	-	343.855
Other liabilities	-	-	-	-	-	258.073	258.073
Total financial liabilities	13.861.757	3.322.620	3.393.452	2.256.136	1.876.521	561.226	25.271.712
Net equity	(5.379.648)	(1.605.913)	(805.462)	2.785.822	5.309.774	(69.665)	234.908

31 December 2009

Total financial assets	8.117.126	1.885.145	3.237.294	6.326.266	8.838.437	(1.159.130)	27.245.139
Total financial liabilities	13.722.509	3.965.345	5.596.889	1.718.859	1.252.455	537.089	26.793.146
Net equity	(5.605.383)	(2.080.200)	(2.359.595)	4.607.407	7.585.982	(1.696.218)	451.993

3.5 Establishment of fair values

The fair value of quoted investments, which are negotiable in active markets/stock exchanges, such as derivatives, shares, bonds, mutual funds, is established based on current bid prices valid at balance sheet date.

If the market for a financial asset is not active (and for unlisted securities), fair values are established by using valuation techniques and assumptions based on market statements at the balance sheet date.

3.6 Fair values financial assets and liabilities

a) Financial instruments not measured at fair value

The following table presents the book and fair values for the financial instruments (assets and liabilities) that are not measured in fair value:

	Book Value		Fair Value	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Financial Assets				
Due from other banks	3.113.380	3.161.580	3.113.380	3.161.580
Loans and advances to customers (after provisions)	20.175.411	21.111.304	21.762.931	22.177.295
Held-to-maturity securities	33.081	45.043	33.081	45.043
Financial Liabilities				
Due to other banks	8.856.207	7.555.894	8.856.207	7.555.894
Due to customers	11.704.372	15.061.149	11.704.372	15.061.149
Debt securities in issue	2.892.888	2.333.624	2.831.937	2.317.057
Other borrowed funds	1.072.354	1.072.043	1.037.720	1.038.352

The fair value of the loans and advances to customers is calculated by discounting the future cash flows with the appropriate interest rates for similar term. The calculation of the fair value of debt securities in issue is based on discounting future cash flows with inter-bank rates and according to the duration.

The fair value of a financial instrument reflects the price at which an asset can be traded or a debt settled, between informed parties, willing to conclude a transaction at normal price.

The fair value indicated above represent estimations as of the closing date. They are subject – amongst other factors- to adjustments, according to market conditions prevailing at the valuation date. Those calculations represent our best possible estimate. It is based on a set of assumptions. Since the underlying models include uncertainties, the fair values may not materialize if those financial instruments were to be sold or settled in the future.

In practical terms, and on a going concern basis, the overall value of those instruments could not materialize through an immediate market transaction.

b) Fair value hierarchy

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

- Level 1– Quoted prices (unadjusted) in active markets for identical assets or liabilities.

This level includes listed equity securities and debt instruments on exchanges (for example, London Stock Exchange, Frankfurt Stock Exchange, New York Stock Exchange) and exchanges traded derivatives like futures (for example, Nasdaq, S&P 500).

- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes the majority of the OTC derivative contracts, traded loans and issued structured debt. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.

- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Bank considers relevant and observable market prices in its valuations where possible.

3.6.1 Assets and Liabilities measured at fair value

31 December 2010	Level 1	Level 2	Level 3	Total
Financial Assets held for trading				
Debt securities	117.058	-	-	117.058
Derivatives	-	93.363	-	93.363
Hedging Derivatives	-	38.899	-	38.899
Available for sale financial assets				
Investment securities – debt	792.899	-	-	792.899
Investment securities - equity	9.732	5.344	-	15.076
Total Assets	919.689	137.606	-	1.057.295
Financial liabilities held for trading				
Derivatives	-	101.763	-	101.763
Hedging derivatives	-	42.200	-	42.200
Total Liabilities	-	143.963	-	143.963

4. Critical accounting estimates, and judgements in applying accounting policies

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factor, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment on loans and advances

The Bank reviews its loan portfolios to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the income statement, the Bank makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group, or national or local economic conditions that correlate with defaults on assets in the group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows.

(b) Fair value of derivatives

The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques are used to determine fair value, they are validated and periodically reviewed by qualified personnel independent of the area that created them. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments.

(c) Impairment of available-for-sale equity investments

The Bank determines that available-for-sale equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgement. In making this judgement, the Bank evaluates among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

(d) Income taxes

The Bank recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(e) **Due to state pension funds**

The estimates, judgements and assumptions, concerning the liabilities to State pension funds are illustrated in Note 33.

5. Segment reporting

5.1 Segment results of operations

From 1/1 to 31/12/2010	Total	Retail banking	Corporate banking	Investment banking & treasury	Other
Net interest income	594.936	314.702	124.545	167.423	(11.734)
Net fee and commission income	106.429	82.532	34.107	4.426	(14.636)
Other income	2.240	-	-	(7.695)	9.935
Net Operating Income	703.605	397.234	158.652	164.154	(16.435)
Staff costs	388.864	313.484	24.088	12.534	38.758
Impairment losses on loans and other receivables	992.110	861.432	130.678	-	-
Other provisions	(4.493)	-	-	-	(4.493)
Other operating expenses	162.945	131.417	9.878	7.492	14.158
Total Operating Expenses	1.539.426	1.306.333	164.644	20.026	48.423
Profit / (loss) before tax	(835.821)	(909.099)	(5.992)	144.128	(64.858)

From 1/1 to 31/12/2009	Total	Retail banking	Corporate banking	Investment banking & treasury	Other
Net interest income	502.519	291.338	114.703	96.478	-
Net fee and commission income	114.578	89.036	33.489	8.719	(16.666)
Other income	44.127	-	-	(28.515)	72.642
Net Operating Income	661.224	380.374	148.192	76.682	55.976
Staff costs	413.464	333.316	25.612	13.326	41.210
Impairment losses on loans and other receivables	623.578	571.722	51.856	-	-
Other provisions	7.679	-	-	-	7.679
Other operating expenses	185.265	149.430	11.228	8.515	16.092
Total Operating Expenses	1.229.986	1.054.468	88.696	21.841	64.981
Profit / (loss) before tax	(568.762)	(674.094)	59.496	54.841	(9.005)

Retail banking includes all services and products offered to individuals, freelance professionals and SMEs.

Corporate banking includes products and services offered to large corporations and shipping companies.

Investment banking and Treasury include financial services, consulting and transaction services on capital exchange issues and on dealing room activities.

Other includes all non-financial and administrative and back office functions of the Bank.

The allocation of interest income in various business segments, is based on the Fund Transfer Pricing Model, which has been developed by the Bank.

5.2 Geographical information

	31/12/2010		31/12/2009	
	Net Income	Non-current assets	Net Income	Non-current assets
Greece	701.719	380.052	659.772	363.149
Germany	283	-	2.340	89
United Kingdom	1.603	12	(888)	36
Total	703.605	380.064	661.224	363.274

6. Net Interest Income

	1/1-31/12/2010	1/1-31/12/2009
Interest & similar income		
Cash and short-term funds	45.134	72.508
Bonds/ Treasury bills	134.046	164.463
Loans and advances	682.730	795.722
	861.910	1.032.693
Interest expense & similar charges		
Banks and customers	184.570	375.732
Debt securities	37.937	107.110
Securities and repos	311	2.966
Obligations to pension funds	12.658	14.422
Other borrowing funds	31.498	29.944
	266.974	530.174
Net interest income	594.936	502.519

7. Net fee & commission Income

	1/1-31/12/2010	1/1-31/12/2009
Fee & commission income		
Loans	39.356	33.684
Working capital	6.130	6.012
Letters of guarantee	15.870	14.968
Credit cards	17.312	21.749
Imports – Exports	4.159	4.382
Mutual funds	4.572	3.900
Other commissions	38.810	52.384
	126.209	137.079
Fee & commission expense		
Credit cards	3.910	4.717
Guarantees received from Parent Company	14.636	14.742
Other	1.234	3.042
	19.780	22.501
Net fee & commission income	106.429	114.578

8. Dividend Income

	1/1-31/12/2010	1/1-31/12/2009
Subsidiaries and associates	244	34
Available-for-sale portfolio	93	412
Dividend income	337	446

9. Net trading results

	1/1-31/12/2010	1/1-31/12/2009
Net profit / (loss) from transactions and foreign exchange valuation	10.977	6.311
Net profit / (loss) from sale and valuation of bonds	(17.369)	1.592
Net profit / (loss) from sale and valuation of derivatives	3.067	(5.531)
Total Net trading results	(3.325)	2.372

10. Gain less losses of investment portfolio

	1/1-31/12/2010	1/1-31/12/2009
Net profit from mutual funds units sales	(2.878)	(256)
Net profit from sale of subsidiaries and associates	2.510	6.126
Impairment of subsidiaries	-	(36.667)
Impairment of bonds	-	(1.395)
Impairment of shares	(2.787)	(194)
Impairment of mutual funds	(1.553)	-
Net profit from shares sale	-	1.053
Total result of investment portfolio	(4.708)	(31.333)

11. Other Income

	1/1-31/12/2010	1/1-31/12/2009
Rental income	1.303	1.253
Proceeds from written-off receivables	-	2.007
Gain / (loss) from sale of fixed assets	6.110	40.214
Net gain from the buy-back of debt securities in issue	-	27.274
Other income	2.523	1.894
Total Other operating income	9.936	72.642

12. Staff Costs

	1/1-31/12/2010	1/1-31/12/2009
Salaries and wages	240.561	258.721
Social security costs (principal and auxiliary plans)	63.309	84.961
Other benefits	84.994	69.782
Staff costs	388.864	413.464

Total personnel of Emporiki Bank as at 31 December 2010 were 4.663 compared to 5.220 as at 31 December 2009.

13. Other Operating Expenses

	1/1-31/12/2010	1/1-31/12/2009
Fees and third party expenses	15.333	18.296
Third parties fees	46.550	51.047
Insurance fees	2.984	2.662
Taxes and duties	14.561	19.128
Other expenses	63.585	73.389
Total Other operating expenses	<u>143.013</u>	<u>164.522</u>

14. Income tax expense

	1/1-31/12/2010	1/1-31/12/2009
Tax for the year (provision)	15.680	38.810
Deferred taxation (Note 32)	320	(20.934)
Income tax expense	<u>16.000</u>	<u>17.876</u>

15. Earnings per share

	1/1-31/12/2010	1/1-31/12/2009
Attributable profits/ (losses) to the Bank shareholders	(851.821)	(586.638)
Average number of shares (excluding own shares)	464.682.818	233.573.580
Basic and diluted earnings / (losses) per share (Euro)	<u>(1,8331)</u>	<u>(2,5116)</u>

Basic earnings per share is calculated on the profit after tax attributable to the Bank's shareholders and the weighted average number of shares outstanding during the year after deducting own shares in ownership during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding during the year and the profit or loss attributable to ordinary equity holders for all the effects of dilutive potential ordinary shares. There were no outstanding dilutive ordinary shares during the year is presented in these financial statements.

16. Cash and balances with Central Bank

	31/12/2010	31/12/2009
Cash	206.765	228.475
Deposits at Central Bank excluding obligatory deposits for liquidity purposes	115.259	100.818
Cheques' receivables – Central Bank clearing office	7.423	3.707
Included as cash and cash equivalents (Note 38)	329.447	333.000
Obligatory deposits at Central Bank	572.094	677.954
Accrued Interest	443	484
Total Cash and balances with Central Bank	901.984	1.011.438

Obligatory deposits with Central Bank is a requirement set by the Bank of Greece for all financial institutions established in Greece and are equal to 2% of total customer deposits excluding the first € 100 thousands. The Bank is also required to maintain a current account with Bank of Greece in order to facilitate inter-bank transactions through the Trans European – Automated Real Time Gross Settlement Express Transfer System (TARGET).

17. Due from other Banks

	31/12/2010	31/12/2009
Cheques receivables	6.485	5.910
On demand	102.681	183.727
Placements in other banks	2.003.500	1.967.584
Other amounts due	41.164	17.362
Included as cash and cash equivalents (Note 38)	2.153.830	2.174.583
Placements in other banks not included in cash and cash equivalents	956.940	983.365
Loans and borrowings in other banks	2.610	3.632
Total Due from other banks	3.113.380	3.161.580

18. Trading Securities

	31/12/2010	31/12/2009
Trading securities portfolio		
Bonds issued by Hellenic Republic banks not included as cash and cash equivalents	49.368	91.271
Total Trading securities	49.368	91.271

19. Derivative financial instrument

	31/12/2010			31/12/2009		
	Fair Value			Fair Value		
	Contract/ Nominal value	Assets	Liabilities	Contract/ Nominal value	Assets	Liabilities
1) Derivatives held for trading						
a) Currency derivatives						
Currency forwards	116.660	960	942	52.432	550	857
Currency swaps & synthetic swaps	238.608	548	71	1.168.183	3.870	3.740
Currency options	81.626	602	602	21.652	460	460
Total		2.110	1.615		4.880	5.057
b) Interest rate derivatives						
Interest rate swaps	3.871.271	89.144	98.151	3.052.865	54.658	60.474
Caps & Floors	1.480.844	2.090	1.997	999.098	2.956	2.349
Total		91.234	100.148		57.614	62.823
c) Bond Futures						
Exchange traded bond / futures	9.600	19	-	7.500	16	-
Total		19	-		16	-
Total derivative held for trading		93.363	101.763		62.510	67.880
(2) Derivatives designated as fair value hedge						
Interest rate derivatives						
Interest rate swaps	4.475.500	38.899	42.200	5.516.300	10.803	68.189
Total derivatives designated as fair value hedges		38.899	42.200		10.803	68.189
Total derivatives assets/liabilities		132.262	143.963		73.313	136.070

20. Loans and advances to customers

Loans to individuals	31/12/2010	31/12/2009
Credit cards	452.342	435.666
Term loans	1.839.455	1.951.077
Mortgage loans	7.506.097	7.713.877
	9.797.894	10.100.620
Loans to corporate entities		
Large Corporate Customers	7.238.325	7.054.721
Small and medium size enterprises	4.948.655	4.891.811
Freelancers (Easy Business)	642.955	617.288
	12.829.935	12.563.820
Other advances	219.637	160.461
Accrued Interest	48.653	49.383
Total loans and advances to customers	22.896.119	22.874.284
Less: Impairment losses on loans and advances	(2.720.708)	(1.762.980)
	20.175.411	21.111.304
Floating interest rate	20.851.639	17.857.110
Fixed interest rate	1.995.827	4.967.791
Total loans and advances to customers	22.847.466	22.824.901

Impairment losses on loans and advances

Changes on impairment losses for loans and advances are summarised as follows:

Balance at 1 January	1.762.980	1.210.699
Transfer from Emporiki Germany	-	12.312
Transfer to other provisions	(14.300)	-
Transfer to Available For Sale portfolio	(6.149)	-
Impairment losses on loans and advances	993.095	637.148
Unwinding (Realisation of impairment loss) and write-offs	(14.918)	(97.179)
Balance at 31 December	2.720.708	1.762.980

Reconciliation of allowance account for losses on loans & advances by class is as follows:

Loans to individuals

	Credit cards	Term Loans	Mortgages	Total
Balance at 1 January 2009	56.573	280.353	237.367	574.293
Impairment losses on loans and advances	40.900	123.311	100.561	264.772
Unwinding and write offs	(19.116)	(36.509)	(100)	(55.725)
Transfer from Emporiki Germany	-	1.352	-	1.352
Balance 31 December 2009	78.357	368.507	337.828	784.692

	Credit cards	Term Loans	Mortgages	Total
Balance at 1 January 2010	78.357	368.508	337.828	784.692
Impairment losses on loans and advances	51.907	155.067	246.183	453.157
Unwinding and write offs	(698)	-	-	(698)
Balance 31 December 2010	129.566	523.575	584.011	1.237.151

Loans to corporate entities

	Loans to corporate entities	Small and medium enterprises	Revolving Easy Business	Other receivables	Total
Balance at 1 January 2009	147.777	403.344	69.662	15.623	636.406
Impairment losses on loans and advances	51.856	245.325	75.195	-	372.376
Unwinding and write offs	(8.300)	(31.445)	(404)	(1.305)	(41.454)
Transfer from Emporiki Germany	4.568	6.392	-	-	10.960
Balance 31 December 2009	195.901	623.616	144.453	14.318	978.288

	Loans to corporate entities	Small and medium enterprises	Revolving Easy Business	Other receivables	Total
Balance at 1 January 2010	195.901	623.616	144.453	14.318	978.288
Impairment losses on loans and advances	125.802	307.835	105.924	377	539.938
Unwinding and write offs	(8.120)	(6.100)	-	-	(14.220)
Transfer from other provisions	-	-	-	(14.300)	(14.300)
Transfer from loans available for sale	(6.149)	-	-	-	(6.149)
Balance 31 December 2010	307.434	925.350	250.377	395	1.483.557

The impairment losses on loans and advances presented in the income statement include the net gain from the sale of non-performing loans and the proceeds from written-off receivables totaling to € 986 (€13.569 for the period 01/01-31/12/2009).

21. Available-for-sale securities

	31/12/2010	31/12/2009
Available-for-sale securities		
Bonds issued by Hellenic Republic	202.770	305.770
Bonds of other issuers	590.129	866.746
Listed shares	719	1.414
Non listed shares	2.766	2.906
Mutual funds units	11.591	26.198
Total Available-for-sale securities	807.975	1.203.034

In accordance with the amendment of IAS 39 “Reclassification of Financial Assets”, the Bank has reclassified during 2008 corporate bonds amounted to € 102 million from the Trading portfolio into the Available-for-Sale portfolio. At 31 December 2010 the nominal and the fair value of these bonds was € 35 million and € 23,8 million respectively.

The loss from the revaluation difference recognized directly in equity for the fiscal year 2010, amounted to € 2,7 million.

22. Investments in subsidiaries / associates

The bank's investments in subsidiaries are analyzed as follows:

Company	Country of incorporation	% Held as at 31.12.10	Balance as at 31.12.10	% Held as at 31.12.09	Balance as at 31.12.09
1 EMPORIKI BANK-GERMANY	GERMANY	-	-	100,00%	16.042
2 EMPORIKI BANK BULGARIA	BULGARIA	100,00%	40.109	100,00%	30.108
3 EMPORIKI BANK ALBANIA	ALBANIA	100,00%	31.012	100,00%	31.012
4 EMPORIKI BANK CYPRUS	CYPRUS	96,57%	44.142	93,71%	34.140
EMPORIKI VENT. CAPITAL DEVELOPED LIMITED	CYPRUS	100,00%	16.376	100,00%	16.376
5 EMPORIKI VENT. CAPITAL EMERGING LIMITED	CYPRUS	100,00%	15.882	100,00%	15.882
6	UNITED KINGDOM	100,00%	18	100,00%	18
7 EMPORIKI GROUP FINANCE RESEARCH BANK FOR HISTORICAL ARCHIVES (Non- profit organization)	GREECE	99,90%	15	99,90%	15
8 EMPORIKI MEDIA	GREECE	99,00%	769	99,00%	769
9 EMPORIKI MANAGEMENT	GREECE	99,65%	4.320	99,65%	6.514
10 EMPORIKI BANK ROMANIA	ROMANIA	99,58%	44.100	99,35%	19.988
11 TOTAL CARE	GREECE	-	-	70,00%	192
EMPORIKI DEVELOPMENT AND REAL ESTATE MANAGEMENT	GREECE	100,00%	34.197	100,00%	34.197
12 GREEK INDUSTRY OF BAGS	GREECE	-	-	58,71%	263
			230.940		205.516

The bank's investments in associates are analyzed as follows:

Company	Country of incorporation	% Held as at 31.12.10	Balance as at 31.12.10	% Held as at 31.12.09	Balance as at 31.12.09
1 INCURIAM INVESTMENT LTD	CYPRUS	20,00%	381	20,00%	451
2 EULER HERMES EMPORIKI	GREECE	21,71%	1.514	21,71%	1.514
			1.895		1.965

The movement in the investment portfolio is summarized as follows:

	Investments in subsidiaries		Investments in associates	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Opening balance	205.516	343.039	1.965	19.181
Addition	45.014	23.550	-	-
Reduction	(19.590)	(124.447)	(70)	(17.176)
Impairment	-	(36.626)	-	(40)
Closing balance	230.940	205.516	1.895	1.965

The Bank's Board of Directors during 2007 decided, to cease the operations of "EMPORIKI BANK GERMANY GmbH" and to initiate the liquidation process of the company. In the beginning of 2008, the Management decided to continue part of the operations in Germany through branches and has undertaken the obligation to purchase any remaining portfolio of the under liquidation subsidiary. From 2009, Emporiki Bank operates in Germany through its branch which has undertaken the customer portfolio of the subsidiary while the management of Emporiki Bank decided the withdrawal from the German banking market. On 30 November 2010 the liquidation procedure of "EMPORIKI BANK GERMANY GmbH" was completed and on 13 December 2010 the Frankfurt Branch-Germany of Emporiki Bank completed its activities and was closed.

The Bank, on 02 February 2010, bought-out of the (full) stake, currently owned by minority shareholder, in the Bank's subsidiary "EMPORIKI BANK CYPRUS LTD", in total 500.000 common shares that represent 2,0970% of the total share capital of the latter.

Continuously, the Bank, on 14 April 2010, covered by 100% the share capital increase of its subsidiary by disbursing the amount of € 8.999.998,47. Consequently, after the share capital increase the Bank owns 28.107.530 shares of “EMPORIKI BANK CYPRUS LTD”, which represent the 96.57% of its share capital.

The Bank, on 09 February 2010, covered by 100% the share capital increase of its subsidiary “EMPORIKI BANK ROMANIA S.A.” by disbursing the amount of 78.517.500 RON. Continuously, the Bank, on 22 April 2010, covered by 100% the share capital increase of its subsidiary by converting the subordinated debt of the amount 25.000.000 RON into capital. Consequently, the participation of the Group amounts to 99,58%.

The Bank, on 15 June 2010 covered by 100% the share capital increase of its subsidiary “EMPORIKI BANK BULGARIA E.A.D.” by disbursing the amount of 19.558.300 BGN. The share capital of “EMPORIKI BANK BULGARIA E.A.D” amounts to 71.163.240 BGN and corresponds to 71.163.240 common shares of nominal value 1 BGN per share.

On 23 December 2010, the Bank sold its participation in the company “TOTAL CARE NETWORK S.A. - INTEGRATED SYSTEM FOR HEALTH CARE SERVICES” (i.e. 186.900 common shares which were representing 70,00% of the total share capital of the company). The afore-mentioned company was excluded from consolidation due to its immateriality.

On 30 December 2010 the shareholders of the subsidiary “EMPORIKI MANAGEMENT” decided a share capital increase by € 341.986,20, through an issuance of 11.652 new shares (due to a capitalization of goodwill occurred by readjustment of value of real estates of the company). Additionally, it was decided the reduction of share capital by € 2.201.488,39. According to the afore-mentioned decisions the share capital of “EMPORIKI MANAGEMENT” will amount to € 6.541.906, divided in 297.901 shares, of nominal value € 21,96 each.

The Bank on 31 December 2010 signed an agreement to sale its participation in the company “EMPORIKI GREEK INDUSTRY OF BAGS” (i.e. 20.500 common shares which were representing 58,71% of the company) for € 1,76 mil.

23. Intangible Assets

	<u>Software</u>
1 January 2009	
Cost	69.848
Accumulated depreciation	<u>(60.140)</u>
Net book value	<u>9.708</u>
31 December 2009	
Opening net book value	9.708
Additions/(Disposals)	3.846
Change in depreciation	<u>(4.120)</u>
Closing net book value	<u>9.434</u>
31 December 2009	
Cost	72.825
Accumulated depreciation	<u>(63.391)</u>
Net book value	<u>9.434</u>
31 December 2010	
Opening net book value	9.434
Additions/(Disposals)	6.620
Change in depreciation	<u>(4.513)</u>
Closing net book value	<u>11.541</u>
31 December 2010	
Cost	79.446
Accumulated depreciation	<u>(67.905)</u>
Net book value	<u>11.541</u>

24. Property, plant and equipment

	Land	Buildings and leasehold improvements	Other tangible assets	Total
1 January 2009				
Cost	172.170	98.544	223.814	494.528
Accumulated depreciation	-	(12.581)	(183.463)	(196.044)
Net book value	172.170	85.963	40.351	298.484
31 December 2009				
Opening net book value	172.170	85.963	40.351	298.484
Additions/(Disposals)	(36.251)	(11.909)	6.014	(42.146)
Change in depreciation	-	(5.568)	(9.970)	(15.538)
Closing net book value	135.919	68.486	36.395	240.800
31 December 2009				
Cost	135.919	86.634	222.969	445.522
Accumulated depreciation	-	(18.148)	(186.574)	(204.722)
Net book value	135.919	68.486	36.395	240.800
31 December 2010				
Opening net book value	135.919	68.486	36.395	240.800
Additions/(Disposals)	(1.256)	3.134	15.994	17.872
Change in depreciation	-	(5.512)	(8.645)	(14.157)
Closing net book value	134.663	66.108	43.744	244.515
31 December 2010				
Cost	134.663	89.768	238.962	463.393
Accumulated depreciation	-	(23.660)	(195.218)	(218.878)
Net book value	134.663	66.108	43.744	244.515

25. Investment Property

	Land	Buildings and equipment	Total
1 January 2009			
Cost	59.434	44.459	103.893
Accumulated depreciation	-	(3.649)	(3.649)
Net book value	59.434	40.810	100.244
31 December 2009			
Opening net book value	59.434	40.810	100.244
Additions/(Disposals)	5.334	9.165	14.499
Impairment of assets	(638)	-	(638)
Change in depreciation	-	(1.065)	(1.065)
Closing net book value	64.130	48.910	113.040
31 December 2009			
Opening net book value	64.130	53.624	117.754
Additions/(Disposals)	-	(4.714)	(4.714)
Change in depreciation	64.130	48.910	113.040
31 December 2010			
Opening net book value	64.130	48.910	113.040
Additions/(Disposals)	5.168	7.063	12.231
Impairment of assets	-	-	-
Change in depreciation	-	(1.263)	(1.263)
Closing net book value	69.298	54.710	124.008
31 December 2010			
Cost	69.298	60.687	129.985
Accumulated depreciation	-	(5.977)	(5.977)
Net book value	69.298	54.710	124.008

26. Other assets

	31/12/2010	31/12/2009
Prepaid expenses	62	194
Accrued income	60.349	11.677
Other	165.058	281.693
Total Other Assets	225.469	293.564

27. Due to banks

	31/12/2010	31/12/2009
Borrowings from banks	8.763.627	7.515.045
Current accounts	91.915	40.826
Other	665	23
Total Due to banks	<u>8.856.207</u>	<u>7.555.894</u>

28. Due to customers

	31/12/2010	31/12/2009
Deposits from legal entities		
Sight accounts	1.117.219	1.411.170
Term deposits	605.157	897.423
	<u>1.722.376</u>	<u>2.308.593</u>
Deposits from individuals		
Current accounts	732.731	495.960
Term deposits	4.037.432	5.759.127
Saving accounts	5.119.817	6.351.651
	<u>9.889.980</u>	<u>12.606.738</u>
Cheques and remittances payable	80.920	110.913
Accrued interest	11.095	34.905
	<u>11.704.371</u>	<u>15.061.149</u>
Fixed interest rate	4.642.589	6.656.550
Floating interest rate	6.969.767	8.258.781
Total deposits	<u>11.612.356</u>	<u>14.915.331</u>

*In 2010, due to additional benefits to depositors (cheques e.t.c), elements of a product which applies to saving accounts, changed. Thus, existing accounts, which amount to € 306.566, were reclassified, during the year of 2010, from Saving accounts to Current accounts.

29. Debt securities in issue

	31/12/2010	31/12/2009
Debt securities	2.887.289	2.329.766
Other credit titles	73	73
Accrued interest	5.526	3.785
Total Debt securities in issue	<u>2.892.888</u>	<u>2.333.624</u>

In 2010 Emporiki Bank repaid, through the special purpose entity “Lithos Mortgage Finance Plc”, € 39.588.347 mortgage backed securities.

As at 31 December 2010, the Bank owned debt securities issued by “Lithos Mortgage Finance Plc” and “Emporiki Group Finance Plc”, with a total value of € 31.317.693.

In 2010, Emporiki Bank called back debt securities with a total nominal value of € 158.224.000, while debt securities with a total nominal value of € 1.200.000.000 were matured.

As at 31 December 2010, Emporiki Bank issued, through “Emporiki Finance Plc”, debts of € 1.902.021.650.

<u>S/N</u>	<u>Nominal Value in €</u>	<u>Start Date</u>	<u>Maturity Date</u>	<u>Interest</u>
1	200.000.000	12.03.2010	12.03.2014	3m Euribor + 0,750%
2	22.000.000	31.03.2010	31.03.2020	3m Euribor + 0,950%
3	200.000.000	15.04.2010	15.04.2013	3m Euribor + 0,650%
4	100.000.000	15.04.2010	15.04.2015	3m Euribor + 0,850%
5	6.805.000	08.04.2010	08.04.2015	3m Euribor + 0,950%
6	200.000.000	29.06.2010	29.12.2013	3m Euribor + 1,035%
7	300.000.000	29.06.2010	29.06.2012	3m Euribor + 0,650%
8	100.000.000	11.06.2010	11.06.2015	3m Euribor + 1,060%
9	250.000.000	11.06.2010	11.06.2014	3m Euribor + 0,925%
10	70.000.000	11.06.2010	11.06.2012	3m Euribor + 0,480%
11	21.976.650	22.11.2010	23.11.2011	Fixed rate 1,5%
12	31.240.000	22.12.2010	22.12.2020	3m Euribor + 1,180%
13	300.000.000	01.12.2010	01.12.2015	3m Euribor + 0,970%
14	50.000.000	21.12.2010	21.12.2016	3m Euribor + 1,180%
15	50.000.000	21.12.2010	21.12.2017	3m Euribor + 1,220%
Σύνολο	1.902.021.650			

30. Other borrowed funds

	31/12/2010	31/12/2009
Subordinated loans due to parent company	350.000	350.000
Subordinated notes due to parent company	300.000	300.000
Hybrid securities due to parent company	420.000	420.000
Accrued interest	2.354	2.043
Total Other borrowed funds	1.072.354	1.072.043

31. Other liabilities

	31/12/2010	31/12/2009
Dividends payable	-	250
Accrued expenses and deferred income	17.577	45.648
Other	240.495	165.784
Total Other liabilities	258.072	211.682

32. Deferred tax assets/liabilities

	31/12/2010	31/12/2009
Deferred tax assets		
Intangible assets write-off	2.123	2.354
Impairment of loans and receivables	532.312	335.712
Provision for the cost of transfer to ETEAM & ETAT	66.424	81.653
Commissions recognition based on effective interest rates	2.723	3.022
Impairment of investments for companies under clearing process	5.600	5.600
Provision for staff expenses	6.688	7.285
Other provisions	14.343	18.224
Other temporary tax differences	(6)	(6)
	<u>630.207</u>	<u>453.844</u>
Reassessment of recoverability	(346.641)	(170.794)
	<u>283.566</u>	<u>283.050</u>
Deferred tax liabilities		
Reduced depreciation rates for buildings	5.266	4.750
	<u>5.266</u>	<u>4.750</u>
Net deferred tax assets	<u>278.300</u>	<u>278.300</u>
The movement of the net deferred tax assets is as follows:		
At 1 January	278.300	255.053
Income statement	(320)	20.934
Share premium		
Share capital expenses write-off	320	2.313
At 31 December 10	<u>278.300</u>	<u>278.300</u>

The charge/ (release) of deferred tax assets and liabilities through the income statements is as follows:

	31/12/2010	31/12/2009
Deferred tax (income statement)		
Intangible assets variation	554	82
Provision for the cost of transfer to ETEAM & ETAT	15.229	14.709
Impairment of loans and receivables	(196.600)	(126.580)
Commissions recognition based on real interest rates	299	310
Provision for staff expenses	597	(468)
Reduced depreciation rates for buildings	516	492
Other provisions	3.878	(273)
Reassessment of recoverability	175.847	90.794
	<u>320</u>	<u>(20.934)</u>

The Management of the Bank, taking into consideration the current financial circumstances of the Bank and the effect of the market conditions, undertook provisioning policy by reducing the deferred tax asset in total by € 346,6 mil. (€ 175,8 mil for 2010). For the same reason, deferred tax asset for tax losses carried has not been recognized.

33. Obligations to pension funds

The submission of the Auxiliary Pension Fund (TEAPETE) for the Bank's employees to the provisions of the laws 3371/2005 and 3455/2006 resulted to a) the diminution of the Bank's disadvantage to pay higher social contributions and b) the transparency regarding the estimated actuarial loss of the Bank.

Following the provisions of the new law 3371/2005, an economic study was performed by independent specialized actuaries, in order to determine the cost of including TEAPETE into the above-mentioned auxiliary funds (IKA-ETEAM and ETAT). This economic study was completed within the 1st quarter of 2006 and was approved by the relevant committee of the Ministry of Economy and Finance and it was ratified by law (L. 3455/2006). According to the study the Bank will pay to IKA-ETEAM and ETAT, for its pensioners a special contribution of €786,3 millions in total (upfront or within a period of 10 years bearing an interest rate of 3,53%). In addition, the Bank will be obliged to pay additional contributions compared to those defined by ETEAM regulations for its employees hired before 31/12/2004 through to retirement. The terms of the payment of the increased contributions were not defined by Law 3371/2005 but were established following a ministerial decision IKA Φ20203/19189/931/7.11.06. The Bank proceeds to the payment of the scheduled installments as these were defined in the economic study mentioned above. The outstanding balance of the liability as at 31.12.2010 was € 343,8 millions.

The Employee Union has litigated the aforementioned submission and has proceeded relevant legal actions. For one legal action, which was discussed in the First Instance Court of Athens, the ruling was issued, number 116/2008, and judged that the provisions of Law 3455/2006 are unconstitutional and the termination of employee contracts relating the Bank, the Employee Union and the TEAPETE is abusive. The Bank has proceeded legal action against the aforementioned court ruling which was discussed on 24.03.2009. During the aforementioned trial the Greek State has proceeded intervention in favor of the Bank. The Court of Appeal judgment number 4007/2009 (published 30.06.2009) rejected the Bank's appeal and validated the First Instance judgment. On December 2009, the Bank and the Greek State has appealed before the Supreme Court of Appeal. The Bank's appeal hearing is determined for 20.01.2011, however it was postponed for 17.03.2011. The economic impact of the judgment cannot be currently assessed.

It should be noted that the State Council (in plenary session), pursuant to a series of recent decisions (Nr. 2197-2203/2010) rejected the petitions of bank employees and unions against Presidential Decree 209/2006, issued pursuant to L.3371/2005, and admitted that the inclusion of bank employees in the ETAT (Single Fund for the Social Insurance of Bank Employees) is consistent with the Greek Constitution. The above-mentioned decisions constitute an important factor, which will most probably affect the outcome of the case before the Supreme Court of Appeal.

34. Other provisions

Other provisions are summarized as follows:

	31/12/2010	31/12/2009
Provisions for tax issues	60.365	61.085
Provisions for non-used vacation leaves	-	595
Provisions for litigations	51.053	50.568
Provisions for suspense accounts & other receivables	49.406	53.882
Provisions for guarantees given	20.264	20.277
Other provisions	1.136	2.229
Total Other provisions	<u>182.224</u>	<u>188.636</u>

The movement of other provisions is analyzed as follows:

	Tax	Non-used Vacation leaves	Litigations	Suspense accounts and other receivables	Guarantees given	Other	Total
Balance 01/01/2009	32.223	1.750	48.636	50.558	19.777	2.213	155.157
Charge	28.849	1.500	4.541	3.324	3.000	-	41.214
Utilization	-	(2.654)	(2.609)	-	(2.500)	-	(7.763)
Translation differences	13	-	-	-	-	15	28
Balance 31/12/2009	61.085	596	50.568	53.882	20.277	2.228	188.636
Balance 01/01/2010	61.085	596	50.568	53.882	20.277	2.228	188.636
Charge	15.644	-	485	(5.052)	-	(1.420)	9.657
Transfers	-	(596)	-	14.300	-	-	13.704
Utilization	(16.363)	-	-	(13.724)	(13)	320	(29.780)
Translation differences	(1)	-	-	-	-	8	7
Balance 31/12/2010	60.365	-	51.053	49.406	20.264	1.136	182.224

According to the contract of purchase and selling agreement of 08.03.2007 between the Bank and Groupama Phoenix, (relatively the transferring of shares to Groupama International), there are two arbitral awards against the Bank which will be judged by the International Chamber of Commerce since the arbitral court will be set up.

In accordance with the arbitral awards of 05.06.2009 and 26.06.2009, the Bank is called to pay the amount of € 13 million given the forcing of the Bank to the statements and guarantees of Groupama Phoenix, while any extraordinary expenses that may arise, when the judge of arbitral awards between Bank and Groupama will be completed.

35. Contingent liabilities and commitments

a) Legal issues

The Bank during the normal course of its business is a defendant in claims from customers and other legal actions for which the Bank has made a provision. According to the consultation of the Bank's Legal division the ultimate disposition of these matters is not expected to have any, further, material effect on the financial position or operations of the Bank.

b) Tax issues

Tax authorities have audited Emporiki Bank for all years up to and including 2008

c) Commitments

	31/12/2010	31/12/2009
Letters of guarantee	2.014.154	2.068.199
Unused approved credit limits	17.164.722	17.441.719
Total	19.178.876	19.509.918

d) Pledged assets

Pledged assets as at 31 December 2010 amount to € 1.247.228 thousands (€ 1.541.005 thousands as at 31 December 2009) including Hellenic Republic and other issuers bonds pledged by the Bank of Greece for the purposes of transactions through TARGET, by the derivatives clearing house (ETESEP) as margin insurance and pledged by foreign financial institutions for funding purposes.

Additionally, on 31 December 2010 loans with a total nominal value of € 739.560 thousands have been pledged by the Bank of Greece for funding purposes.

Finally, bonds with a nominal value of € 63.010 thousands are provided as collateral as part of repurchasing agreements (repos) with other credit institutions.

36. Share capital and own shares

The share capital as at 31 December 2010 amounts to € 512.228.885 comprising by 512.228.885 ordinary shares of € 1,00 nominal value each. At 31 December 2009, amounted to € 1.577.664.968 comprising by 286.848.176 ordinary shares of € 5,5 nominal value per share.

On December 14th 2009, the Extra-Ordinary General Assembly of the Shareholders approved the decrease of the Bank's Share Capital by the amount of partially written off accumulated accounting losses amounting to € 1.290.816.792 by reduction of the share's nominal price from € 5,50 to € 1,00 and the simultaneous share capital increase by payment in cash of the amount of € 989.421.313 by issue and offer of 225.380.709 new, common, intangible, registered with vote rights shares of the Bank of € 1,00 nominal value per share. The Board of Directors of A.S.E, during its meeting of 26/03/2010, approved the listing of these 225.380.709 new shares, starting on 30/03/2010.

In the fourth quarter of 2010, Credit Agricole as the main shareholder has granted a cash advance of €400 million for a SCI in order to enhance the capital adequacy of Emporiki Bank.

37. Other reserves

	31/12/2010	31/12/2009
Statutory reserve	114.405	114.405
Valuation reserve of available-for-sale investments	(189.001)	(83.004)
Reserves from disposal of treasury shares	52.466	52.466
Other reserves	495.639	495.639
Total other reserves	<u>473.509</u>	<u>579.506</u>

Statutory reserve and revaluation reserve of available-for-sale investments cannot be distributed. Other reserves concern reserves formed by gains from sales of listed securities and taxable income that has not been distributed. These reserves have been taxed.

The movement of the available-for-sale revaluation reserve is summarized as follows:

	31/12/2010	31/12/2009
Opening balance	(83.004)	(142.759)
Profit / (loss) from revaluation	(110.117)	58.360
Recycling to the income statement from impairment	4.120	1.395
Closing balance	<u>(189.001)</u>	<u>(83.004)</u>

38. Cash and cash equivalents

For cash flow statement purposes, cash and cash equivalents are consisted of the following accounts, which have a maturity of less than 3 months from date of purchase

	31/12/2010	31/12/2009
Cash and balances with Central Bank (Note 16)	329.447	333.000
Treasury securities	54.733	173.885
Due from banks (Note 17)	2.153.830	2.174.583
Total Cash and cash equivalents	<u>2.538.010</u>	<u>2.681.468</u>

39. Related party transactions

The major shareholders of the Bank as at 31 December 2010 are Credit Agricole S.A and SACAM International with participating interest of 91% and 5% respectively, as also pension funds with participating interest of 0,45%. The remaining shares are widely held and traded on the Athens Stock Exchange.

a) Transactions and balances with Board of Directors members and Executive Committee members

	1/1 - 31/12/2010	1/1 - 31/12/2009
Board of Director's fees* and Executive Committee fees	4.490	5.743
	31/12/2010	31/12/2009
Deposits	949	890
Loans	422	396

* The fees of the non-executive members of the Board of Directors of the Bank amount to € 176 thousands for 2010 and € 230 thousands for 2009.

Deposits and loans refer to members of the Board of Directors and their immediate family members and companies they control or influence.

b) Transactions and balances with subsidiaries and associates:

	31/12/2010	31/12/2009
Assets		
Due from other banks	2.970.307	2.962.760
Loans and advances to customers	23.048	506.028
Derivative financial instruments – assets	43.297	16.138
Other assets	9.510	14.789
	3.046.162	3.499.715
Liabilities		
Due to other banks	8.443.047	6.970.421
Due to customers	79.427	90.654
Debt securities in issue	2.728.330	2.182.395
Other borrowed funds	1.472.294	1.072.140
Derivative financial instruments – liabilities	113.359	104.933
Other liabilities	6.592	9.502
	12.843.049	10.430.045
	1/1 - 31/12/2010	1/1 - 31/12/2009
Income		
Interest & similar income	42.364	61.582
Fee & commission income	15.494	9.201
Net trading results	14.791	4.277
Other operating income	5.288	31.159
	77.937	106.219
Expense		
Interest expense & similar charges	111.257	165.960
Fee & commission expense	15.156	17.178
Staff costs	1.107	2.056
Other operating expenses	10.624	8.777
	138.144	193.971

The related parties transactions and balances are summarized as follows:

	1/1 - 31/12/2010	1/1 - 31/12/2009
Income	77.937	106.219
Expense	138.144	193.971
Fees for Board of Directors members and key management personnel	4.490	5.743
	<u>220.571</u>	<u>305.933</u>
	31/12/2010	31/12/2009
Assets	3.046.162	3.499.715
Liabilities	12.843.049	10.430.045
Receivables from Board of Directors members and key management personnel	422	396
Liabilities to Board of Directors members and key management personnel	949	890
	<u>15.890.582</u>	<u>13.931.046</u>

40. Dividends paid

For the accounting year of 2010, no dividend distribution was proposed by the Bank.

41. Auditors' fees

The total fees charged by the Bank's statutory auditor, for the financial year of 2010, are analysed as follows :

	2010	2009
Fees for statutory audit assignment	686	835
Fees for other audit assignments	434	373
Fees for tax consulting services	35	90
Fees for other non-audit assignments	75	677
Total	<u>1.230</u>	<u>1.975</u>

42. Capital adequacy

The Bank's solvency ratio is calculated in accordance with Law 3601/2007 and BOG decisions 2630/29.10.2010 "Definition of equity for credit institutions in Greece" and 2588/20.08.2007 "Solvency ratio for credit institutions".

Based on the current legislative framework, the Capital adequacy relevant index is analyzed as follows (amounts in billion euros):

Weighted Assets on credit risks	15,976
Weighted Assets on market risks	0,091
Weighted Assets on operational risks	1,170
Total risk Weighted Assets	<u>17,237</u>
Regulatory Shareholder's Equity	
Tier #1 Capital	1,571
Tier #2 Capital	0,615
Deductions from Total Capital	(0,001)
Total Regulatory Equity	<u>2,185</u>

The relevant ratio at 31 December 2010 is estimated to be at 12,7% for the Bank. The calculation of the Capital Adequacy Ratio as of 31 December 2010, has taken into account the guarantee received by the parent company Credit Agricole S.A and the cash advance of €400 thousands.

43. Post balance sheet events

A significant progress for the implementation of Emporiki Bank's Restructuring & Development Plan, which provides, among others, for the rationalization and best possible utilization of its real estate property, marks the sale agreement of 14 owned-assets portfolio throughout Greece, as a total consideration of 45 million Euros, signed with a Greek-American investor, who is active in this sector.

Emporiki Bank successfully completed, on February 1st, 2011, a bond loan securitization totaling €1,166 million, in accordance with the provisions of the law 3156/2003. The notes were issued through "Lemnos PLC" a special purpose vehicle, incorporated in the UK. CACIB and Deutsche Bank have been appointed as Arrangers of the issue.

44. Reclassifications

Certain amounts in prior years have been reclassified to conform to the current presentation. Specifically in the comparative Statement of Financial Position of 2009 an amount of € 14.422 thousands has been reclassified from "Other Liabilities" to "Due to State Pension Fund".

**V. Financial Statements and Information of Emporiki Bank S.A and the Group
from January 1st, 2010 to December 31st, 2010**

EMPORIKI BANK OF GREECE S.A.

FINANCIAL DATA AND INFORMATION FOR THE YEAR FROM JANUARY 1, 2010 TO DECEMBER 31, 2010
 (Published according to Law 2190/1920 Article 135, concerning companies that prepare annual financial statements under International Financial Reporting Standards (IFRS))
 (amounts in thousands of Euro)

The financial statements set out below, provide a general presentation of the financial position and results of Emporiki Bank S.A. and its Group of Companies. Therefore, we recommend to the reader, before any investment decision or transaction is performed with the Bank, to visit the web site www.emporiki.gr, where the financial statements prepared in accordance with International Financing Reporting Standards (IFRS) are available together with the Certified Auditor's opinion.

COMPANY INFORMATION

Web Site address: www.emporiki.gr
 Date of approval of the Financial Statements from the BoD: February 11, 2011
 Certified Auditor Accountant: Dimitris Sourbis (AM SOEL 16891)
 Auditing Company: PRICEWATERHOUSE COOPERS A.E.E (AM SOEL 113)
 Registered Head Office: 11 Sofokleous street, Athens 105 64
 Companies Registration Number: 6064/06/B/86/03
 Supervising prefecture: Prefecture of Athens
 Type of Auditor's Report: Unqualified opinion-emphasis of matter
 Date of issuance of Auditor's Report: 11 February 2011

STATEMENT OF FINANCIAL POSITION

	Consolidated		Bank	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
ASSETS				
Cash and Balances with Central Bank	1,014,563	1,085,351	901,984	1,011,438
Treasury Bills	67,690	254,592	67,690	254,592
Due from Other Banks	2,397,786	2,529,556	3,113,380	3,161,580
Trading Securities	49,373	91,377	49,368	91,271
Derivative Financial Instruments-Assets	132,223	73,313	132,262	73,313
Loans and Advances to Customers	21,293,457	22,124,167	20,175,411	21,111,304
Available for Sale Securities	834,933	1,226,648	807,975	1,203,034
Held to Maturity Securities	47,828	45,043	33,081	45,043
Investments in non consolidated subsidiaries	1,411	1,603	230,940	205,516
Investments in Associates	1,671	1,976	1,895	1,965
Intangible Assets	17,156	13,180	11,541	9,434
Property, Plant and Equipment	264,274	264,456	244,515	240,800
Investment Property	128,484	117,497	124,008	113,040
Deferred Tax Assets	285,250	285,268	283,566	283,050
Income Tax Advance	677	2,462	-	1,344
Other Assets	240,192	307,302	225,469	293,564
TOTAL ASSETS	26,776,968	28,423,791	26,403,085	28,100,288
LIABILITIES				
Due to Other Banks	8,666,647	7,397,685	8,856,207	7,555,894
Derivative Financial Instruments-Liabilities	143,940	136,055	143,963	136,070
Due to Customers	12,245,577	15,493,779	11,704,371	15,061,149
Debt Securities in Issue	2,892,583	2,333,624	2,892,888	2,333,624
Other Borrowed Funds	1,072,261	1,071,949	1,072,354	1,072,043
Due to State Pension Funds	343,855	422,686	343,855	422,686
Personnel Leaving Indemnities	3,989	4,255	-	-
Other Provisions	187,892	195,259	182,224	188,636
Current Income Tax Liabilities	833	2,267	-	-
Deferred Tax Liabilities	6,316	6,038	5,266	4,750
Other Liabilities	269,889	221,676	258,072	211,682
TOTAL LIABILITIES	25,833,782	27,285,273	25,459,200	26,986,534
EQUITY				
Share Capital	512,229	1,577,665	512,229	1,577,665
Cash advance for share capital increase	400,000	600,000	400,000	600,000
Share Premium	1,123,476	360,906	1,123,530	360,960
Other Reserves	454,186	565,884	473,509	579,506
Retained Earnings/Losses	(673,759)	(1,385,546)	(713,562)	(1,417,739)
Result for the year	(873,469)	(582,585)	(851,821)	(586,638)
TOTAL EQUITY	942,663	1,136,324	943,885	1,113,754
Non Controlling Interest	523	2,194	-	-
TOTAL EQUITY & NON CONTROLLING INTEREST	943,186	1,138,518	943,885	1,113,754
TOTAL LIABILITIES AND EQUITY	26,776,968	28,423,791	26,403,085	28,100,288

CASH FLOW STATEMENT

	Consolidated		Bank	
	1/1 - 31/12/2010	1/1 - 31/12/2009	1/1 - 31/12/2010	1/1 - 31/12/2009
Net cash flows from operating activities	(1,807,094)	1,133,377	(1,728,229)	911,997
Net cash flows from investing activities	240,554	433,617	240,112	551,149
Net cash flows from financing activities	1,344,658	(1,446,070)	1,344,659	(1,446,070)
Net increase/(decrease) in cash & cash equivalents	(221,882)	120,924	(143,458)	17,076
Cash & cash equivalents at beginning of year	2,067,293	1,946,369	2,681,468	2,664,392
Cash & cash equivalents at end of the year	1,845,411	2,067,293	2,538,010	2,681,468

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR

	Consolidated		Bank	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Equity at beginning of year (01.01.2010 and 01.01.2009 respectively)	1,138,518	246,880	1,113,754	201,662
Total comprehensive income after income tax				
Profit / loss for the year	(873,791)	(583,170)	(851,821)	(586,638)
Net change in AFS securities	(105,867)	58,703	(105,997)	59,755
Foreign exchange differences	(1,321)	(5,858)	-	-
Changes in subsidiaries shareholding structure	(990)	-	-	-
Share capital increase	387,950	838,921	387,949	838,975
Cash advance for share capital increase	400,000	600,000	400,000	600,000
Subsidiaries' disposal	(1,313)	(16,958)	-	-
Equity at end of the year (31.12.2010 and 31.12.2009 respectively)	943,186	1,138,518	943,885	1,113,754

STATEMENT OF COMPREHENSIVE INCOME

	Consolidated			Consolidated			Bank	
	Total	Discontinued operations	Continued operations	Total	Discontinued operations	Continued operations	1/1 - 31/12/2010	1/1 - 31/12/2009
Interest & Similar Income	939,425	-	939,425	1,133,772	30,241	1,103,531	861,910	1,032,693
Interest Expense & Similar Charges	(289,582)	-	(289,582)	(590,309)	1,523	(561,832)	(266,974)	(530,174)
NET INTEREST INCOME	649,843	-	649,843	573,463	31,764	541,699	594,936	502,519
Fee and Commission Income	131,587	-	131,587	142,770	752	142,018	126,209	137,079
Fee and Commission Expense	(20,394)	-	(20,394)	(28,276)	(5,412)	(22,864)	(19,780)	(22,501)
NET COMMISSION INCOME	111,193	-	111,193	114,494	(4,660)	119,154	106,429	114,578
Net premiums from insurance contracts	-	-	-	61,253	61,253	-	-	-
Net claims and benefits on insurance contracts	-	-	-	(53,041)	(53,041)	-	-	-
NET INCOME FROM INSURANCE OPERATIONS	-	-	-	8,212	8,212	-	-	-
Dividend Income	776	-	776	631	64	567	337	446
Net Trading Results	(697)	-	(697)	11,363	(1,052)	12,415	(3,325)	2,372
Gain less Losses from Investment Securities	(6,782)	-	(6,782)	(4,310)	(5,369)	1,059	(4,708)	(31,353)
Other Operating Income	14,282	-	14,282	75,299	(724)	76,023	9,936	72,642
NET OPERATING INCOME	768,615	-	768,615	779,152	28,235	750,917	703,605	661,224
Staff Costs	(419,366)	-	(419,366)	(457,613)	(13,480)	(444,133)	(388,864)	(413,464)
Depreciation & Amortisation	(26,097)	-	(26,097)	(26,783)	(920)	(25,863)	(19,932)	(20,743)
Impairment Losses on Loans and Receivables	(1,026,023)	-	(1,026,023)	(669,915)	(19,233)	(650,682)	(932,110)	(623,578)
Other provisions	4,701	-	4,701	(7,778)	(27)	(7,751)	4,493	(7,879)
Other Operating Expenses	(157,690)	-	(157,690)	(182,651)	(5,963)	(176,688)	(143,013)	(164,322)
TOTAL OPERATING EXPENSES	(1,624,475)	-	(1,624,475)	(1,344,740)	(39,623)	(1,305,117)	(1,539,426)	(1,229,986)
Share of Profit/(Loss) of Associates	(235)	-	(235)	(1,094)	(506)	(588)	-	-
PROFIT / (LOSS) BEFORE INCOME TAX	(856,095)	-	(856,095)	(566,682)	(11,894)	(554,788)	(835,821)	(568,762)
Income Tax Expense	(17,696)	-	(17,696)	(24,240)	(2,498)	(21,742)	(18,000)	(17,876)
PROFIT / (LOSS) AFTER INCOME TAX	(873,791)	-	(873,791)	(590,922)	(14,392)	(576,530)	(851,821)	(586,638)
Profit / (loss) - from sale of subsidiaries	-	-	-	7,752	7,752	-	-	-
PROFIT / (LOSS) AFTER INCOME TAX	(873,791)	-	(873,791)	(583,170)	(6,640)	(576,530)	-	-
Attributable to:								
Equity Holders of the Bank	(873,469)	-	(873,469)	(582,585)	(6,742)	(575,843)	-	-
Non controlling interest	(322)	-	(322)	(585)	102	(687)	-	-
Other comprehensive income after tax	(107,188)	-	(107,188)	52,845	-	52,845	(105,997)	59,755
Total comprehensive income after tax	(980,979)	-	(980,979)	(530,325)	(6,640)	(523,685)	(957,818)	(526,883)
Attributable to:								
Equity Holders of the Bank	(980,658)	-	(980,658)	(529,730)	(6,742)	(522,978)	-	-
Non controlling interest	(321)	-	(321)	(595)	102	(697)	-	-
Basic earnings / (losses) per share (in Euro) from continued operations	(1.8797)	-	(1.8797)	(2.4654)	-	(2.4654)	(1.8331)	(2.5116)
Basic earnings / (losses) per share from discontinued operations (in Euro)	-	-	-	(0.0289)	(0.0289)	-	-	-
Proposed dividend per share	-	-	-	-	-	-	-	-

Athens, February 11, 2011

CHAIRMAN OF THE BoD

 VICE-CHAIRMAN &
 CHIEF EXECUTIVE OFFICER

 CHIEF FINANCIAL
 OFFICER

DEPUTY FINANCIAL MANAGER

NIKOLAOS M. EBEOGLOU

ALAIN STRUB

VINCENT-PASCAL-RAYMOND JULITA

CHARALAMPOS V. CHARALAMPOPOULOS

VI. Information Pursuant to Article 10 of Law 3401/2005

VI. INFORMATION PURSUANT TO ARTICLE 10 OF LAW 3401/2005

The Corporate Announcements of the year 2010 are available on the web site of the Bank:

<http://www.emporiki.gr/cbg/gr/investors/announcements.jsp>

During 2010 the following announcements have been made:

- **07/01/2010:** Appointments of Messrs. Anastasios Karkazis and Dimitrios Chronopoulos. Messrs. Stamatis Perkizas, Georgios Timinis and Dimitrios Trachilis left the Bank.
- **07/01/2010:** Mr. Georgios Triantafyllopoulos is appointed Manager of the Compliance Division.
- **02/02/2010:** Emporiki Bank acquired additional share in its subsidiary "Emporiki Bank-Cyprus Limited".
- **02/02/2010:** The financial results for the year 2009 on February 17th, after the closing of the Athens Stock Exchange.
- **09/02/2010:** Completion of the share capital increase of "Emporiki Bank Romania S.A."
- **12/02/2010:** The financial results for the year 2009 on February 18th, before Athens Stock Exchange opening.
- **18/02/2010:** Resignation of Mrs. Alexandra Papalexopoulou.
- **18/02/2010:** Appointment of Mr. Anastasios Karkazis son of Athanasios as Back Offices and Processes General Manager.
- **19/02/2010:** Announcement of the decrease of the share capital.
- **22/02/2010:** Share capital increase by way of cash payment and rights offering to existing shareholders.
- **23/02/2010:** Acquisition of Emporiki Bank's shares by Credit Agricole on 19.02.2010.
- **01/03/2010:** Acquisition of Emporiki Bank's shares by Credit Agricole on 24.02.2010.
- **02/03/2010:** Acquisition of Emporiki Bank's shares by Credit Agricole on 26.02.2010.
- **03/03/2010:** Acquisition of Emporiki Bank's shares by Credit Agricole on 01.03.2010.
- **08/03/2010:** Acquisition of Emporiki Bank's shares by Credit Agricole on 04.03.2010.
- **09/03/2010:** Publication of Prospectus Supplement.
- **12/03/2010:** Transactions made by Officers of the Bank.
- **17/03/2010:** Annual Ordinary General Meeting of the shareholders.
- **23/03/2010:** Coverage of the Bank's share capital increase.
- **29/03/2010:** Commencement of trading of new shares issued after the share capital increase through payment in cash and rights offering to existing shareholders.

- **30/03/2010:** Emporiki Bank's share capital amount and voting rights following the share capital increase.
- **30/03/2010:** Increase of Credit Agricole's participation percentage in the share capital of Emporiki Bank.
- **14/04/2010:** The Q1 2010 financial results on May 5th.
- **14/04/2010:** Emporiki Bank covered by 100% the share capital increase of its subsidiary "Emporiki Bank-Cyprus LTD".
- **22/04/2010:** Emporiki Bank covered by 100% the share capital increase of its subsidiary "Emporiki Bank Romania S.A.".
- **06/05/2010:** Resolutions of the Annual Ordinary General Shareholders' Meeting.
- **06/05/2010:** Mr. Nikolaos Ebeoglou, new Chairman of the Bank's BoD.
- **07/05/2010:** Reconstitution of the Bank's Risk Supervisory Body.
- **07/05/2010:** New composition of the Audit Committee.
- **07/05/2010:** New composition of the Remuneration Committee.
- **07/05/2010:** New composition of the Corporate Social Responsibility Committee.
- **11/05/2010:** Report on use of funds raised from the share capital increase.
- **03/06/2010:** Completion of the regular tax audit for the fiscal years 2007 and 2008.
- **07/06/2010:** Appointment of Mr. Pascal Lebouteiller as Head of the Credit Unit of the Bank.
- **15/06/2010:** Completion of the share capital increase of "Emporiki Bank Bulgaria EAD".
- **30/06/2010:** The H1 2010 financial results of Emporiki Bank to be announced on 30th July.
- **07/07/2010:** Mr. Eric Campos left the Bank.
- **02/08/2010:** Election of a new BoD Member.
- **01/09/2010:** Appointment of Mr. Andre-Francois Hoffmann as new Chief Risk Officer of the Bank.
- **12/10/2010:** The financial results for 9M 2010 on Wednesday, November 3rd.
- **04/11/2010:** New composition of the Corporate Social Responsibility Committee.
- **05/11/2010:** "Emporiki Group Finance PLC" and "Emporiki Bank of Greece S.A." proceeded with the 2010 annual update of the €9,200,000,000 Euro Medium Term Note Program (EMTN).
- **06/12/2010:** The liquidation procedure of "Emporiki Bank Germany GmbH" was completed.
- **22/12/2010:** The Frankfurt Branch-Germany of Emporiki Bank completed its activities and was closed on December 13th, 2010.
- **22/12/2010:** Mr. Konstantinos Paschalis left the Bank.
- **23/12/2010:** Emporiki Bank's participation in the company "TOTAL CARE NETWORK A.E.-INTEGRATED SYSTEM FOR HEALTH CARE SERVICES" was transferred.

VII. Availability of Annual Financial Report

The Annual Financial Report which includes the Statement of the Board of Directors, the Annual Financial Statements of the Bank and the Group, Independent Auditors' Report, Board of Directors' Report and the financial information of the Bank and the Group, are available on the website address: http://www.emporiki.gr/cbgen/gr/cbg_index.jsp

The Annual Financial Statements, Independent Auditors' report and the Board of Directors' Report of consolidated companies are available on the website address:

http://www.emporiki.gr/cbgen/gr/cbg_index.jsp

The Declaration on Corporate Governance according the article 2, paragraph 2 of the Law 3873/2010 is available on the website address:

http://www.emporiki.gr/cbgen/gr/cbg_index.jsp