



ANNUAL FINANCIAL REPORT

For the period from 1st January to 31st December 2010

According to Law 3556/2007

March, 2011

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STATEMENT BY THE MEMBERS OF THE BOARD OF DIRECTORS

(In accordance with article 4 of Law 3556/2007)

To the best of our knowledge, the annual financial statements, for the fiscal year January 1st, 2010 to December 31st, 2010 that have been prepared in accordance with the applicable International Financial Reporting Standards, give a true view of the assets, liabilities, equity and financial performance of TT HELLENIC POSTBANK S.A. and of the group of companies included in the consolidated financial statements taken as a whole, as provided in article 4 of Law 3556/2007,

and the Board of Directors' Annual Report presents fairly the information required by article 4 paragraphs 2 and 7 of Law 3556/2007 and the related decisions of the Hellenic Capital Market Commission.

Athens, March, 30th 2011

Chairman
of the BoD

Vice-Chairman
of the BoD

Member
of the BoD

Kleanthis Papadopoulos

Spyros Pantelias

Sofia Papadopoulou



ANNUAL MANAGEMENT REPORT

OF THE BOARD OF DIRECTORS
OF THE BANKING COMPANY

“TT HELLENIC POSTBANK S.A. ”

ON A STAND ALONE AND CONSOLIDATED BASIS

TO THE

ORDINARY GENERAL SHAREHOLDERS ASSEMBLY
FOR THE OPERATIONS OF THE FISCAL YEAR
FROM 1/1/2010 TO 31/12/2010

MARCH 2011

Dear Shareholders,

The fiscal year that ended on December 31st 2010 was the eighth consecutive fiscal year of the Hellenic Postbank in the form of a Societe Anonyme, as it was incorporated pursuant to Law 3082 of the 16th of December 2002.

As we all know, the conditions in the international markets, and especially in the domestic financial sector, remained unfavorable throughout 2010. The few positive influences during the first six months by the first indications of a recovery of the global economy were offset, in reality, by the negative effects of the intense concerns of international investors about the development of fiscal figures and prospects of the Greek economy. These concerns essentially fueled a series of downgrades in the credit rating of the country and affected also the credit ratings of domestic credit organizations, as well as their securities worsening their ability of drawing liquidity from the interbank market as well as the European Central Bank (ECB).

Furthermore, the worsening of the abilities of the banks to draw liquidity, on the one hand due to the reduction of their deposits and on the other hand due to the reduction of the value of the portfolio's titles that were acceptable by the ECB for refinancing, lead to the significant deceleration of the pace of new loan outflows. The concerning increase of delays in the servicing of the loans also lead to this unfavorable situation, which was mainly due to the reduction of incomes and created the need for further allowances from the banks, in order to deal with their future potential delinquencies. The result of this is also shown in the data published by the Bank of Greece, where a significant reduction of the credit expansion pace is indicated, which was in 2010 at a marginally positive percentage of 0.20% compared to 1.5% in 2009, but also in the increase of the delinquency ratio in the Greek market, which exceeded, on average, 10% (in September of 2010) compared to 7.7% in 2009. This ratio was higher in consumer and home loans and lower in business loans, a fact which indicates the increased liquidity difficulties of households, as well as businesses which are affected by a reduced demand in the market.

There was a gradual de-escalation in the interest rates of deposits, mainly time deposits, following an increasing course which peaked during the first quarter of the current year, at the same time with the expansion of the Greek Government Bond credit spread, especially following a decision that Greece would resort to the support framework, a fact which contributed to the limitation of cost for the Greek banks and facilitated their efforts to draw funds from sources beyond the European Central Banks and the interbank market, and/or the bond market.

At the same time, the Greek Government, in its effort to support the stability of the Greek banking system, with the purpose of strengthening the capital adequacy of the credit institutions, proceeded to the establishment of the Financial Stability Fund with the new Law 3864/2010, aiming at the provision of their own funds (equity) in any case of a significant reduction of said funds. According to the establishment act of the Fund, the participation to the Fund shall be mandatory, if no other solution for the strengthening of own finds is not possible and will be activated when the minimum capital requirements are not met, as they have been determined for the credit institutions by the Bank of Greece. The capital of the fund amounts to 10 billion Euros, and derives as a portion of the total financing of 110 billion Euros and in a manner of speaking it will be operating as a supplemental instrument to Law 3723/2008 for the *"Strengthening of the liquidity of the economy and the offset of the impact from the international financial crisis"*, however, it will not strengthen the liquidity provided with the abovementioned law.

However, a significant facility was provided, in the liquidity of the credit institution, by the extension of the time to draw the non-drawn funds, from the measures for the strengthening of liquidity of Law 3723/2008, as well as from the increase of the initial limits of the second and third pylon of the measures, while a series of measures taken at the level of the European Central Bank in regard to the acceptable securities for the refinancing of the credit institutions, created a relevant relief against the liquidity difficulties throughout 2010.

The Bank, in accordance to article 3 of the Law 3723/2008 concerning the “Liquidity Reinforcement to the economy to face the consequences of the international financial crisis” has raised a bilateral agreement for the borrowing of Greek Public Securities with nominal value equal to € 329 million. The purpose of the aforementioned agreement is the reinforcement of the Available for Sale pledged securities; in the case of additional needed liquidity.

The period under review, is the third continuous year during which Greece experiences an economic crisis, which follows a very long period of continuous development.

The Domestic Product modification rate in the twelve month period of 2010 showed a decrease by 4.5% compared to the previous year of 2009, where the reduction amounted to 2%, while according to the latest forecasts of Eurostat, the Gross Domestic Product in our country is expected to be reduced by approximately 3.0% in 2011, while in 2012 a gradual recovery is expected with an anticipated increase of Gross Domestic Product by 1.1%.

The abovementioned developments in the Greek Economy worsened the performance of the Greek banks in general during 2010 and contributed, as shown by the published financial data of the nine month period, to the decrease of expected profits or the onset of losses, to the introduction of increased allowances, the deterioration of financial results etc - but they also lead to a control of operational expenses.

Despite the fact that the lack of liquidity affected the entire Greek banking system, Hellenic Postbank, having high liquidity and strong capital adequacy, continued to be a major financier of it, through the interbank market.

Specifically, the strong capital adequacy of Hellenic Postbank was shown also in practice, during the publication of the results from the EU stress test which took place with the participation of 91 large European Banks in July of 2010. Hellenic Postbank ranked first among the six Greek banking groups that participated, achieving, after the application of the "extremely unfavorable" scenario, an index of 10.1%, while it also ranked among the first credit institutions among the 91 largest European Banks. However, with the exception of the Agricultural Bank, which was behind the minimum limit, the other Greek banks exhibited a very satisfactory strength in the various scenarios of the stress test, the conditions of which, it must be noted, are based on extreme but also seemingly reasonable financial conditions, the concurrent oncoming of which is less likely to happen, therefore the results of these tests may not be considered as projections for the future in any case. A conclusion which should be mentioned from the EU stress test, especially after the increase of equity capital to which the Greek Banks proceeded, is that the banking system maintains today a strong capital adequacy, and continues to be a factor for the stability and support of the Greek economy.

Despite the unfavorable international developments, and especially the Greek financial difficulties, the Bank maintained its high liquidity and continued at a satisfactory growth rate throughout the year on the basis of the restrained and safe credit expansion policy, to the degree that this was possible, in combination with the conditions that prevailed, and the strengthening of the repeated (operating) sources of income, the reduction of assumed risk, particularly in the investment portfolio, the control of its operating expenses, and, finally, the proper and safe use of its high liquidity.

However, abovementioned measures for the fiscal adjustment, inadvertently lead, on the one hand to the reduction of the available income of households, and on the other hand to the reduction of financial activity, in sectors such as tourism, construction, retail, etc. As a result, the credit expansion in 2010 moved in a marginally negative percentage of 0.20%, something that was completely expected, since the purchasing power of Greek consumers was reduced, thus decreasing the number of loan applications in retail banking. A subsequent result was a decrease of the circulation of money in the Greek market, something that hurt many dynamic sectors of the Greek economy (i.e. constructions, commerce, durable goods, etc).

However, it is important and must be noted that this crisis finds Hellenic Postbank in a stronger position compared to the overall credit system, since the ratio of loans to deposits, according to balances of accounts of December 31st, 2010, was just 67,76% (compared to 63.67% in the previous year) and in comparison to approximately 114% (data of September 2010) of the overall market, that is, one of the lowest levels, therefore, this ensures our adequate liquidity.

The quality of the loan portfolio remains high, since the ratio of delinquent loans amounted, at the end of the fiscal year, to a percentage of 3.96%, showing a small increase compared to 3.29% of the prior fiscal year of 2009, and notably reduced compared to the general delinquency ratio of the credit system which is estimated, for 2010, to a percentage exceeding 10%. With the reasoning that the private clients of the Bank have a lower flexibility due to the reduction of their income, the Bank implemented, throughout the year, facility programs for the repayment of delinquencies, thus maintaining its socially responsible image.

However, acknowledging that the economic conditions in the country will remain unfavorable for 2011, the Bank proceeded to the creation of allowances for 2010 that were below its ordinarily conservative policy, estimating that the delinquent loan ratio will continue to increase in 2011, despite the measures that they take to facilitate their borrowers. In this aspect, and having reviewed the entire loan portfolio, including loans to businesses, it proceeded to the creation of increased allowances in the amount of 54.24 million Euros.

At the same time, the capital adequacy ratio of the Bank, on a consolidated basis, amounted, at the end of 2010, to a percentage of 18.50%, including the stock capital of preferred stock shares of Law 3723/2008, while without the inclusion of said capital, the ratio would be approximately 15.09%, that is, at a level very satisfactory for the maintenance and the growth of the operations of the Bank, when market conditions allow.

Due to the capital adequacy and the high cost to maintain preferred shares, the extraordinary General Shareholders Assembly of the 28th of January 2011, decided, upon proposal of the Board of Directors, to repurchase, in one lump sum or in installments, and up to a total of 60.8 million preferred stock shares which were issued by the Bank and which are currently held by the Greek Government, and the total value of which amounts to 224.96 million Euros, with the payment of cash of a value equal to the amount derived by the product of the repurchased preferred stock shares multiplied by their par value, that is, 3.70 Euros per share and up to the total amount of 224.96 million Euros, according to the terms and conditions of Law 3723/2008 and the relevant Ministerial Decisions and upon obtaining the necessary approvals of the competent authorities. In this framework, the relevant request has already been submitted to the competent authorities.

Dear Shareholders,

From the beginning of the previous year, the Bank, remaining committed to the decisions made by its officers and committees had planned and faithfully followed a policy of self-restraint, controlled and more strict expansion of its loan portfolio with the criteria of maintaining the highest possible liquidity, and maintaining the delinquent loan ratio at a lower level.

The Bank, maintaining high liquidity, which it further strengthened during 2010 through funds from the ECB, with securities of the Greek Government of its own portfolio and with loans through the third provision of Law 3723/2008, and despite the overall unfavorable international financial conditions, continued, throughout 2010, to maintain satisfactory growth pace, by following a restrained and safe policy of credit expansion and by aiming to strengthen the repeated (operational) revenue sources, to the reduction of assumed risks and especially in its investment portfolio, and finally, to the better possible utilization of said liquidity through the interbank market.

In the abovementioned strategic framework, the net interest revenues of the Bank were at a very satisfactory level, showing an increase of approximately 46% when compared to 2009, a fact which it attributed, at a

smaller degree, to the improvement of the revenues from interest (1.95%) and mainly to the significant improvement of the cost of deposits (30.15%), which significantly reduced the interest expenses.

Specifically, in the sector of deposits, the Bank continued to offer in 2010, the program of the 15-month time deposits, with significantly lower interest rate than the previous year, in order to control the probable outflows of its deposits to other credit institutions which offered, mainly to attract liquidity, higher interest rates.

At the same time, the goal set from the beginning of 2010, in regard to the reduction of its operational expenses on a standalone and consolidated basis, was characterized by a total success, since said expenses, on a consolidated basis, showed a reduction of 23.41% compared to the prior fiscal year, while the goal of the control of the group payroll expenses was also achieved, since the increase of 3.08% noted was significantly lower than the one of the previous year (20.73%) mainly because of the integration, in the year 2010, of the full cost of the staff hired, in instalments, during 2009, given that for the 2010 the Bank did not pay wage increases.

In 2010, the efforts for the restructuring of the Bank's portfolio continued, which was reduced by approximately 435 million Euros, through gradual redemptions.

In regard to the Greek reality as formed to this day, our goal is to exit the current financial crisis by remaining intact, by maintaining protection of capital and, if possible, by strengthening the basis of our repeated business activities. The following years should be characterized by different mentalities compared to the ones of the past. What should prevail is the safe, as well as the prudent business mentality. In this adverse economic environment, we at Hellenic Postbank aspire to be the alternative form of retail and corporate banking, approaching other social or business groups as well, and play important roles both in the business environment as well as a pillar of support of the Greek economy and the Greek society in general.

Dear Shareholders,

A summary of the most important facts of the past year, as well as developments in the most important sectors of our activities, follows:

- In **February of 2010**, Hellenic Postbank, following a series of resolutions of its Board of Directors, exhibited its initial intention to participate in the increase of the capital stock of the then public limited banking company "Aspis Bank S.A." (currently "T Bank S.A."), determining that the abovementioned holding may essentially contribute and accelerate the implementation of the business plans of the Bank and the Group, under the provision, however, of the following conditions:
 - a. The acquisition of holdings in the total stock capital, after its increase, and voting rights in Aspis Bank S.A. from 30% to a maximum of 32.9% from any unsold stock shares.
 - b. The non-exercise of preemptive rights or any pre-registration rights on behalf of the major shareholders of Aspis Bank S.A., of either natural or legal persons.
 - c. The finalization of the specific terms of the increase, mainly the price of each stock share, by the Board of Directors of Aspis Bank S.A.
 - d. The prior acquisition of necessary approvals from the competent authorities.

- In **March of 2010**, Hellenic Postbank was awarded one of the three awards of KPMG at the 13th Human Resources Symposium. Specifically, it earned an award in the category "Use of Technology in the Administration of Human Resources" The award was given for its comprehensive Human Resources management computer system of the Bank, which was updated with new, innovative functions within the scope of self-service, in order to:
 - ✓ offer to the employees the option of interactive internal communication,

- ✓ contribute to their updating, through the establishment of an electronic library with many articles, general topics, and educational material,
 - ✓ strengthen the individual sense of social and environmental responsibilities of the employees, through cooperation with various organizations which provide social service, and
 - ✓ to promote the concept of health and well being in the work place, and to make practical advice available to the employees for their protection in safety and first aid subjects.
- **In March of 2010**, an agreement was signed between the Group of Iatriko of Athens and the subsidiary Hellenic Post Credit A.E.E.P., according to which the holders of its credit cards shall receive, free of charge, the medical benefits program "Health Credit" which offers discount privileges for medical and diagnostic examinations in outpatient offices of hospitals of the Group of Iatriko of Athens.
 - **In April of 2010**, Hellenic Postbank, following full satisfaction of the abovementioned conditions it set for its participation in the increase of the stock capital of Aspis Bank S.A. and the acquisition of necessary approvals, participated in the abovementioned increase through the "Demand Book" for the sale of any unsold stock shares. Upon the completion of the increase procedures, it acquired, directly, 47,602,370 new common, registered shares in total, with voting rights, at a price of 0.60 Euros per share. Due to the above, its direct participation in the capital stock, therefore in the capital stock structure of "Aspis Bank S.A." (currently "T Bank S.A.") amounted to 32.90%. In May of 2010, the President and the Vice President of the Board of Directors of Hellenic Postbank, that is, Messrs Kleanthis Papadopoulos and Spyridon Pantelias were elected as new members of the Board of Directors of "T Bank A.T.E." by the Ordinary General Assembly of the shareholders. Subsequently, and specifically on the 10th of May of 2010, the Board of Directors of T Bank A.T.E., upon its composition, elected Mr. Kleanthis Papadopoulos as a non-Executive President of the Board of Directors.
 - **In June of 2010**, the 7th Ordinary General Assembly of the shareholders of the Bank, on the basis of further strengthening the capital adequacy of the Bank, and under the current economic circumstances, decided the distribution of the profits of the fiscal year of 2009, according to the approved Annual Financial Statements of the fiscal year 2009, and specifically, accepted the relevant proposal of the Board of Directors and approved the non-distribution of dividends for the fiscal year 2009 (in the form of distribution of stock shares per articles 1 and 2 of Law 3723/2008) and the transfer of the profits of the fiscal year in the reserves "Retained earnings".
 - **On the 24th of June 2010**, pursuant to the Decision of the Minister of Economics with number 26320/B1278/18.06.2010 with subject "Appointment of representatives of the Greek Public Sector according to the provisions of Law 3723/2008, as applicable", Mr. Georgios Mouzoulas was appointed to the Board of Directors of the Bank as a new member in the capacity of the Representative of the Greek Public Sector (to replace Mr. Aggelos Androulidakis, Greek Public Sector Representative, who resigned). The tenure of Mr. Mouzoulas commenced from the publication of the abovementioned decision in the Official Gazette and shall expire when the Bank is no longer subject to the provision of article 1, Law 3723/2008, as applicable.
 - **On the 23rd of July 2010**, the results of the Stress Test of Hellenic Postbank were published, according to which the Bank achieved the highest score among the Greek banks (10.10% in the unfavorable scenario), and one of the highest among the 91 European banks that participated in the procedure.
 - **In July of 2010**, the magazine "The Banker" (of the Group of the Financial Times), declared Hellenic Postbank as the 330th largest bank in the world for "Tier 1 Capital", that is, 200 positions higher than the previous ranking.

- In **July of 2010**, Hellenic Postbank, in order to facilitate its clientele to repay delinquent loan installments, started to provide a new product for the adjustment of delinquent loans with a grace period of 12 months for consumer loans and 24 months for mortgage loans.
- On the **23rd of December 2010**, the Board of Directors of Hellenic Postbank called an extraordinary General Shareholders Assembly which, in its meeting on the **28th of January 2011**, approved the proposal of the Board of Directors, deciding, among other things, the repurchase by the Bank, in one lump sum or in installments, and up to a total of 60.8 million preferred stock shares which were issued by the Bank and which are currently held by the Greek Government, and the total value of which amounts to 224.96 million Euros, with the payment of cash of a value equal to the amount derived by the product of the repurchased preferred stock shares multiplied by their par value, that is, 3.70 Euros per share and up to the total amount of 224.96 million Euros, according to the terms and conditions of Law 3723/2008 and the relevant Ministerial Decisions and upon obtaining the necessary approvals of the competent authorities.

Dear Shareholders,

During the time period of the fiscal year under review, Hellenic Postbank continued on a course of organizational restructuring and growth of its economic indicators, at a smaller and more controlled pace, of course. This course was based on the solid basis of strong capital adequacy, the preservation of liquidity, the good quality of the portfolios, the formation of adequate allowances and the stable client basis.

Within the framework of the abovementioned strategy, total assets, on a consolidated basis, on the 31st of December 2010, amounted to 16.57 billion Euros, a decrease of 7.74% when compared to 31.12.2009.

Respectively, total assets, on an individual basis, on the 31st of December 2010, amounted to 16.56 billion Euros, a decrease of 7.79% when compared to 31.12.2009.

The liquidity of the Group of the Bank amounted to 1,293.34 million Euros when compared to 2,449.06 million Euros on 31.12.2009.

The portfolio of loans and demands against clients amounted to 8.22 billion Euros, a small increase of 2.16% compared to the balances of 31.12.2009.

Deposits and Repos amounted to 12.12 billion Euros, a decrease by 4.02% compared to the balances of 31.12.2009, while the net position amounted to €930.42 million.

The results before taxes of 2010 showed, on an individual basis, losses of 5.32 million Euros, mainly due to the effect of the negative financial conditions on the valuation of the securities in the portfolio of the Bank and which are reflected in the results from financial assets in the results from operations of the 31st of December 2010.

On a consolidated basis, the results before taxes of the period showed profits of 7.61 million Euros, further strengthened by the positive result of the subsidiaries companies of the Group, but also burdened by the merger of the affiliated companies of the group.

The net results of the period for the Bank, after the relevant income taxes and the extraordinary social security contribution, amounted to losses of 42.10 million Euros, while for the Group to losses of 32.93 million Euros, compared to profits of 19.98 million Euros and 22.65 million Euros, respectively, for the twelve month period of 2009.

The ratio of loans to deposits was formed to 67.76% from 63.67% as of 31.12.2009, while the capital adequacy ratio was formed to approximately 18.50% as of 31.12.2009, compared to 17.10% as of 31.12.2009.

In the area of Consumer Credit, the policy of prudent and stricter quality credit expansion was followed, with stricter creditworthiness criteria of the borrowers, always considering the servicing of the financial needs of the Greek market and the clientele of the Bank, with modern products, adjusted to the demands of the market, and at the same time, simple and easily understood, and with the most favorable terms possible. During the

fiscal year under review, the Bank also promoted new mortgage and consumer loan products, now based on the Euribor interest rate rather than the European Central Bank (ECB) discount rate, thus improving the corresponding rate margin and the corresponding margin of the Bank's interest rate mainly from the new disbursements which, however, are not expected to follow the same growth pace, mainly due to the economic conditions. Overall in 2010, the group has provided to the Greek economy 1.05 billion new loans in 32.4 thousand households and businesses. Specifically,

a) Since **July of 2010**, Hellenic Postbank, in order to facilitate its clientele to repay delinquent loan installments, started to provide a new product for the adjustment of delinquent loans with a grace period of 12 months for consumer loans and 24 months for mortgage loans.

b) The promotion of new forms of home loans continued, adjusted to the special and continuously changing needs of the clientele, as well as to the changing and very competitive market conditions, such as home loans with a period of fixed interest rates or with small down payments or with a provision of a grace period, etc. At the same time, the expansion of the beneficiary market of Home Credit loans was continued with the provision of loans for the purchase, construction or improvement of commercial real estate for individuals who are merchants.

A result of this effort was the net increase of the total portfolio of home loans by approximately 3.32%, as compared to the previous fiscal year, reaching the amount of an increase net of repayments of €153.31 million. Specifically, more than 8.8 thousand home loans were provided in the year 2010 for a total amount of approximately 405 million Euros.

c) The granting of personal - consumer loans was continued, as well as pre-approved personal loans to employees of organizations of the wider public sector. Specifically during the year 2010, approximately 2.5 thousand personal consumer loans were issued for a total amount of approximately 50 million Euros and approximately 21.1 thousand pre-approved personal loans for an amount of approximately 292 million Euros, which was, after repayments, a net decrease of approximately -7,05% or an amount of €132.60 million.

d) Loans to large enterprises and public organizations increased in 2010 reaching 1,449.93 million compared to 1303.94 of the previous fiscal year, an increase by 11.16%.

e) During 2010, credit card sales showed a small decrease compared to the previous fiscal year. In 2010, promotional efforts continued through the subsidiary of the Bank, Post Credit, but also through combined sales by the branches of the Hellenic Postbank network and the alternative network of the Hellenic Post. Balances of credit cards on 31/12/2009 amounted to 249.99 million Euros compared to 242.85 million Euros of the previous fiscal year, which was an increase by 2.94%.

The increase of the "T.T. Visa Electron" debit cards was also significant, which were cards given to Bank account holders. Their number at the end of the year was 406,648 compared to 328,046 of the previous fiscal year, an increase by 23.96%.

On the basis of the abovementioned information, the total, net of repayments, increase of the loan portfolio of the Bank in the fiscal year 2010 increased by 2.16% or an amount of €173.34 million.

These changes in the independent portfolios are deemed satisfactory, given the current financial conditions and the credit expansion rate of the market, which was, in the year 2010, -0.16% for home loans and 0.60% for consumer loans (source: Bank of Greece, Economic Conditions Bulletin), but also the application of the new policy regarding credit expansion.

We should also note that Hellenic Postbank continues to provide Subsidized Home Loans in cooperation with the Workers' Housing Organization and the Hellenic Republic.

In the area of development of our relationship with the Hellenic Post, which constitutes an important area of the management strategy, a significant development was the cooperation between the two organizations for the improvement of the time necessary to provide financial information regarding transactions executed only through the Hellenic Post, aiming at the real time communication and connectivity of the systems of the two organizations. The connection and communication in real time with the computer system of the Bank has already been completed for the connection of 441 branches of the Hellenic Post network, while the savings accounts of the remaining 401, from a total of 842 branches of the Hellenic Post network with which the Bank cooperates, have been transferred to the computer system of the Bank and online - real time transactions are executed through an upgraded call center.

Also, until the end of 2010, the Bank was operating 81 "Shop in the Shop" locations, that is, locations for sales and support for the clients of the Bank within the shop network of EL.TA. These actions are expected to strengthen the presence of the Bank in that network, therefore the sales of its products and the prompt service to its clients.

In the area of loans, the cooperation for loan products was continued in the fiscal year under review and had a satisfactory development. The branches of the Hellenic Post network which provide loan products of the Bank were 309 at the end of 2010.

The success of this effort is considered significant, given that it may contribute to the growth rate of the retail loan portfolio, of course, under the scope of the new credit expansion policy, and the conditions that have developed in the Greek economy. Nevertheless, it is important to mention that the system of loan application approval, both for the applications that originate from the network of the Bank and those that originate from the network of the Hellenic Post, is centralized and relevant decisions are made by the approval service of the Bank.

In the area of Treasury, and within the framework of the new business plan, according to which the Bank decided to maintain an orientation in classic Banking transactions, the Treasury Department was called to focus on the management of liquidity.

The first concern of the management was the maintenance of a high basis in deposits, by offering competitive interest rates aiming at the maintenance and the attraction of new deposits. This goal was especially demanding, since 2010 was a year characterized by a trend of capital outflows to other countries.

At the same time, the smoothening of the conditions in the interbank market allowed for the reduction of the financing from the ECB, something which constituted a strategic choice for the Bank.

The experiences from the recent credit crisis underlined the importance of not only the existence of high liquidity, but also the existence of diversification of the liquidity sources. For this reason, the Treasury Department also worked to find alternative financing sources.

Finally, the Treasury Department continued its participation in the issuance of interest bearing Greek Government notes of a duration of three and six months, due to their high return, without increasing its total exposure to bonds of the Greek Government.

In the area of Risk Management, the Bank, due to the nature of its operations and activities, is exposed to a series of risks: The main risks are the credit risk, including concentration risk, market risk, liquidity risk and operational risk. Therefore, the effective management of these risks by the Bank is a decisive factor for the efficient and safe operation, as well as its growth.

The management and control of assumed risks is an integral part of the Bank's commitment to its shareholders, thus, general directives have been established to ensure full conformance with the continuously changing institutional environment and the corresponding obligations in regard to the management of risks, aiming mainly at:

- ✓ The achievement of business objectives,
- ✓ The creation of added value for the shareholders through constant and repeated profitability sources,
- ✓ The full conformance with the requirements of regulatory authorities,
- ✓ The protection and improvement of the image of the company,
- ✓ The improvement of operational efficiency and
- ✓ The maintenance of a strong capital base and satisfactory liquidity,

in order to ensure the efficient growth of the Bank.

Additionally, the management of risks is a continuous and developing process, which methodically approaches all risks that surround the current and especially the future activities of the organization. It is embedded in the culture of the organization, along with an efficient policy and strategy which translates it into tactical and business goals.

The year 2010 was the fourth year after the Bank's shares were listed in the Athens Stock Market as a Credit Institution Regulated by the Central Bank of Greece, as well as a listed Enterprise Regulated by the Capital Market Commission.

The effort to adapt to the statutory and continuously increased requirements was and is ongoing in all the levels of activities of the Bank. On the basis of the provisions of an Institutional Framework and the best practices in the banking industry, the following independent units have been incorporated and in operation since 2006 and they have been staffed with specialized personnel and with the use of systems to measure and manage risks:

- Risk Management Administration
- Internal Audit Department
- Regulatory Compliance Administration

The Board of Directors maintains the overall responsibility for the continuous development and supervision of the risk management framework, while a Risk Management Committee has also been established according to the provisions of the statutory framework. The latter forms the strategy for the assumption of any type of risks, maintaining the responsibility for the supervision and the proper and smooth application of said strategy, according to the applicable business strategy.

At the same time, specialized committees were appointed by the Board of Directors for the establishment of a credit policy, the assumption of risks through approval procedures and the monitoring and supervision of the mechanisms for the management of assumed risks.

The Risk Management Administration utilizes the proper methods, including the use of models for the forecasting, identification, measurement, monitoring, hedging, reduction and report of risks.

Within the year 2011, the Bank shall complete the installation and operation of two new risk management systems to cover Market Risk and Asset Liability Management, which systems complement the system of capital adequacy management and measurement according to the regulatory provisions of Basel II and the Bank of Greece, which was installed and successfully operated in the year 2008.

Also, the Bank developed and completed a policy for the monitoring of liquidity risks, aiming at securing sufficient liquidity through different sources of capital for the coverage of future needs.

Finally, it must be mentioned that within 2010, amid strong fluctuations in the money and capital markets due to the economic recession, three stress tests were conducted by the Risk Management Administration, the results of which were submitted to the Bank of Greece. The models used conformed to the directives of the Bank of Greece and were based on internal standards of the Risk Management Administration in order to measure and evaluate the most significant risks in the portfolios of the Bank, and they further exhibited the strong capital bases and the quality of its balance sheet.

Finally, the Risk Management Administration conducted an extraordinary “2010 EU-wide stress test” which was provided upon directive of the ECOFIN with coordination of the CEBS and in cooperation with the European Central Bank, the national supervisory authorities and the European Commission, in order to evaluate the general strength of the banking sector in the European Union and the ability of the banks to absorb possible shocks in the Credit Risk and Market Risk area, including the Sovereign Risk.

This test completed the procedures of risk management and the ordinary conduct of the extraordinary conditions simulation scenarios, which have been developed by the Bank on the basis of the statutory framework for Pillar 2 of Basil II, specifically the provisions of the Presidential Decree/TE 2577/2006 and 2595/2007 as well as the requirements of Law 3601/2007 as applicable (constitutes an incorporation of the CRD provisions in the Greek laws).

The results of the test indicated reserves of Tier 1 capital, when compared to the limit of 6% of the Tier 1 capital adequacy ratio, as it was determined exclusively for the purposes of the present test.

In the sector of Information Technology, it should be noted that throughout 2010, projects of development and upgrading of the infrastructure of the information systems were completed or significantly progressed, at the same time with projects that satisfy the requirements of the statutory framework and the business units of the Bank.

The most important projects of the last year were the following:

- ✓ Further development and utilization of the Comprehensive Information System “PROFITS” was continued, both through the improvement of current applications as well as the development and incorporation of new products (deposit and loan products).
- ✓ The system DIAS CREDIT TRANSFER was implemented and set into operation for all Non-SEPA products, as well as the integration of large organizations in the DIASPAY system, with procedures for a census of retirees. Also, the participation in the payment system of orders of DIAS DEBIT was completed.
- ✓ The project of the unification of clients was technically completed and set in operation in the Bank's network. A basic historical problem of Hellenic Postbank will be addressed with the progress of this project, with positive results both to the satisfaction of the demands of a statutory environment, as well as to the creation of conditions for the business utilization of the large clientele of the Bank.
- ✓ The 24-hour operational need of core banking was addressed.
- ✓ Based on the large degree of completion of the technical environment of the Bank's core banking system "Profits" and the system for the monitoring of the operations of the Cash Management Administration “Vision”, the first part of the project of the creation of a DataWarehouse and MIS was implemented. With this infrastructure, basic information requirements for the units of the Bank are satisfied and expansion conditions are created, both with the introduction of new products and

operations in the DataWarehouse system, and the ability to instantly create more flexible ways to draw information from it.

- ✓ The internal gate application was implemented in an Intranet environment, through which subsystems for the updating and information of the Bank's personnel are incorporated in a quick and flexible way (i.e. bank note samples, signature samples, phone book, etc), as well as connections with other internal systems of the Bank (expense approval system, personnel management, etc).
- ✓ The implementation of the e-banking project, which is already in a pilot application, moved to its final stage. With the completion of this project, the Bank will have the significant capacity for 24-hour servicing and communication with a wide variety of transactions and information for its clients, thus improving its image, especially in the dynamic crowd of younger consumers, but it will also reduce its operational cost.
- ✓ The largest portion of the project for the development of a financial data management and procurement system - ERP was completed and set in operation (operable since 2/1/2011). This system addresses, in a comprehensive and modern way, the part of the operations of the Bank which concerns the electronic transfer and approval of procurement requests of any type, the monitoring of the procurement procedures, fixed and consumables, the warehouse, the automated real-time inventory, the procedures of rationalization per cost centre and of course, the automatic connection and communication with the "Profits" system.
- ✓ The upgrading of the overall security of the network and the Electronic Banking systems was completed with modern and high level equipment installations, to an application to address findings of verified intrusion control procedures.
- ✓ IP telephony network and equipment was installed in all the units of the Bank, creating conditions for large cost savings possibilities and improvement of the provided telephone and communication services for the personnel, in combination with the Direct Access technology in the mobile telephony system.
- ✓ A coordinated upgrading of all the technical infrastructure of the support environment for the operations of the Cash Management Administration was completed, with the concurrent replacement of servers and their operating systems, the upgrading of the database and the version of the Vision application, which covers the operations of the Administration.
- ✓ Within the framework of alternative sales networks, the expansion and maintenance of ATM machines was continued for ATMs that the bank possesses in its branches, in Hellenic Post branches and in offsite locations, mainly in Athens.

We hereby mention, briefly, the other very important projects of the last year:

- Completion of the operation of the Human Resources Management and Evaluation system "Cezanne" (evaluations, absence of leave monitoring, personnel updating, etc).
- Integration and upgrading of the Bank's electronic mail system.
- Completion of the Trustee/Custodial system.
- Integration of T-Bank as in indirect member in the Target-2 system.

As it is known, the efforts for continuous improvement never stop and some of the most important projects that have been scheduled or are in progress are mentioned below and they will be completed in the following fiscal year of 2011 due to their size.

1. Upgrading of the Bank's mainframes and the entire system software that supports it.
2. ATM network expansion.
3. Installation of a system for the reconciliation of correspondent and intermediate accounts (Reconciliation),
4. Installation of two basic Risk Management systems for the monitoring of Market Risk and the management of Assets/Liabilities.
5. Expansion of the entire network of the users' work station management and security system (Active Directory),
6. Implementation of a system of electronic collaboration of the branch network,
7. Completion of the Money Laundering Monitoring and Client Classification systems.
8. Implementation of the DIAS DIRECT DEBIT system and integration in the SEPA system.

Dear Shareholders,

Enterprises and organizations have focused their interest, more than ever, to their people. It is already understood that people are the ones who make the difference in each enterprise.

For this reason, in the area of Human Resources, we continued, during 2010, the evaluation of the officers of the Bank and the management of the performance of the personnel according to the evaluation program it applies.

At the same time, we managed to enrich and improve the skills of our employees with educational programs.

Throughout the year and within the framework of relevant resolutions of the Board of Directors, the Bank hired specialized employees with prior experience in other banks in all specialties and ranks of the organizational chart, while 54 employees resigned for various reasons (retirement, etc.).

Dear Shareholders,

The course of the independent recognition of Hellenic Postbank as a modern alternative and competitive credit institution with a high rate of performance requires the continuous efforts of all of us. The management, the employees and the shareholders. It is an effort that does not stop and is not completed in one year, especially under the adverse economic conditions of our time. The Management of the Bank continuously reviews its operations in order to stabilize and strengthen its efficiency and profitability. but also for the Bank to play the social role it deserves, having a both moral and social orientation and supporting real economy.

Regarding the consolidated results for the year 2010 should be mentioned in particular the continuous improvement of operating profitability of the Bank and the Group, which has noted an increase of 719%, by reaching 182.4 million, compared to just 22.27 million during the previous fiscal year of 2009.

In regard to the consolidated results of fiscal year 2010, the main points are as follows:

- Interest and similar income were at the level of 637.45 million Euros compared to 625.26 million Euros of the prior fiscal year, which is a small increase by 1.95%. This increase is primarily attributed to the improvement of the composition of the loan portfolio of the Bank in interest rates,
- Interest and similar expenses were approximately 252.84 million Euros compared to 361.96 million Euros of the prior fiscal year, which is a decrease by 30.15%. This decrease is mainly due to the significant reduction of the cost of deposits.

- Net interest income amounted to 384.60 million Euros compared to 263.30 million Euros of the prior fiscal year, which is a significant increase by 46.07%.
- Fee and commission income were 25.82 million Euros compared to 17.75 million Euros of the prior fiscal year, that is, an increase of 45.49%, mainly strengthened from the participation of the Bank in the increase of the stock capital of the National Bank of Greece.
- Fee and commission expense were 1.04 million Euros compared to 1.87 million Euros of the prior fiscal year, which is an decrease by 44.36%.
- Net fee and commission income amounted to 24.78 million Euros compared to 15.88 million Euros of the prior fiscal year, which is an increase by 56.04%.
- Dividend income amounted to 7.21 million Euros, compared to 7.70 million Euros of the prior fiscal year, a marginal decrease of 6.44%.
- Gains and losses from financial assets designated at fair value through profit and loss resulted in losses of 104.05 million Euros, compared to profits of 48.94 million Euros of the prior fiscal year.
- Gains and losses from the investment portfolio showed profits of 5.47 million Euros compared to 31.62 million Euros of the prior fiscal year.
- Other operating income amounted to 1.01 million Euros compared to 1.56 million Euros of the prior fiscal year, which is a decrease by 34.97%.
- Personnel expenses amounted to 128.03 million Euros compared to 124.20 million Euros for the prior fiscal year 2009, which is a small increase by 3.08%.
- Other operating expenses were 90.51 million Euros compared to 118.17 million Euros of the prior fiscal year, which is a significant reduction by 23.41%. This reduction is due to the successful results of a relevant program for the reduction of the expenses of the Bank.
- Depreciation and amortization amounted to 11.88 million Euros compared to 11.36 million Euros of the prior fiscal year, which is a small increase by 4.62%.
- Other operating expenses amounted to 4.77 million Euros compared to 12.44 million Euros of the prior fiscal year, which is a decrease by 61,68%, mainly due to the variance in the efficiency of accounting offsets, which was 8.88 million Euros on 31/12/2009, while it was -85 thousand Euros on 31/12/2010.
- The allowance for the impairment of loans amounted to 54.24 million Euros compared to 40.61 million Euros of the prior fiscal year, which is an increase by 33.56%. The amount of the forecasts covers the minimum requirements set by the Bank of Greece. However, both the Bank and the Group, acknowledging that the economic conditions in the country will also be unfavorable for 2011, they proceeded to make forecasts for 2010 as well, under the ordinarily conservative policy, estimating that the delinquent loan ratio will continue to increase in 2011, despite the measures that they take to facilitate their borrowers. In this aspect, and having reviewed the entire loan portfolio, including loans to businesses, it proceeded to increased provisions.
- Allowances for other assets and investments amounted to a stand alone and consolidated basis to 30.02 million Euros and 3.74 million Euros, respectively, compared to 14.99 million Euros and 16.18 million

Euros, respectively of the prior fiscal year. This amount concerns the result from the impairment of the holdings of the Bank in affiliated enterprises, which are consolidated under the equity method and was derived based upon a relevant impairment study.

➤ The **equity (own funds) of the Bank**, after income tax for the fiscal year, amounted to 912.89 million Euros compared to 1,224.49 million Euros for the prior fiscal year. These funds include an amount for the strengthening of own funds, pursuant to article 1 of Law 3723/2008, through the increase of the stock capital of the Bank and the issuance of preferred stock in the amount of 224.96 million Euros.

➤ Finally, the **transactions and balances of related parties**, including subsidiary enterprises, the members of the Board of Directors and the officers of the Bank who participate in committees, were as follows:

a) BALANCES OF THE MEMBERS OF THE BOARD OF DIRECTORS AND OFFICERS OF THE BANK

<i>Amounts in €</i>	THE GROUP		The Bank:	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Assets				
Loans	3.240.227,42	6.349.937,76	3.240.227,42	6.349.937,76
Other assets.	-	-	-	-
Total	3.240.227,42	6.349.937,76	3.240.227,42	6.349.937,76
Liabilities				
Deposits	1.536.124,76	3.122.132,07	1.536.124,76	3.122.132,07
Other liabilities	-	-	-	-
Total	1.536.124,76	3.122.132,07	1.536.124,76	3.122.132,07
<i>Amounts in €</i>	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Expenses				
Fees and other compensation to members of the BoD and officers	4.837.805,15	5.731.178,80	4.761.512,96	5.584.574,29
Deposit interest	30.760,79	85.779,37	30.760,79	85.779,37
Total	4.868.565,94	5.816.958,17	4.792.273,75	5.670.353,66
Revenues				
Loan Interest	77.822,10	128.528,97	77.822,10	128.528,97
Other income and commissions	-	-	-	-
Total	77.822,10	128.528,97	77.822,10	128.528,97

b) BALANCES WITH SUBSIDIARIES AND ASSOCIATES

<i>Amounts in €</i>	THE GROUP		The Bank:	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Assets				
Loans and claims in	62.483.909,59	100.000.000,00	62.483.909,59	100.000.000,00

the interbank market				
Loans to Subsidiaries	3.000.000,00	-	209.908.747,62	208.278.517,45
Other assets	-	-	31.990,79	209.711,04
Total	65.483.909,59	100.000.000,00	272.424.648,00	308.488.228,49
Liabilities				
Deposits and liabilities in the interbank market	3.607.347,83	-	19.603.909,32	25.506.025,38
Other liabilities	-	-	267.999,75	2.992.790,48
Total	3.607.347,83	0,00	19.871.909,07	28.498.815,86
Amounts in €	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Expenses				
Deposit and loan interest in the interbank market	58.883,14	191.288,54	89.793,15	223.604,70
Misc. expenses	-	-	80.254,11	13.650.787,34
Total	58.883,14	191.288,54	170.047,26	13.874.392,04
Revenues				
Loan and claims interest in the interbank market	1.266.421,11	55.917,69	1.266.421,11	55.917,69
Interest of loans of subsidiaries and affiliated enterprises	42.713,61	-	3.882.395,80	543.111,59
Other income	-	-	1.361.269,69	1.237.046,78
Total	1.309.134,72	55.917,69	6.510.086,60	1.836.076,06

Dear Shareholders,

The International and the European macroeconomic environment is still characterized by a relative uncertainty about its future course. This fact affects the economic policies of all countries, and especially of the Eurozone.

However, the fact that growth in the 16 countries of the Eurozone during 2010 was 2% was encouraging, as it is a percentage which created a relevant optimism for a possible reversal of the negative economic climate and a return to a more stable economic environment in a shorter time period. However, although it is expected that the International and the European trends affect the money and capital markets to a certain degree, thus affecting the course of the Greek economy, the special situation of the Greek economy, after Greece participated in the financing framework of the European Union and the International Monetary Fund, differentiates the expected development of the macroeconomic figures at a national level.

The implementation of the commitments of the Greek Government for fiscal adjustment lead to a series of measures of fiscal rationalization which are expected to modify the economic activities of the country in a manner different that the one of the international and the European economic course.

The calculations of the Hellenic Statistical Authority and the reports of the Bank of Greece, indicate the economic recession in which the credit institutions will operate during 2011.

Under these conditions and specifically due to the shrinking of the incomes of families, which constitutes a significant part of the population, of the public and private employees, as well as the increase of the unemployment rate, it is possible that the loan servicing for the loans of the Bank will be further affected, and the balance of delinquent loans will increase. This possibility would affect the expected course of allowances for possible delinquent demands, which would negatively affect the results of the current fiscal year, therefore, the account of equity (own funds) of the Bank and its Group.

The administration of the Bank, in order to offset such a possibility, has designed and maintains flexible products to facilitate the repayment of delinquent loans, while at the same time it provides fixed interest products to the borrowers, which it offsets, to the degree that it's possible, for the risk of loss of revenues from a possible increase of the interest rates in the market.

Due to the abovementioned expected economic developments and the continued reduction of the Gross Domestic Product, in combination with the continued uncertainty of the markets and the worsening of the economic figures it is possible that the reduction of retail loan demand will continue in Greece. This scenario could affect the credit expansion rate of the Bank in the retail banking sector and subsequently the increase rate of its repeated revenues from interest. However, by maintaining the advantage of strong liquidity, the Bank provides for its effective management in order to strengthen its revenues from interest.

The Bank continues to maintain significant positions in financial assets, which, under these conditions, may continue to be negatively affected in their valuations and to negatively affect its results, as well as its own funds.

To address such a possibility, the Management of the Bank has re-determined its management goals, mainly in the aspects of return risks and safety of invested capital, by reversing the policy of high risk complex investments products and by continuously reducing the relevant positions it maintained. The Bank has also applied policies for the hedging of said risks, through financial tools and models, in order to limit possible negative impact.

The Bank maintains holdings in other credit institutions in its portfolio, the profitability of which is possible to be negatively affected by the abovementioned conditions in the Greek market, if said conditions deteriorate. This possibility could further affect the evaluation of said holdings and possibly the results from operations of the Bank and its group.

In general, and although the present conditions constitute a significantly difficult period, the Management of the Bank remains committed to its strategic goals for the maintenance and conservative development of a profitability basis from repeated revenue sources, for the control of its costs, for the restructuring and the safer management of the investment portfolio, for the more efficient possible management of liquidity and for the efficient use of its capital adequacy. However, the composition of the results of the Bank may exhibit variations between the sources of their origin influenced by the circumstances of the market.

EXPLANATORY REPORT OF ARTICLE 4 § 7 OF LAW. 3556/2007

This explanatory report of the Board of Directors contains the information provided by par. 7 of article 4 of Law 3556/2007 and will be submitted to the Ordinary General Assembly of its shareholders, pursuant to the provisions of paragraph 8 of article 4 of Law 3556/2007.

The following "detailed information" related to the Bank, concern the fiscal year 2010.

a. Structure of the capital stock of the Bank as of 31 December 2010.

The capital stock of the Bank on December 31st 2010 was one billion, two hundred seventy seven million, four hundred eighty four thousand, sixty six Euros and eighty cents (1,277,484,066.80 €). The capital stock is divided, respectively, into a) two hundred eighty four thousand four hundred sixty five nine hundred sixty four (284,465,964) common registered voting shares with a nominal value of three Euros and seventy cents (€3.70) each (hereinafter “common stock shares”) and b) in sixty million eight hundred thousand (60,800,000) preferred shares in stock certificates, mandatorily redeemable by the Bank within five years, pursuant to the conditions of article 1, Law 3723/2008, with a nominal value of three Euros and seventy cents (€3.70) each, which belong, in their entirety, to the Greek government (hereinafter “preferred stock shares”). Preferred stock shares may not be listed in an organized market.

I. The common shares of the Bank have been listed in the Athens Stock Market with code ISIN GRS 492003009. They have not been listed for trade in an organized market of another member state. The unit of trading of common stock shares is the electronic title of one (1) share. Common shares are traded in Euros. Each common share of the Bank incorporates all rights and obligations set forth in applicable laws and the Articles of Incorporation of the Bank, without exception, and the Articles of Incorporation do not contain provisions that are more restrictive than the provisions of applicable laws. The responsibility of the shareholders of the Bank, also according to its Articles of Incorporation, is limited to the nominal value of the stock shares they hold. The shareholders participate in the administration and profits of the Bank according to the law and the provisions of its Articles of Incorporation.

II. Pursuant to article 1 of Law 3723/2008 and article 7 of the Articles of Incorporation of the Bank, preferred shares are issued with voting rights only by the General Assembly of preferred shareholders, may not be transferred by the Greek government to third parties, may not be traded in an organized market, incorporate the general properties on the basis of which they will be accepted as main elements of own funds of credit institutions, pursuant to the provisions of Law 3601/2007 and the relevant decisions of the Bank of Greece, and incorporate the following privileges:

- a) Drawing rights with a fixed return calculated with a percentage of 10% of the total contributed capital, before common shares, before dividends distributed pursuant to paragraph 3 of article 1 of Law 3723/2008, that is, 35% of the profits, regardless of the distribution of dividends to the other shareholders of each Bank and provided that upon payment of said return, the capital adequacy ratios on a simple and consolidated basis shall satisfy the minimum indices set forth by the Bank of Greece. The fixed return is calculated on a realized annual basis proportionate to the time period during which the Greek government was a preferred shareholder, is paid within one month from the approval of the annual financial statements of the corresponding fiscal year by the ordinary general shareholders’ assembly, is subject to the condition of the existence of distributable amounts pursuant to the provisions of article 44a of Codified Law 2190/1920, and specifically in regard to profits and/or cash reserves of the latter and/or prior fiscal years, however, upon prior relevant decision on their distribution by the General Shareholders Assembly of the Bank and in the case of insufficiency of the abovementioned distributable amounts, the right of preferential drawing, before the common shareholders of the provided return is provided, until said amounts are depleted.
- b) Voting right in the preferred shareholders’ general assembly in the cases set forth by Codified Law 2190/1920.
- c) Right of participation of the Greek government in the Board of Directors through its representative, who may be appointed as an additional member.
- d) Veto right for the representative of the Greek government who participates as an additional member in the Board of Directors against decisions relevant to the distribution of dividends and the provision policy of the credit institution for provisions to the members of management, upon decision of the Minister of Economy

and Economics or if said member deems that said decision may put the interests of the depositors at risk, or it may substantially affect the creditworthiness and smooth operation of the Bank.

- e) Right for the presentation of the Greek government, through its representative in the shareholders' general assembly, with the abovementioned veto rights, during the discussion and making of decisions for the abovementioned subjects.
- f) Right of the Greek government, through its representative, to free access to the books and records of the Bank for the purposes of Law 3723/2008.
- g) Right of preferential satisfaction of the Greek government above all other shareholders in regard to the liquidation product in the case of liquidation of the Bank.

b. Limitations in the transfer of the Bank's shares.

I. The transfer of the common stock shares of the Bank is made pursuant to the applicable provisions of the applicable laws, is not otherwise regulated by the Articles of Incorporation of the Bank and no limitation is provided in regard to said transfer. It is further noted that all common shares are listed in the Athens Stock Market and are freely traded.

II. Pursuant to article 1, paragraph 1 of Law 3723/2008, the preferred shares that belong to the Greek government may not be transferred by the Greek government to third parties.

c. Significant holdings pursuant to the provision of articles 9 through 11 of Law 3556/2007.

Significant holdings of shareholders, holders of common shares in the joint capital stock of the Bank on December 31st 2010.

- The Greek government held 34.043% of the capital stock of the Bank, corresponding to 96,841,396 common registered voting shares.
- The Societe Anonyme "HELLENIC POST S.A." held 10% of the capital stock of the Bank, corresponding to 28.446.598 common registered voting shares.
- The public limited company "ΤΡΑΠΕΖΑ Ε.Φ.Ε. EUROBANK ERGASIAS S.A." held 6.803% of the capital stock of the Bank, corresponding to 19,353,298 common registered voting shares.
- The Societe Anonyme "NATIONAL BANK OF GREECE S.A." held 6.693% of the capital stock of the Bank, corresponding to 19,040,000 common registered voting shares.

d. Stock shares with special control rights for their shareholders.

There are no stock shares of the Bank which may provide special control rights to their shareholders pursuant to provisions of the Articles of Incorporation.

e. Limitations to the voting rights

I. Common shares: The Articles of Incorporation of the Bank do not provide limitations in regard to voting rights, nor do they impose a limited exercise only to shareholders with a certain number of shares or voting rights. Pursuant to provisions of Codified Law 2190/1920 "on Societe Anonyme", as well as the Articles of Incorporation of the Bank, each share provides one voting right.

II. Preferred shares: Pursuant to article 25, paragraph 4 of the Articles of Incorporation of the Bank, the Articles of Incorporation (chapter D) and Codified Law 2190/1920, as applicable, in regard to the holding of the General Assembly, the participation in the assembly, the provision of information, the voting procedure and the annulment of decisions, are also applied in the special General Assembly of the preferred shareholders.

f. Agreements between the shareholders of the Bank in regard to the transfer of its stock shares or the exercise of voting rights deriving from its stock shares.

The Bank is not aware of agreements between its shareholders that would entail limitations to the transfer of its shares or the exercise of voting rights deriving from its shares, except the preemptive rights of the Greek government on the shares of the Bank, the holdings of the Societe Anonyme "HELLENIC POST S.A.", as explicitly contained in the Prospectus of the Bank, issued on May 12th 2006, for the listing of its shares in the Athens Stock Market (section 3.18).

f. Rules on the appointment/replacement of members of the Board of Directors and the amendment of the Articles of Incorporation that conflict with the provisions of Codified Law 2190/1920.

The rules provided in the Articles of Incorporation of the Bank for the appointment and replacement of the members of its Board of Directors, as well as the amendment of its provisions, do not conflict and do not deviate from the provisions of Codified Law 2190/1920 "on public limited companies", as applicable.

g. Authorities of the Board of Directors in regard to the right of issuance of new shares and the purchase of own shares, pursuant to article 16 of Codified Law 2190/1920 "on public limited companies".

a) Pursuant to par. 13 of article 13 of Codified Law 2190/1920 as applicable, the Board of Directors may increase the capital stock of the Company by issuing new shares within the framework of the implementation of Stock Option Plans approved by the General Assembly, for the acquisition of stock shares of the Company by its beneficiaries.

b) In regard to the powers of the Board of Directors regarding the right of purchase of own shares the same apply, as set forth in article 16 of Codified Law 2190/1920 "on public limited companies" and the regulation (EC) number 2273/2003 of the COMMISSION of December 22nd 2003 "on the application of the directive 2003/6/EC of the European Parliament and of the Council in regard to exceptions provided for repurchase programs and for the actions for the stabilization of financial instruments".

Pursuant to article 28 of Law 3756/2009 "System of electronic titles, provisions regarding the capital markets, tax issues and other provisions" for the time period of the participation of credit institutions in the programs for the strengthening of liquidity of Law 3723/2008, the purchase of own shares was prohibited by said credit institutions.

i. Agreements entered into by the Bank which may be applicable, modified or terminated in the case of change of control of the Bank upon public motion.

No agreements have been entered into by the Bank which may be applicable, modified or terminated in the case of change of control of the Bank upon public motion.

j. Agreement entered into by the Bank with members of the Board of Directors regarding indemnification in the case of resignation or dismissal, without material reason, or termination of the tenure or their employment due to public motion.

No agreement has been entered into between the Bank and members of the Board of Directors or its personnel which provided the payment of indemnification in the case of resignation or dismissal, without material reason, or termination of the tenure or their employment due to public motion.

Corporate Governance Declaration for the financial year 2010

1. Corporate Governance Code

Since Law 3082/2002 was adopted and TT HELLENIC POSTBANK S.A. (Bank) took its current form, the Bank has adopted and applied, an operational framework based on key principles of corporate governance, in compliance with regulatory requirements, aiming to the transparency in communication with shareholders and the continuous information provision of investors.

The Bank follows both local and international developments regarding corporate governance and forms its operational framework in accordance with legislative and regulatory requirements. In particular, best corporate governance practices are adopted, taking into consideration the Bank's corporate culture and special features, while avoiding conflict of interest and overlapping of duties.

The above mentioned corporate governance best practices adopted by the Bank, have been published in the Official Gazette Issue (Law 3082/2002) and in the Information Prospectuses (12.05.2006 and 05.05.2009), upon listing in Athens Stock Exchange (ASE) and share capital increase. The Information Prospectuses were available at Bank's branches and corporate website:

<http://www.irwebpage.com/ttbank/greek/prospectuses.php>.

The operational corporate governance framework adopted by the Bank within 2010, consists of:

- Articles of Association
- Bank's Operations Charter
- Board Committees' Charters
- Organizational Chart
- Authorities and responsibilities of Divisions and General Divisions
- Operations' Manuals
- Policies' Manuals
- Procedures' Manuals

During 2010, the Bank initiated the development of a unified and robust Corporate Governance Code (CGC). A corporate governance model has been developed in order to support further implementation of corporate governance practices and ensure alignment of Bank's operations and functions of collective, administrative, managerial and supervisory bodies with the current legislative and regulatory framework.

The new corporate governance model was based on the segregation of committees to "strategic and supervising" and to "executive and approving", on the avoidance of bottlenecks at the level of the Board of Directors (BoD) and the Executive Committee by delegation of duties and responsibilities to other committees, through delegation of approving power according to the limits set by BoD. Finally the new corporate governance structure aims at reducing bureaucracy and improving business performance.

Based on this model, the CGC has been developed, incorporating corporate governance best practices adopted by the Bank, and it has been approved by the BoD on 28.02.2011, while the Bank is in the process to publish it on the Bank's website (<http://www.ttbank.gr/>).

The CGC is expected to be effective in 2011, upon addition of some components, such as the operational charters of the Management Committees.

2. Corporate governance practices adopted in addition to Law provisions

During the financial year 2010 the Bank did not adopt any additional corporate governance practices to the ones provided by the Law.

3. Internal Control System in relation to financial reporting

The Bank has established an Internal Control System (ICS), consisting of certain control mechanisms and incorporating risk management procedures, aiming to improve its operational effectiveness.

The ICS of the Bank is based on three pillars, internal auditing, effective risk management, and compliance with current regulatory framework and internal regulations. The Bank has established an Internal Audit Division (IAD), a Risk Management Division (RMD) and a Compliance Division (CD).

- Internal Audit Division is responsible for reviewing:
- Adequacy and effectiveness of Bank's and Group's ICS
- Effectiveness and compliance with risk management and relevant credit procedures
- Procedures in relation to internal assessment of Bank's capital adequacy
- Completeness of procedure and calculation methodology of impairment regarding loans and other assets.

The Internal Audit Division is responsible for the proper application and the effectiveness of safeguarding measures, processes and functions established, in order to achieve smooth and safe performance of operations (Operational Audit) and for the overall compliance audit of the Bank according to the current legislative and regulatory framework.

The Risk Management Division (RMD) operations are based on the Bank of Greece (BoG) provisions. RMD focuses on planning, detailing, and implementing the Bank's policy, with respect to risk management and capital adequacy issues, according to BoD's guidelines.

The Compliance Division is responsible for ensuring compliance with the legislative and regulatory framework, as well as with anti-money laundering regulations. In addition, it provides information to the BoD, through the Audit Committee, regarding the risk exposure to suffer penalties for non-compliance with laws and regulations. The Bank has established an Audit Committee, which has an advisory and assurance role and is operating based on its charter. The Audit Committee supports the BoD in its responsibilities regarding development and maintenance of an adequate and effective ICS. Main duties of the Audit Committee include reviewing of ICS adequacy and effectiveness, providing reasonable assurance that the Bank complies with legal and regulatory requirements and impartial review of the annual financial statements and other information subject to publication or submission to the authorities.

In addition, the Bank has established a Risk Management Committee, which is responsible for ensuring that a risk management system is developed and used to measure, manage and monitor all types of risk.

Through effective ICS it is ensured that all types of risks are identified and addressed accordingly and that the data and information needed for financial reporting are reliable.

The BoD provides reasonable assurance that during the financial year 2010, the ICS operated effectively.

4. Information about articles 1 and 10 of the Directive 2004/25/EC of the European Parliament on takeover bids

During the financial year 2010, the Bank did not participate in takeover bids.

5. Information on the General Assembly of Shareholders and their rights

General Assembly

The General Assembly (GA), duly composed according to the Articles of Association, constitutes the supreme body of the Bank and decides for every issue which involves the Bank and its subsidiaries controlled by the

Bank. It represents the total of the shareholders and its decisions for all matters are compulsory for the shareholders, even for those who did not participate in the meeting or disagree with the decisions which were taken.

Shareholders receive important information on the Bank's matters through the GA and are free to express their opinion, exercise their rights and vote as prescribed by Law and the Articles of Association, thus affecting the Bank's progress.

The shareholders of the Bank, who are registered in the Dematerialized Securities System that is managed by "Hellenic Exchanges S.A." (HELEX), and where the shares of the Bank are recorded, are qualified to participate in the GA. Each share has one voting right.

The proof of the qualification of the shareholder is provided by the production of the relevant affirmation by HELEX or by direct electronic connection of the Bank with the files of HELEX. The relevant written confirmation or electronic affirmation regarding the capacity of the shareholder must be provided to the Bank at the latest until the third (3rd) day prior to the meeting of the GA.

Specifically, the capacity of shareholders must be in force on the record date, that is, on the commencement of the fifth (5th) day prior to the meeting of the GA. According to the Law, only persons with the capacity of the shareholder on the relevant record date are qualified to participate and vote. In case of a Repetitive GA, capacity of shareholder must exist on the commencement of the repetitive record date, that is, the fourth (4th) day prior to the day of the meeting of the Iterative GA.

The BoD is responsible for creating a list of all shareholders who complied with the provisions of article 21 of the Articles of Association in relation to participation rights. Shareholders who failed to comply may participate in the GA only upon its permission.

Shareholders, who obtained shares after the initial meeting of the GA, have the right to participate in the repetitive GA of shareholders.

The GA of shareholders, either ordinary or extraordinary, with the exemption of the repetitive meetings, is convened, twenty at least days before the defined for the said meeting date, estimating also the exemptible days, upon invitation by the BoD according to the provisions of the Articles of Association and Law 2190/1920, as valid.

The ordinary GA is convened once a year at the Bank's registered office upon each business year completion and within six months from its expiration. The BoD may, so long it is considered expedient, to convoke any extraordinary GA of the shareholders.

The Chairman of the BoD or in case that the Chairman is hindered, his substitute, temporarily chairs the GA of the shareholders. The Chairman assigns to an individual secretarial duties. Upon finalization of the list of shareholders who are entitled to vote in the GA, the GA elects the final Chairman and the Secretary. The Head of the IAD also attends the GA of shareholders.

The GA decides upon the following matters:

- election of the BoD members,
- election of the independent BoD members,
- dismissal of BoD members and auditors from compensation responsibilities,
- appointment of the auditors,
- any amendment of the Articles of Association, without prejudice to the amendments which are concluded by the BoD,

- approval of the financial statements of the Bank,
- disposal of the annual profits,
- significant corporate transactions such as issuance of bond loan, repurchase of own shares in order to reduce share capital, merger, carve-out, conversion to other legal type, dissolution and liquidation of the Bank, etc.,
- increase/ decrease of share capital by cash distribution and other significant changes in the use of resources drawn according to Law 3016/2002,
- appointment of the liquidators,
- share option schemes for BoD members and staff,
- approval of the remuneration or compensation package to the BoD members,
- any participation or credit provided in relation to transactions of individuals or legal entities having a special relationship with the Bank, and
- any other matter which is prescribed by Law or the Articles of Association.

A summary of all discussions and decisions of the GA are registered in the book of minutes, signed by the Chairman and the Secretary.

Voting results and the agenda of each GA of shareholders and any agreed modifications on the Articles of Association are published at the Bank's website without undue delay.

Shareholders

The basic rights of shareholders are exercised in accordance with the Law and the Articles of Association of the Bank and shortly include the right to:

- participate and vote at the GA,
- receive information on a timely and regular basis, with relation to corporate matters and Bank's operations,
- participate on Bank's profits, i.e. receive dividend per share,
- freely transfer their shares for purposes of collateral coverage (so long as there is no such restriction as per the Articles of Association),
- exercise their preference rights in share capital increases,
- exercise collective or individual rights in convention of extraordinary GA or postponing GA decisions,
- receive the necessary information on the Bank's special matters in order to assess issues on the agenda of the GA,
- receive updates in relation to contractual and other remuneration terms for the BoD members,
- annul decisions of the GA,
- pursue claims against members of the BoD,
- elect and remove members of the BoD.

Shares carry voting rights at the GA of shareholders. A share carries only one vote. There are no common shares that carry, under provisions of the Articles of Association, special control rights. Preference shares (under the conditions of Law 3723/2008) are tangible and within five years mandatorily redeemable by the Bank. These shares carry voting rights only in the General Assembly of preference shareholders and also:

- are not transferred to third parties by the Greek government,
- are not open for admission to a regulated market,

- incorporate the general properties by which they are accepted as key elements of the equity capital of credit institutions,
- carry the right of participation in the GA of common shareholders and the right of veto in the discussions and decisions' taking, in accordance with the Law and the Articles of Association.

All shareholders of the Bank are treated equally, irrespective of being national or foreign, majority or minority, institutional or non-institutional shareholders.

Any abuse of the dominant position of the majority shareholders against minority shareholders is forbidden. Similarly, minority shareholders can not exercise their minority rights in an abusive manner at the expense of other shareholders.

Minority voting rights, based on the Law and Bank's Articles of Association are exercised as follows:

- Shareholders representing at least one twentieth (1/20) of the paid-up share capital may request the BoD, by way of an application which must be delivered to the BoD at least fifteen (15) days prior to the GA, to include additional items on the GA's Agenda. The application must be accompanied by a written statement of reasons or a draft resolution for approval by the GA. The revised agenda should be disclosed in the same manner as the previous agenda, and at the same time made available to shareholders through the Bank's website, along with the justification or draft resolution tabled by the shareholders, in accordance with the provisions of article 27.3 of the Law 2190/1920.
- Shareholders representing at least one twentieth (1/20) of the paid-up share capital may request from the BoD - by way of an application which must be delivered to the BoD at least seven (7) days prior to the GA - draft resolutions for items included in the initial or revised GA agenda, accessible to the shareholders, at least six (6) days prior to the GA date.
- Through an application that is submitted to the Bank at least five (5) full days prior to GA, shareholders may request the BoD to provide the GA with requested specific information with respect to Bank's business, to the extent that these are useful for the actual assessment of the items of the agenda. The BoD may decline to provide such information citing sufficient material grounds, and this should be recorded in the minutes. The BoD may provide a single answer to shareholders' requests that are of similar content. The obligation to provide information does not apply in the event that such information is already available through the Bank's website, particularly in the case of frequently asked questions.
- Shareholders representing one fifth (1/5) of the paid-up share capital may request the BoD, through an application which must be submitted to the BoD at least five (5) full days prior to the GA, to provide the GA with information about the course of the Bank's affairs and financial status. The BoD may decline to provide such information citing sufficient material grounds, and this should be recorded in the minutes.

Relevant deadlines for the exercise of minority participation rights of the shareholders apply also in the case of Iterative GA. In all the above mentioned cases, requesting shareholders must prove their capacity as shareholders and the number of shares they hold during the time of the exercise of the relevant rights. The shareholders may participate in the GA and vote either in person or by proxy and the Bank strongly encourages all shareholders to participate and exercise their voting rights.

The shareholders may participate in the GA and vote either in person or by proxy. Each shareholder may appoint up to three (3) proxy holders. The appointment and the recall of a proxy holder shall be made in writing and shall be notified to the Bank at least three (3) days prior to the day of the meeting of the GA. Legal entities, shareholders of the Bank, participate in the GA by appointing up to three (3) natural persons as (their) proxy holders. If a shareholder owns shares of the Bank which appear in more than one investor securities account, such limitation shall not prohibit said shareholder from appointing different proxy holders for the shares in each account, in relation to the GA. A proxy holder of more than one shareholder may cast different votes for each shareholder.

If a shareholder does not comply with the provisions of article 28a of Law 2190/1920, said shareholder participates in the GA only after the GA has authorized them to do so.

Each shareholder participating in the GA, may express their opinion, ask questions to the BoD and the auditors and recommend solutions to potential problems.

6. Information on the Board of Directors

Board of Directors

The BoD consists of executive and non executive members and reports to the GA. The BoD members may be shareholders of the Bank or not. All members of the BoD share great personality and character, important professional experience and social status.

It is noted that, according to article 1par. 3 of Law 3723/2008 "Strengthening of the liquidity of the economy and the offset of the impact from the international financial crisis and other provisions", the Hellenic Republic has appointed a Representative in the BoD.

The BoD immediately upon its election by the GA, is converged and composed into a body, electing by secret voting, among its members, a Chairman and a Vice-Chairman, and appoints its Secretary.

To avoid conflicts of interest, the Bank has adopted international best practices and corporate governance principles regarding, in particular, the segregation of executive and supervisory powers of the BoD members.

The number of non-executive members may not be less than one-third (1/3) of the total number of the members of the BoD.

Among the non-executive members there are two representatives of the Bank's employees who are elected between them by direct and general voting, along with their deputies, within a deadline of two months since it is notified by the BoD the representative first degree trade union organization of the Bank's personnel. If the said deadline expires inactive, the BoD is composed and duly operates without its members. The members of the BoD are elected by the GA in secret voting.

The independent non-executive members of the BoD, during their term of service, hold no more than 0.5% of the Bank's share capital and are independent from the Bank or related persons.

The independent members may, if necessary, meet separately from the other members of the BoD and report their findings/ issues to the BoD or even directly to the GA.

The capacity of the members of the BoD as executive or non-executive is defined by the BoD. Independent members are appointed by the GA and meet the requirements defined in article 4 of Law 3016/2002, as it is in force.

Executive members, in addition to their duties in accordance with the Law, are responsible for overseeing the implementation of decisions of the BoD and the continuous monitoring of the daily operations of the Bank.

Non executive members - apart from their regulatory duties - are responsible for promoting and monitoring tasks in areas of the Bank that they might have been assigned with by decision of the BoD.

The members of the BoD do not hold incompatible with their capacity positions or carry out transactions that may be considered incompatible with the mission of the BoD. Participation in the BoD of the Bank does not exclude participation in the BoD of other companies, provided that they remain independent and objective.

To secure the objectivity and independence of the BoD members, the Bank ensures that they do not have any kind of direct or indirect interest in the Bank. If a member of the Board has a relationship that might be regarded as affecting their objectivity and independence, this must be revealed and communicated to the GA.

It is not allowed to the members of the BoD to act, for their account or for the account of third parties, without permission from the GA; acts which are subject to some of the pursued by the Bank goals or participate as general partners of companies which pursue such goals.

Members of the BoD, in order to accept a position as members of the Board or General Managers or CEOs to another company outside the Group are obliged to inform the BoD. Approval is not required for members of the BoD who held such positions at the time of their appointment and their position was known to the BoD.

The members of the BoD and any third party to whom competencies have been replaced, it is forbidden to pursue same interests which oppose to the Bank's interest and are obliged to timely reveal to the remaining member of the BoD their same interests which possibly emerge from the Bank's transactions which fall to their duties as well as any other conflict of same interests with those of the Bank or associated enterprises according to the meaning of article 42e par. 5 of L. 2190/1920 as valid which emerges during the exercise of their duties.

The BoD invites in its meetings, without the right to vote, speakers and experts to develop specific issues.

The external auditors or other experts of the Bank may also attend. The Board decides who can participate. Collaboration on specific issues with Committees or other Departments occurs as necessary.

The service term for BoD members is five years. Any term renewal or change in the composition of the BoD is decided by the GA of shareholders.

The BoD is convened at the company's registered office each time that is required by Law, the articles of association or the needs of the company and the prescribed in article 20 of L.2190/1920.

The BoD has a quorum and comes to a valid session, when half plus one of the Directors is present or represented, however the in-person appeared Directors may never be less than five.

At the end of each fiscal year, the annual Management Report of the Bank is prepared. During 2010, there were held 20 BoD meetings.

Each member of the BoD has one vote, when however represents an absent member, he may have two votes, so long they are specially authorized by a written order (letter, telegram, fax, and email) of the absent member, which (authorization) may concern more than one meetings.

Each member may duly represent only one other member. The representation of a member in the BoD is forbidden by a person who is not a member of the BoD.

The decisions of the BoD are taken by absolute majority of the present or represented members, unless is otherwise defined in the Articles of Association. In case of equality of votes the Chairman's vote prevails.

The discussions and decisions of the BoD are registered in summary at a special book, which may be also kept in an electronic data base. A list of the present or represented during the meeting members of the BoD is registered in this special book.

Composition of the BoD for 2010

As of 31-12-2010, the BoD comprised of nine members. From the beginning of 2010 and up to 11-06-2010, the BoD comprised of nine members.

Based on GA decision, as of 11-06-2010, the number of BoD members increased by two (2) members and up to 29-11-2010, the BoD comprised of eleven members.

On 5-2-2010 Mr. Samuel David resigned and on 9-2-2010 Mr. Aristides Pittas has been appointed in his place. On 11-6-2010 the GA elected Mr. Varsamis Christos and Mr. Tsagdis Ioannis as members of the BoD. On 29-11-2010, Mr. Tsagdis Ioannis and Mrs. Oikonomopoulou Antouanetta resigned from being members of the BoD.

On 27-9-2010 the representatives of the Bank's employees have been elected as members of the BoD. On 14-10-2010 the BoD elected new representatives of the Bank's employees as non-executive BoD members, in order to replace the former representatives.

Mr. Kleanthis Papadopoulos (Chairman) and Mr. Spyros Pantelias (Vice-Chairman) are Executive members of the BoD. Mr. Ioannis Michos, Mr. Varsamis Christos, Mrs. Margarita Katsimi, Mrs. Vassiliki Kesti and Mrs. Papadopoulos Sofia are all Non Executive members. Mr. Michalis Siamidis and Mr. Aristides Pittas are Independent Non Executive members.

The table below summarizes the service term for all members of the BoD:

• Name	• Role	• Duration
• Kleanthis A. Papadopoulos	• Chairman – Executive Member of the BoD	• 11.12.2009-11.12.2014
• Spyros C. Pantelias	• Vice-Chairman – Executive Member of the BoD	• 11.12.2009-11.12.2014
• Ioannis C. Michos	• Non- Executive Member of the BoD	• 11.12.2009-11.12.2014
• Antouanetta Oikonomopoulou	• Non- Executive Member of the BoD	• 11.12.2009-29.11.2010
• Margarita S. Katsimi	• Non- Executive Member of the BoD	• 11.12.2009-11.12.2014
• Michalis K. Siamidis	• Independent Non-Executive Member of the BoD	• 11.12.2009-11.12.2014
• David M. Samuel	• Independent Non-Executive Member of the BoD	• 11.12.2009-5.2.2010
• Aristides P. Pittas	• Independent Non-Executive Member of the BoD	• 9.2.2010- 11.12.2014

<ul style="list-style-type: none"> Christos G. Varsamis 	<ul style="list-style-type: none"> Non- Executive Member of the BoD 	<ul style="list-style-type: none"> 11.06.2010-11.12.2014
<ul style="list-style-type: none"> Ioannis A. Tsagdis 	<ul style="list-style-type: none"> Non- Executive Member of the BoD 	<ul style="list-style-type: none"> 11.06.2010-29.11.2010
<ul style="list-style-type: none"> Konstantinos A. Kotsiris 	<ul style="list-style-type: none"> Non- Executive Member of the BoD - Representative of the Bank's employees 	<ul style="list-style-type: none"> 11.12.2009-14.10.2010
<ul style="list-style-type: none"> Ioannis A. Tsagdis 	<ul style="list-style-type: none"> Non- Executive Member of the BoD - Representative of the Bank's employees 	<ul style="list-style-type: none"> 11.12.2009-11.06.2010
<ul style="list-style-type: none"> George Ch. Sideris 	<ul style="list-style-type: none"> Non- Executive Member of the BoD - Representative of the Bank's employees 	<ul style="list-style-type: none"> 11.06.2010-14.10.2010
<ul style="list-style-type: none"> Vassiliki V. Kesti - Mpastou 	<ul style="list-style-type: none"> Non- Executive Member of the BoD - Representative of the Bank's employees 	<ul style="list-style-type: none"> 14.10.2010-11.12.2014
<ul style="list-style-type: none"> Sofia P. Papadopoulou 	<ul style="list-style-type: none"> Non- Executive Member of the BoD - Representative of the Bank's employees 	<ul style="list-style-type: none"> 14.10.2010-11.12.2014

Remuneration of the members of the BoD

The general remuneration policy of the Bank falls primarily into the discretion of the BoD apart from the cases that the Law requires approval from the GA. In particular, according to the Bank's Articles of Association (article 15, par.1), the members of the BoD may receive indemnity for their services, which is defined by decision of the ordinary GA of the shareholders.

According to article 12, par.2, any other non-defined by Articles of Association fee or indemnity of the BoD members burdens the Bank only if it is approved by special decision of the ordinary GA.

The general remuneration policy of the Bank and all issues relating to any fees or indemnity paid to the administrative, managerial and supervisory bodies of the Bank is decided by the BoD, upon recommendation of the Remuneration Committee, with the exception of the fees paid to the members of the BoD which are approved by the GA.

The Annual Report of the BoD contains details on the remuneration of its members. The same information appears in Note 38 of the Bank's Financial Statements for 2010.

Committees

Special responsibilities regarding the Internal Control System have been delegated to Committees. The BoD clearly defines their composition, duties, procedures for meeting, operating and decision making, ensuring that in each case the internal coherence, and required coordination exists. The BoD remains ultimately

responsible, except as prescribed by legislation. Such as, in the Audit Committee case, where the BoD needs to be independent from specific functions and notifies accordingly the Bank of Greece.

The Chairman of the BoD has the right to attend all meetings of the Committees in order to receive information on the issues raised.

The members of the Committees of the BoD, in case they have an employment relationship with the Bank, are members of the senior management.

The members of the Committees and their Chairmen are appointed by the BoD with the right to be reappointed, which is considered desirable in order to encourage the use of specialized knowledge in specific areas, and the continuity and effectiveness of the work undertaken by Committees. The rotation of the members is defined by the BoD. Such decisions are recorded in the minutes of the BoD.

Each Committee operates according to specific rules defined in its Charter. Each Committee Charter is approved by the BoD or the Executive Committee, after appropriate authorization by the BoD. Every Charter sets out the purpose, goals and responsibilities of the Committee, the procedures for appointing its members, the rules according to which the Committee operates, meets, takes decisions and reports to the BoD.

The BoD delegates responsibilities to the following Committees:

Audit Committee

The Audit Committee supports the BoD in exercising its duties in relation to developing and applying an adequate and effective ICS for the Bank. It consists of three (3) non-executive members of the BoD, two (2) of which are also independent.

The Audit Committee meets regularly, at least every calendar quarter or as necessary, upon request of its Chairman, or the Chairman of the BoD. During 2010, Audit Committee meetings were held 8 times.

Remuneration Committee

The Remuneration Committee assists the BoD in fulfilling its duties relating to recruitment, motivation, retention and development of executives and staff of high professional and ethical standards. The remuneration policy of the Bank promotes objective evaluation and reward of its staff thus creating a culture of values and incentives together with continuing development of the human resources of the Bank.

The Committee meets at least annually.

During 2010, the Remuneration Committee held one meeting.

Risk Management Committee

The Risk Management Committee makes recommendations to the BoD in relation to the Bank's policy for risk management. It also monitors closely the RMD, which is responsible for the day to day risk management and mitigation tasks. The Committee consists of four (4) members. During 2010, Risk Management Committee meetings were held 3 times.

Assets and Liabilities Committee (ALCO)

The Assets and Liabilities Committee is responsible for formulating sound policies regarding the Bank's balance sheet structure, liquidity needs and trading activities in order to maximize profits based on the Bank's overall strategy and other internal or external constraints and rules.

The Committee consists of nine members and meets on a monthly basis or as necessary upon request of its Chairman. During 2010, Assets and Liabilities Committee meetings were held 17 times.

Executive Committee

The Executive Committee supports the BoD in the strategic, organizational and management planning of the Bank's operations, and also takes part in the various approval responsibilities that the BoD is involved with. In

addition, the Committee is responsible for monitoring the business operations as a whole in order to ensure the effective implementation of the Bank's strategy, within the regulatory framework.

The Committee consists of six (6) members and meets on a monthly basis or as necessary upon request of its Chairman.

During 2010, Executive Committee meetings were held 25 times.

IT Steering Committee

The IT Steering Committee is responsible for supporting the Bank's business strategy and also for the safe handling, processing and storage of critical business information. The Committee forms the Bank's IT strategy and makes appropriate recommendations to the BoD regarding these matters, so that the Bank complies with the overall strategic plan and the current regulatory framework. The IT strategy covers both short term (within a year) and long term plans (within the next three years). The Committee consists of nine (9) members and meets on a monthly basis. During 2010, IT Steering Committee meetings were held 13 times.

Investment Committee

The Investment Committee is responsible for formulating the overall investment policies of the Bank as expressed by the BoD and the Assets and Liabilities Committee, and establishing investment guidelines in furtherance of those policies. The Committee consists of five (5) members and meets on a bi-weekly basis.

During 2010, Investment Committee meetings were held 23 times.

Investment Sub-Committee

The Investment Sub-Committee is responsible for formulating specific policy guidelines for investments regarding corporate bond issues. The Committee consists of five (5) members and meets upon request of its Chairman. During 2010, Investment Sub-Committee meetings were held 12 times.

Credit Committee

The Credit Committee forms the credit policy of the Bank and assists the BoD in its supervisory work. In addition, the Committee defines the credit risks associated with all different types of transactions and ensures that the credit policy procedures of the bank are consistent with the regulatory environment. The Committee consists of seven (7) members and meets regularly or as necessary upon request of its Chairman or his substitute. During 2010, Credit Committee meetings were held 11 times.

Non Performing Loans Committee

The Non Performing Loans Committee deals with cases of non-performing loans, which are temporarily or permanently delayed. The Committee reviews cases received from the relevant business department and either arranges the issue or forwards it to the Executive Committee or the BoD for further review. It may also address issues and make the necessary arrangements for cases where loans are not in arrears, at the request of the debtor. The Committee consists of six (6) members and meets on a monthly basis.

During 2010 the Non Performing Loans Committee held one meeting (newly established committee).

Athens, March 30th, 2011

The Chairman of Board of Directors
Papadopoulos Kleanthis

CERTIFICATE

It is hereby certified that the abovementioned report of the Board of Directors, which consists of 31 pages, is the one cited in the Auditing Report of the Financial Statements, which was issued on March 30th, 2011.

Athens, March 30, 2011
The Certified Auditors - Accountants



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[Translation from the original text in Greek]

Independent Auditor's Report

To the Shareholders of "TT HELLENIC POSTBANK S.A."

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of TT HELLENIC POSTBANK S.A. and its subsidiaries which comprise the separate and consolidated statement of financial position as of 31 December 2010 and the separate and consolidated income statement and statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and 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 separate and 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 separate and 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 separate and consolidated 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 separate and 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 separate and consolidated financial statements.

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

Opinion

In our opinion, the separate and consolidated financial statements present fairly, in all material respects, the financial position of TT HELLENIC POSTBANK S.A. 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.

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 separate and consolidated financial statements in accordance with the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, 30 March 2011

The Certified Auditors – Accountants

Constantinos Michalatos
SOEL Reg. No. 17701

Dimitrios Sourbis
SOEL Reg. No. 16891



PricewaterhouseCoopers
268 Kifissias Avenue
Halandri 152 32
SOEL Reg. No. 113



Financial Statements
on Consolidated and Stand Alone Basis
December 31st, 2010
in accordance with
International Financial Reporting Standards

MARCH 2011

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<i>Amounts in €</i>	Note	ON CONSOLIDATED BASIS From January 1 st to		ON STAND ALONE BASIS From January 1 st to	
		31.12.2010	31.12.2009	31.12.2010	31.12.2009
Interest and similar income		637.445.623,05	625.261.053,53	616.870.044,81	621.661.290,69
Interest expense and similar charges		(252.844.328,64)	(361.963.082,79)	(252.874.407,93)	(361.994.382,80)
Net interest income	7	384.601.294,41	263.297.970,74	363.995.636,88	259.666.907,89
Fee and commission income		25.817.631,44	17.745.870,48	20.730.633,81	13.282.426,61
Fee and commission expense		(1.037.842,49)	(1.865.358,07)	(770.317,60)	(1.719.580,89)
Net fee and commission income	8	24.779.788,95	15.880.512,41	19.960.316,21	11.562.845,72
Dividend income	9	7.208.175,50	7.704.115,05	8.466.575,50	8.575.315,05
Net income / (loss) from financial instruments designated at fair value through profit and loss	10	(104.050.023,31)	48.938.353,14	(104.044.743,77)	48.937.387,43
Net income /(loss) from investment securities	11	5.466.143,78	31.621.824,23	5.466.143,78	31.621.824,23
Other operating income		1.013.386,26	1.558.264,06	1.010.823,63	1.677.984,95
Total operating income		319.018.765,59	369.001.039,63	294.854.752,23	362.042.265,27
Personnel expenses	12	(128.026.098,30)	(124.197.810,62)	(123.400.955,31)	(119.977.439,12)
Other operating expenses	13	(90.507.812,78)	(118.171.668,63)	(85.209.448,34)	(127.627.275,51)
Depreciation and amortization charges	26,27	(11.882.818,56)	(11.358.391,56)	(11.084.482,36)	(10.552.151,43)
Allow ances for loans impairment	21	(54.241.550,48)	(40.611.635,85)	(45.871.996,92)	(35.686.718,17)
Allow ance for the impairment of other assets and investments	14	(3.735.828,66)	(16.176.988,45)	(30.021.422,11)	(14.991.041,40)
Other expenses	15	(4.768.142,52)	(12.442.441,31)	(4.582.645,43)	(12.412.447,17)
Total operating expenses		(293.162.251,30)	(322.958.936,42)	(300.170.950,47)	(321.247.072,80)
Share of profit / (loss) of associates		(18.246.147,60)	697.354,85	-	-
Profit / (loss) before tax		7.610.366,69	46.739.458,06	(5.316.198,24)	40.795.192,47
Income tax	16	(36.165.562,30)	(16.807.218,36)	(32.910.083,21)	(13.534.623,17)
Extraordinary social responsibility tax	17	(4.372.445,90)	(7.285.323,26)	(3.874.448,86)	(7.285.323,26)
Profit / (loss) for the period after tax		(32.927.641,51)	22.646.916,44	(42.100.730,31)	19.975.246,04
Attributable to :					
Non- controlling interest		1.194.531,32	2.016.547,60	-	-
Ow ners of the parent		(34.122.172,83)	20.630.368,84	(42.100.730,31)	19.975.246,04
Earnings / (losses) per share					
- Basic and diluted	18	(0,1823)	0,0474	(0,2106)	0,0443

Athens, March 30th 2011

CHAIRMAN	EXECUTIVE VICE - CHAIRMAN	CHIEF FINANCIAL OFFICER	DEPUTY CHIEF FINANCIAL OFFICER	DIRECTOR OF FINANCIAL SERVICES
KLEANTHIS PAPADOPOULOS	SPYRIDON PANTELIAS	GEORGE XIFARAS	APOSTOLOS KONSTANTINIDIS	ATHANASIOS DIONAS

<i>Amounts in €</i>	On consolidated basis	
	From January 1 st to	
	31.12.2010	31.12.2009
Profit / (loss) for the year (after tax)	(32.927.641,51)	22.646.916,44
Other comprehensive income / (expense):		
Change in Available for Sale Reserve (after tax)	(265.566.827,28)	(72.795.705,31)
	(265.566.827,28)	(72.795.705,31)
Total comprehensive income / (expense) for the year (after tax)	(298.494.468,79)	(50.148.788,88)
Attributable to :		
Non - controlling interest	1.194.531,32	2.016.547,60
Owners of the parent	(299.689.000,11)	(52.165.336,48)

<i>Amounts in €</i>	On stand-alone basis	
	From January 1 st to	
	31.12.2010	31.12.2009
Profit / (loss) for the year (after tax)	(42.100.730,31)	19.975.246,04
Other comprehensive income / (expense):		
Change in Available for Sale Reserve (after tax)	(254.340.603,19)	(73.257.326,73)
	(254.340.603,19)	(73.257.326,73)
Total comprehensive income / (expense) for the year (after tax)	(296.441.333,50)	(53.282.080,69)

Athens, March 30th 2011

CHAIRMAN	EXECUTIVE VICE - CHAIRMAN	CHIEF FINANCIAL OFFICER	DEPUTY CHIEF FINANCIAL OFFICER	DIRECTOR OF FINANCIAL SERVICES
KLEANTHIS PAPADOPOULOS	SPYRIDON PANTELIAS	GEORGE XIFARAS	APOSTOLOS KONSTANTINIDIS	ATHANASIOS DIONAS

STATEMENT OF FINANCIAL POSITION



December 31st, 2010

Amounts in €	Note	Consolidated Basis		Stand alone basis	
		31.12.2010	31.12.2009	31.12.2010	31.12.2009
ASSETS					
Cash and balances with Central bank	19	361.829.562,70	109.688.152,51	361.825.763,73	109.683.785,19
Due from banks	20	931.918.570,64	2.339.367.903,83	924.277.011,75	2.334.818.210,09
Financial assets designated at fair value through profit and loss	22	75.922.780,77	446.088.908,46	75.455.715,28	445.588.886,78
Derivative financial assets	23	3.581.660,27	6.104.895,79	3.581.660,27	6.104.895,79
Loans and advances due from customers	21	8.216.108.523,49	8.042.768.918,04	8.189.919.278,60	8.034.818.860,76
Less: Allowances for impairment on loans and advances to customers	21	(216.340.782,92)	(162.874.705,50)	(191.103.808,69)	(146.731.495,83)
Investment securities available for sale	24	845.577.013,97	5.773.764.441,36	845.577.013,97	5.773.764.441,36
Investment securities held to maturity	24	2.135.527.615,97	450.736.603,03	2.135.527.615,97	450.736.603,03
Debt securities	25	3.200.427.318,82	22.701.717,71	3.200.427.318,82	22.701.717,71
Investment in subsidiaries	28	-	-	21.011.178,00	20.722.928,00
Investment in associates	29	119.525.213,08	125.683.029,22	124.250.000,00	125.710.000,00
Property, plant and equipment	26	135.624.795,81	130.449.962,88	135.463.924,22	130.316.833,77
Goodwill and other Intangible assets	27	25.462.016,18	25.450.672,96	13.092.250,79	12.408.893,12
Deferred tax assets	30	221.275.983,28	157.392.016,04	221.145.444,13	157.301.572,92
Current income tax assets	31	38.590.881,25	25.754.374,42	38.590.881,25	25.754.374,42
Other assets	32	471.311.519,47	462.439.768,60	465.890.477,33	456.319.891,76
Total assets		16.566.342.672,78	17.955.516.659,35	16.564.931.725,42	17.960.020.398,87
LIABILITIES					
Due to banks	33	3.102.284.871,75	3.666.970.541,44	3.102.284.871,75	3.666.970.541,44
Due to customers	34	12.124.803.487,83	12.632.215.337,20	12.140.800.049,32	12.657.721.362,58
Derivative financial liabilities	23	154.993.975,32	158.304.124,32	154.993.975,32	158.304.124,32
Deferred tax liabilities	30	49.584.623,70	35.811.505,68	47.898.148,69	34.012.050,50
Current income tax liabilities	31	4.940.899,93	10.059.203,65	3.874.448,86	7.285.323,26
Retirement benefit obligations	35	21.933.217,53	20.146.187,57	21.370.087,03	19.644.199,23
Other liabilities	36	177.378.093,37	190.208.551,51	176.281.281,58	191.812.053,23
Total liabilities		15.635.919.169,43	16.713.715.451,37	15.647.502.862,55	16.735.749.654,56
EQUITY					
Share capital	37	1.277.484.066,80	1.277.484.066,80	1.277.484.066,80	1.277.484.066,80
Share premium		16.904.259,06	16.904.259,06	16.904.259,06	16.904.259,06
Treasury shares	38	(23.507.018,24)	(23.507.018,24)	(23.228.778,24)	(23.228.778,24)
Available for sale reserve	38	(493.421.639,16)	(227.854.811,88)	(482.657.036,49)	(228.316.433,30)
Other reserves	38	86.939.166,88	86.848.062,87	86.662.309,84	86.662.309,84
Retained earnings	38	48.488.408,81	94.613.271,49	42.264.041,90	94.765.320,15
Capital and reserves attributable to the owners of the parent		912.887.244,15	1.224.487.830,10	917.428.862,87	1.224.270.744,31
Non - controlling interest		17.536.259,20	17.313.377,88	-	-
Total equity		930.423.503,35	1.241.801.207,98	917.428.862,87	1.224.270.744,31
Total equity and liabilities		16.566.342.672,78	17.955.516.659,35	16.564.931.725,42	17.960.020.398,87

Athens, March 30th 2011

CHAIRMAN	EXECUTIVE VICE - CHAIRMAN	CHIEF FINANCIAL OFFICER	DEPUTY CHIEF FINANCIAL OFFICER	DIRECTOR OF FINANCIAL SERVICES
KLEANTHIS PAPADOPOULOS	SPYRIDON PANTELIAS	GEORGE XIFARAS	APOSTOLOS KONSTANTINIDIS	ATHANASIOS DIONAS

STATEMENT OF CHANGES IN EQUITY

(ON CONSOLIDATED BASIS)



December 31st, 2010

Statement of changes in equity as at December 31st, 2009 on consolidated basis

<i>Amounts in €</i>	Attributable to the owners of the parent company							Non - controlling interest	Total
	Share Capital	Share premium	Statutory and other reserves	Available for Sale Reserve	Treasury shares	Retained earnings	Total		
Balance at January, 1st 2009	526.262.033,40	16.904.259,06	85.663.547,54	(155.059.106,57)	(21.639.036,60)	80.031.247,83	532.162.944,66	11.788.030,28	543.950.974,94
Changes in equity 1/1/2009 - 31/12/2009									
Profit / (loss) for the year (after tax)	-	-	-	-	-	20.630.368,84	20.630.368,84	2.016.547,60	22.646.916,44
Other comprehensive income of the year after tax									
Changes in Available for Sale Reserve	-	-	-	(72.795.705,31)	-	-	(72.795.705,31)	-	(72.795.705,31)
Total comprehensive income of the year after tax	0,00	0,00	0,00	(72.795.705,31)	0,00	20.630.368,84	(52.165.336,48)	2.016.547,60	(50.148.788,88)
Increase of share capital (common shares)	526.262.033,40	-	-	-	-	-	526.262.033,40	-	526.262.033,40
Increase of share capital (preference shares)	224.960.000,00	-	-	-	-	-	224.960.000,00	-	224.960.000,00
Share capital increase expenses (common and preference shares)	-	-	-	-	-	(8.881.122,62)	(8.881.122,62)	-	(8.881.122,62)
Deferred tax on share capital increase expenses	-	-	-	-	-	1.822.906,45	1.822.906,45	-	1.822.906,45
Deferred tax on subsidiary's intangible assets	-	-	-	-	-	-	-	(949.200,00)	(949.200,00)
Purchases of treasury shares	-	-	-	-	(1.867.981,64)	-	(1.867.981,64)	-	(1.867.981,64)
Income from treasury shares' pre-emptive rights disposal	-	-	-	-	-	2.194.386,32	2.194.386,32	-	2.194.386,32
Dividends	-	-	-	-	-	-	-	(871.200,00)	(871.200,00)
Share capital increase of subsidiary	-	-	-	-	-	-	-	583.200,00	583.200,00
Minority interest after acquisition of subsidiaries	-	-	-	-	-	-	-	4.746.000,00	4.746.000,00
Transfer to Legal Reserve	-	-	1.184.515,33	-	-	(1.184.515,33)	-	-	-
Balance at December 31st, 2009	1.277.484.066,80	16.904.259,06	86.848.062,87	(227.854.811,88)	(23.507.018,24)	94.613.271,49	1.224.487.830,10	17.313.377,88	1.241.801.207,98

The notes in pages 12 to 108 are an integral part of these Financial Statements at December 31st, 2010

STATEMENT OF CHANGES IN EQUITY

(ON CONSOLIDATED BASIS)



December 31st, 2010

Statement of changes in equity as at December 31st, 2010 on consolidated basis

<i>Amounts in €</i>	Attributable to the owners of the parent company								
	Share Capital	Share premium	Statutory and other reserves	Available for Sale Reserve	Treasury shares	Retained earnings	Total	Non - controlling interest	Total
Balance at January 1st, 2010	1.277.484.066,80	16.904.259,06	86.848.062,87	(227.854.811,88)	(23.507.018,24)	94.613.271,49	1.224.487.830,10	17.313.377,88	1.241.801.207,98
Changes in Equity 1/1/2010 - 31/12/2010									
Profit / (loss) for the year (after tax)	-	-	-	-	-	(34.122.172,83)	(34.122.172,83)	1.194.531,32	(32.927.641,51)
Other comprehensive income of the year after tax									
Changes in Available for Sale Reserve	-	-	-	(265.566.827,28)	-	-	(265.566.827,28)	-	(265.566.827,28)
Total comprehensive income of the year after tax	0,00	0,00	0,00	(265.566.827,28)	0,00	(34.122.172,83)	(299.689.000,11)	1.194.531,32	(298.494.468,79)
Dividends of subsidiaries	-	-	-	-	-	-	-	(1.258.400,00)	(1.258.400,00)
Share capital increase of subsidiaries	-	-	-	-	-	-	-	286.750,00	286.750,00
Transfer to Legal Reserve	-	-	91.104,01	-	-	(91.104,01)	-	-	-
Preference shares dividend	-	-	-	-	-	(11.453.578,59)	(11.453.578,59)	-	(11.453.578,59)
Hybrid securities' dividend	-	-	-	-	-	(454.678,00)	(454.678,00)	-	(454.678,00)
Other changes	-	-	-	-	-	(3.329,25)	(3.329,25)	-	(3.329,25)
Balance at December 31st, 2010	1.277.484.066,80	16.904.259,06	86.939.166,88	(493.421.639,16)	(23.507.018,24)	48.488.408,81	912.887.244,15	17.536.259,20	930.423.503,35

STATEMENT OF CHANGES IN EQUITY
(ON STAND ALONE BASIS)



December 31st, 2010

Statement of changes in equity as at December 31st, 2009 on stand alone basis

<i>Amounts in €</i>	Share Capital	Share premium	Statutory and other reserves	Available for Sale Reserve	Treasury shares	Retained earnings	Total
Balance at January 1st, 2009	526.262.033,40	16.904.259,06	85.663.547,54	(155.059.106,57)	(21.444.296,60)	80.652.666,26	532.979.103,09
Changes in equity 1/1/2009 - 31/12/2009							
Profit / (loss) for the year (after tax)	-	-	-	-	-	19.975.246,04	19.975.246,04
Other comprehensive income of the year after tax							
Changes in Available for Sale Reserve	-	-	-	(73.257.326,73)	-	-	(73.257.326,73)
Total comprehensive income of the year after tax	0,00	0,00	0,00	(73.257.326,73)	0,00	19.975.246,04	(53.282.080,69)
Increase of share capital (common shares)	526.262.033,40	-	-	-	-	-	526.262.033,40
Increase of share capital (preference shares)	224.960.000,00	-	-	-	-	-	224.960.000,00
Share capital increase expenses (common and preference shares)	-	-	-	-	-	(8.881.122,62)	(8.881.122,62)
Deferred tax on share capital increase expenses	-	-	-	-	-	1.822.906,45	1.822.906,45
Transfer to Statutory Reserve	-	-	998.762,30	-	-	(998.762,30)	-
Purchases of treasury shares	-	-	-	-	(1.784.481,64)	-	(1.784.481,64)
Income from treasury shares' pre-emptive rights disposal	-	-	-	-	-	2.194.386,32	2.194.386,32
Balance at December 31st, 2009	1.277.484.066,80	16.904.259,06	86.662.309,84	(228.316.433,30)	(23.228.778,24)	94.765.320,15	1.224.270.744,31

STATEMENT OF CHANGES IN EQUITY
(ON STAND ALONE BASIS)



December 31st, 2010

Statement of changes in equity as at December 31st, 2010 on stand alone basis

<i>Amounts in €</i>	Share Capital	Shares premium	Statutory and other reserves	Available for Sale Reserve	Treasury shares	Retained earnings	Total
Balance at January 1st, 2010	1.277.484.066,80	16.904.259,06	86.662.309,84	(228.316.433,30)	(23.228.778,24)	94.765.320,15	1.224.270.744,31
Changes in Equity 1/1/2010 - 31/12/2010							
Profit / (loss) for the year (after tax)	-	-	-	-	-	(42.100.730,31)	(42.100.730,31)
Other comprehensive income of the year after tax							
Changes in Available for Sale Reserve	-	-	-	(254.340.603,19)	-	-	(254.340.603,19)
Total comprehensive income of the year after tax	0,00	0,00	0,00	(254.340.603,19)	0,00	(42.100.730,31)	(296.441.333,50)
Preference shares dividend	-	-	-	-	-	(10.400.547,94)	(10.400.547,94)
Balance at December 31st, 2010	1.277.484.066,80	16.904.259,06	86.662.309,84	(482.657.036,49)	(23.228.778,24)	42.264.041,90	917.428.862,87

STATEMENT OF CASH FLOWS



December 31st, 2010

Amounts in €	Note	On Consolidated basis		On Stand alone basis	
		From January 1 st to		From January 1 st to	
		31.12.2010	31.12.2009	31.12.2010	31.12.2009
Operating activities					
Profit / (loss) before tax		7.610.366,69	46.739.458,06	(5.316.198,24)	40.795.192,47
<i>Adjustments to profit / (loss) for:</i>					
Depreciation of tangible assets	26	7.742.927,63	7.446.037,49	7.683.177,75	7.354.352,45
Amortization of intangible assets	27	4.139.890,93	3.912.354,07	3.401.304,61	3.197.798,98
Share in (profit) / loss of associates		18.246.147,60	(697.354,85)	-	-
Allow ance for loans impairment	21	54.241.550,48	40.611.635,85	45.871.996,92	35.686.718,17
Allow ance for impairment of other assets		-	6.874.189,78	-	6.874.189,78
Allow ance for impairment of associates		3.735.828,66	9.302.798,67	30.021.422,11	8.116.851,62
Amortization of premium / discount of investment and loans portfolio		(17.647.360,78)	27.636.171,82	(17.647.360,78)	27.636.171,82
Allow ance for retirement benefit obligations		3.427.077,65	2.940.451,85	3.365.935,49	2.867.772,23
Contribution to Hellenic Deposit and Investment Guarantee Fund		3.723.148,14	6.373.746,35	3.723.148,14	6.373.746,35
(Profit) / loss due to hedging		(38.189.096,28)	9.291.051,42	(38.189.096,28)	9.291.051,42
Currency exchange differences		(11.326.117,57)	4.270.904,85	(11.326.117,57)	4.270.904,85
Net income from investment securities	11	(5.466.143,78)	(31.621.824,23)	(5.466.143,78)	(31.621.824,23)
Movement of income tax		(49.683.722,31)	(20.662.463,83)	(44.069.740,66)	(19.492.696,70)
		(19.445.502,94)	112.417.157,30	(27.947.672,29)	101.350.229,21
Net change of operations related to assets and liabilities					
Mandatory deposits with Bank of Greece		(250.541.734,14)	72.396.644,13	(250.541.734,14)	72.396.644,13
Financial assets designated at fair value through profit or loss		81.400.921,73	155.862.357,32	81.367.965,54	155.391.216,84
Loans and receivables from customers		(192.682.057,34)	(961.744.408,26)	(175.167.080,73)	(964.412.642,97)
Debt securities		(12.897.733,62)	-	(12.897.733,62)	-
Other assets		(8.871.750,88)	(165.627.032,43)	(9.570.585,57)	(155.413.031,04)
Due from / to banks (net amount)		(425.811.123,88)	2.144.455.597,00	(425.811.123,88)	2.144.455.597,00
Derivative financial instruments (net amount)		(786.913,48)	69.689.881,90	(786.913,48)	69.689.881,90
Due to customers		(507.411.849,37)	1.420.977.658,41	(516.921.313,26)	1.426.622.740,62
Other liabilities		(18.193.653,98)	(34.024.393,60)	(20.893.967,48)	(36.459.021,24)
		(1.335.795.894,96)	2.701.986.304,47	(1.331.222.486,62)	2.712.271.385,24
Cash flow from operating activities		(1.355.241.397,90)	2.814.403.461,77	(1.359.170.158,91)	2.813.621.614,45
Investing activities					
Purchases of tangible and intangible assets	26,27	(17.068.994,69)	(26.501.996,92)	(16.914.930,48)	(26.241.530,98)
Investments in subsidiaries and associated companies	29	(28.561.422,11)	(39.241.821,26)	(28.849.672,11)	(39.828.621,26)
Purchases of investment securities	24	(3.021.087.130,86)	(5.242.709.027,82)	(3.021.087.130,86)	(5.242.709.027,82)
Income from disposal and maturity of investment securities		3.023.337.184,17	2.736.949.481,78	3.023.337.184,17	2.736.949.481,78
Net cash flow from investing activities		(43.380.363,49)	(2.571.503.364,22)	(43.514.549,28)	(2.571.829.698,28)
Financing Activities					
Increase of Share capital		286.750,00	526.845.233,40	-	526.262.033,40
Purchases of treasury shares		-	(1.867.981,64)	-	(1.784.481,64)
Income from treasury shares' pre-emptive rights disposal		-	2.194.386,32	-	2.194.386,32
Dividends paid to the preference shareholders		(13.867.397,26)	-	(13.867.397,26)	-
Share capital increase expenses (common and preference shares)		-	(8.881.122,62)	-	(8.881.122,62)
Dividends paid		(1.258.400,00)	-	-	-
Net cash flow from financing activities		(14.839.047,26)	518.290.515,46	(13.867.397,26)	517.790.815,46
Net increase of cash and cash equivalents		(1.413.460.808,65)	761.190.613,01	(1.416.552.105,45)	759.582.731,63
Cash and cash equivalents at the beginning of the year		2.191.570.879,21	1.430.380.266,20	2.187.016.818,15	1.427.434.086,52
Cash and cash equivalents at the end of the year	41	778.110.070,56	2.191.570.879,21	770.464.712,70	2.187.016.818,15

1. Information for the Bank

General information

- “TT Hellenic Postbank S.A.” (“Bank” or “Hellenic Postbank”) is a Société Anonyme, which in 2002 has substituted in all its rights and obligations the decentralized public entity “Postal Savings Bank”, which was established by virtue of Law GYMST/1909, as subsequently supplemented and amended by Compulsory Law 391/1936, Law 1118/1938 and other provisions. The General Assembly of Shareholders of May 2nd, 2008, and after the amendment of the relative article 2 of the Bank’s Articles of Association, decided the change in the trade name and the distinctive title used by the Bank in its international transactions as “TT HELLENIC POSTBANK S.A.” and “HELLENIC POSTBANK”, respectively, or an accurate translation of them in any foreign language.
- The Governor’s Act of the Bank of Greece No 2579/19.4.2006 was issued according to provisions of article 9 paragraph 5 of Law 3082/2002, which constitutes as a banking license. Therefore, the Bank is under the supervisory role of Bank of Greece according to Law 3601/2007 as amended.
- The Bank’s headquarters are located in the Municipality of Athens (2-6 Pasmazoglou Street, 101 75). By resolution of the Board of Directors, the Bank can establish and close down branches, correspondence offices, safe deposit boxes or agencies anywhere in Greece and abroad. The Bank is registered with the Registry of Société Anonyme registration number 54777/06/B/03/7 and its website is www.ttbank.gr.
- As at December 31st, 2010, «HELLENIC POSTBANK’s» branch network comprises of 147 branches located in 66 cities throughout Greece.
- The term of the bank is set to 100 years from its establishment and may be extended by resolution of the General Assembly of the shareholders.
- These financial statements for the period ended at December 31st, 2010, were approved by the Board of Directors on March 30th, 2011.
- Apart from the ATHEX Composite Index, Hellenic Postbank’s share is included in a series of other indices, such as DTR, FTSEA, FTSE, FTSE1 and FTSE/ATHEX-20.

Collaboration Agreement with the TT Hellenic Post S.A.

On November 19th, 2001, the Bank entered into a 10-year exclusive collaboration agreement with the Hellenic Post (hereinafter “EL.TA”). The Board of Directors of both counterparties agreed to extend the collaboration agreement until December 31st, 2021.

• Major terms and conditions of the agreement

The agreement may be automatically extended provided that at least six (6) months prior to its expiry date none of the counterparties involved has notified in writing its intention to decline its extension.

The agreement may be immediately terminated by either party, with written notice, in case that a counterparty has failed to comply with any of its contractual obligations and has not remedied such failure within three (3) months from written notification. Upon expiry of the agreement, in accordance with its terms and conditions, all pending issues shall be settled within three (3) years.

Each counterparty may develop autonomously its main activities in terms of the financial products and services that it provides.

The branches of the respective network of each counterparty shall retain all their corporate identity marks so that the products of each counterparty are promoted and sold from the network of the other party in a distinct manner.

In case where the agreement expires or is terminated, all pending issues between the counterparties shall be settled and such settlements must be completed within three (3) years. During the settlement period the counterparties shall be bound by the exclusivity, secrecy and confidentiality obligations that were in force during the term of the agreement.

- Financial Cost

After the modification of annex 6 of the collaboration agreement of November 19th, 2001 at 27/12/2006, 14/12/2007, 21/12/2007, 16/10/2008 and with joint agreement of both counterparties was decided that the total remuneration of EL.TA. derives from the sum of: 1) the cost of the Bank's access to the Network of EL.TA. Shops (transactions fees) in which the Lowest Guaranteed Annual Cost amounted to €

2,8 million or € 0,70 million quarterly is included, 2) fee of commercial agreement in which the Lowest Guaranteed Annual Fee amounted to € 7 million annually or € 1,75 million quarterly is included (commission of sale of products and services of Hellenic Postbank from the network of EL.TA.'s Branches), and 3) additional fees calculated as a productivity percentage on the net increase of the amount of the deposit account balances serviced by the EL.TA network.

- Network used

The network of EL.TA branches, agencies, and postmen delivering in rural areas serve as a network providing the Bank's products, as well as other common products that the parties may develop in the future.

Based on the terms of the agreement, the Bank's products / services are sold at 842 EL.TA branches and 895 postmen delivering in rural areas, who act as EL.TA subcontractors in remote areas where there are no branches or agencies, while the EL.TA products / services can be sold through the Bank's network comprising of 147 branches.

Based on the terms of the agreement, the Bank has committed not to open branches in any area where an EL.TA branch already exists. Specifically, the Bank is not allowed to open a branch in a range from an EL.TA branch that would affect the overall turnover of EL.TA. The responsibility for the operation of each branch lies with its owner and each counterparty shall compensate the other for any damage incurred intentionally or due to negligence of its employees.

The exclusive collaboration agreement expressly acknowledges that EL.TA shall undertake to sell, exclusively, only the banking products of the Bank, provided that the Bank will neither use nor develop its branches network competitively to the EL.TA network.

• **Products/ Services**

Each counterparty shall develop in an autonomous way its main activities in terms of the financial products and services it provides, and more specifically (a) the Bank in terms of its banking operations, and in particular its deposits and loans products; and (b) EL.TA in terms of the financial products and the operations related to the GIRO current accounts, such as national and international money transfer transactions (Western Union, Eurogiro, foreign checks), transactions related to quick payments (collections, payments), transactions on GIRO accounts and Social Security pension payments.

Based on the agreement between the counterparties, the Bank's branches shall sell EL.TA products of increased added value. Increased added value products are considered to be the following: Eurogiro, Western Union, Social Security pension payments, transactions on Giro accounts, cash on delivery checks, quick payments, courier services, as well as prepaid and philatelic products. The Bank's products/ services shall be available in the EL.TA branches.

Regarding any new products to be developed by either one of the counterparties, the agreement provides "the right of first refusal" to the other party. New products do not include variations or changes introduced to existing products, but

rather distinct, new wide product categories aimed to cover customers' needs not covered by existing products.

Especially, in the sector of loans, the collaboration which started in the summer of 2006 in the form of a pilot plan, continues with satisfactory results. As a result, the program was applied in a larger number of branches, which amounted to 309 until the end of December 2010.

In order to reinforce the presence of Hellenic PostBank in this network and finally reinforce its productivity in the fiscal year 2008, 81 special distinct spaces were created and operated inside the branches of the network of EL.TA (Shop in Shop).

Bank's participation in ELTA's share capital

The total number of the shares of EL.TA held by the Bank as at 31/12/2010 amounts to 20.047.900 shares (10% of the total shares).

Likewise, at 31/12/2010 EL.TA. was the second most significant owner of the Bank after the "Hellenic Public Sector" with 28.446.598 shares which represents the 10% of HELLENIC POSTBANK's share capital.

Mortgage Savings

According to article 10, paragraph 12, of the Bank's establishing law, L.3082/2002 (Government Gazette Issue No. 316/16.12.2002), and after the decision of the Bank's Board of Directors, an amount of € 17 million will be available from the Bank's existing reserves into an account that already exists or will be created

by a similar decision. The return that proceeds from such an account will be available to cover mortgage benefits to the Bank's employees. The Board of Directors will deal with any issue relating to this account.

The 17th meeting of the Board of Directors of the Hellenic Postbank held on September 23rd, 2003 decided unanimously to create and keep the account according to Law 3082/2002, since January 1st, 2003. Pursuant to Law 3082/2002, such account will be credited with the amount of € 17 million, as well as with the amounts relating to principal repayments of the mortgage loans paid each month by the employees which will be refinanced as a new loan to the beneficiaries bearing a special interest rate. Hellenic PostBank will reinvest the amounts related to the collected instalments together with the amount of € 17.000.000,00 guaranteeing a minimum return. The investment policy for the product must cover a minimum annual net return of 5,25% aiming to reduce the total duration of the loans.

Beneficiaries of this account, include all persons that were employed with a salaried employment agreement on December 16th, 2002, as well as the retired employees of Hellenic Postbank.

The 29th meeting of the Board of Directors of Hellenic Postbank, held on March 4th, 2004, approved the "General Management and Operations Regulation for the Mortgage Allowance Investment Account". It should be clarified that Hellenic Postbank has established the aforementioned account.

Hellenic Postbank has assigned a specialized actuarial firm to prepare a valuation study in

order to calculate the cost of implementing the specific scheme.

The result of such study has been recorded in the financial statements bearing a negative sign under Note 21 of the financial statements "Loans and advances to customers" and specifically under item "Mortgage Loans". The respective result of the study amounted to approximately € 81.220 thousand as at 31st December 2010 and to approximately € 82.826 thousand as at 31st December 2009. In order to calculate the present value of the scheme, the discount rate of 5,6% was used for the years 2010 and 2009.

Structure and activities of the Bank

The purpose of the Bank is to operate, for its own account or for the account of third parties, in Greece and abroad, independently or in collaboration or joint venture, operation, without limitation or other distinction, for the total of the operations and activities that are allowed from time to time to domestic financial institutions by the existing legislation. The following activities fall under the purposes of the Bank:

- ❖ The acceptance, on an interest-bearing or zero interest basis, of any type of deposits or other accepted funds in Euro, exchange or foreign currency.
- ❖ The granting of loans and credits of any kind, the offer of guarantees in favour of third parties, the undertaking of liabilities, the acquisition or transfer of claims, as well as the intermediation in the financing of companies or their collaboration.
- ❖ The receipt of loans, credits or guarantees and the issue of securities for the raising of funds.

- ❖ The acts of executing payments and funds transfer as well as the financing of overseas trade.

- ❖ The safeguarding, organizing and management of any kind of movable assets, securities, financial products and generally of assets, including their portfolio, the operation of transactions over these, for own account or for the account of third parties, as well as the offer of relevant services and consultations.

- ❖ The establishment of, or participation in, domestic or foreign companies of any kind that are involved in the money market, capital market and generally in the wider financial and investment sector.

- ❖ The issuance and management of means of payment (credit cards, travellers cheques and letters of credit).

- ❖ The provision of underwriter's services, participation to issuance and distribution of securities, bond issuance covering and provision of similar services.

- ❖ The provision of services to enterprises regarding capital structure and corporate strategy, as well as services in the sectors of merger, disintegration and acquisition of enterprises, after the relevant subjects,

- ❖ The provision of reforming and financing restructuring services

- ❖ Corporate factoring

- ❖ The provision of commercial information, including evaluation services of credit worthiness of third parties

- ❖ The leasing of safe deposit boxes

- ❖ Pawnshop Operations

- ❖ The representation of third parties, who have or pursue relevant to the above aims, and generally transact business, transactions or activities pertinent to the above aims as they arise from the Bank's Articles of Association.

- ❖ The provision of intermediary services in the interbank market;

- ❖ leasing

- ❖ prepaid cards

- ❖ transactions on behalf of the institution or its clientele, that refer to:

- i. financial market instruments (securities, certificates of deposits etc.)

- ii. exchange

- iii. future contracts (or forwards) or options

- iv. interest rate swaps and currency swaps

- v. securities

- ❖ The activities, apart from the above-mentioned, which refer to the provision of major and sequential investment services, as those that are reported in the article 4 of Law 3606/2007 (Government Gazette 73 A).

Within the framework of its operations the Bank, promotes the spirit of saving especially towards the youth, aids the lower income population groups in acquiring residence, promotes through its credit policy the general economic development of the country and of the local communities where it is active and contributes to the fulfillment of general public purposes.

For the fulfillment of this scope the Bank can collaborate with individuals and any form of legal entities, enterprises or institutions and in order to create or participate in non-profit organizations in Greece or abroad.

Composition of the Bank’s Board of Directors

The new Board of Directors is composed of nine (9) members, two (2) executive and seven (7) non executive members, the two (2) of which are independent. The term of the Board of Directors lasts 5 years, until the 11th of June 2015. The composition of Board of Directors of “Hellenic Postbank”, after the decisions of the

Extraordinary General Assembly on December 11th, 2009, the Ordinary shareholders’ General Assembly on June 11th, 2010, the meeting of Board of Directors on October 14th, 2010 and the meeting of Board of Directors on November 29th, 2010 is as follows:

TABLE: The Board of Directors	
Papadopoulos Kleanthis	Chairman, Executive Board Member
Pantelias Spyridon	Executive Vice-Chairman
Michos Ioannis	Non Executive Board Member
Katsimi Margarita	Non Executive Board Member
Varsamis Christos	Non Executive Board Member
Siamidis Michail	Non Executive, Independent Board Member
Pittas Aristides	Non Executive, Independent Board Member
Kesti – Bastou Vasiliki	Non Executive Board Member - Employee representative
Papadopoulou Sofia	Non Executive Board Member - Employee representative

It is noted that an additional member of the Bank’s Board of Directors is George Mouzoulas (in replacement of Mr. Aggelos Androulidakis) as a Greek State’s representative according to the 26320/B1278/18.06.2010 decision of Ministry of Economy and Finance at 24/06/2010.

Mr. Mouzoulas’ term starts from the issuance of the abovementioned decision in the Government Gazette Issue and terminates with the expiration of the Bank’s subjection to the program of Law 3723/2008, article 1.

Moreover, according to article 12 of Bank’s Articles of Association, during the meeting of

Board of Directors at 14/10/2010, Mrs. Sofia Papadopoulou and Mrs. Vasiliki Kesti – Bastou were elected as new non-executive Board members (employee representatives) in replacement of Mr. George Sideris and Mr. Kotsiris Konstantinos.

It is noted that the Board of Directors, at the meeting of November 29th, 2010, accepted the resignations of two non-executive members of the Board, Mrs. Oikonomopoulou Antouanetta and Mr. Tsagdis Ioannis, without electing new members to replace them.

2. Significant accounting policies

2.1 Basis of presentation

The Consolidated and Stand alone Financial Statements of the Bank as of 31st December 2010 are prepared in accordance with International Financial Reporting Standards (I.F.R.S.) and International Accounting Standards (I.A.S.), issued by the International Accounting Standards Board (I.A.S.B.), as well as their interpretations, which have been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.), as these have been endorsed by the European Union, through the procedure of adoption which the European Committee follows.

The Bank's consolidated and stand alone financial statements have been prepared under the historic cost convention, as adjusted by the fair valuation of certain assets and liabilities, the going concern principle, and comply with the Framework for Preparation and Presentation of the financial statements.

During the fiscal years 2008 and 2010, "HELLENIC POSTBANK" made use of the amendments of International Accounting Standard (I.A.S.) 39 and International Financial Reporting Standard (I.F.R.S.) 7, which were

2.1.1 New standards, amendments to standards and interpretations:

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards,

published during October 2008 and are effective since 1/7/2008. The effects of applying the above amendments are set out in Note 24.

The preparation of financial statements in accordance with International Financial Reporting Standards (I.F.R.S.) requires management to make subjective judgments in the application of accounting principles and the use of certain critical accounting estimates. It is additionally required the use of estimates and assumptions that affect, the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year under review. Although these estimates are based on the best knowledge of management in accordance with current events and actions, actual results may differ from those estimates. Complicated transactions and cases that involve a significant degree of subjectivity, or the assumptions and estimates which are conspicuous for the preparation of financial statements are referred to note 3.

amendments to standards and interpretations is as follows:

a) Standards and Interpretations effective for the current financial year

I.F.R.S. 3 (Revised) “Business Combinations” and I.A.S. 27 (Amended) “Consolidated and Separate Financial Statements”

The revised I.F.R.S. 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 revised I.A.S. 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 standards from 1st January 2010.

I.F.R.S. 2 (Amendment) “Share-based Payment”

The purpose of the amendment is to clarify the scope of I.F.R.S. 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.

I.A.S. 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 applicable to the Group as it does not have an impact on the Group’s financial statements .

I.F.R.I.C. 12 – Service Concession Arrangements

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

I.F.R.I.C. 15 - Agreements for the construction of real estate

This interpretation addresses the diversity in accounting for real estate sales. This interpretation is not relevant to the Group’s operations.

I.F.R.I.C. 16 - Hedges of a net investment in a foreign operation

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 I.A.S. 39. This interpretation is not relevant to the Group.

I.F.R.I.C. 17 “Distributions of non-cash assets to owners”

This interpretation provides guidance on accounting for non-reciprocal distributions of assets by an entity to its owners receiving either non-cash assets or a cash alternative. This interpretation does not have an impact on the Group’s financial statements.

I.F.R.I.C. 18 “Transfers of assets from customers”

This interpretation clarifies the requirements of I.F.R.S.s 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. This interpretation is not relevant to the Group.

Amendments to standards that form part of the I.A.S.B.’s 2009 annual improvements project

The amendments set out below describe the key changes to I.F.R.S.s following the publication in April 2009 of the results of the I.A.S.B.’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 Group’s financial statements.

I.F.R.S. 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 I.F.R.S. 2.

I.F.R.S. 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.

I.F.R.S. 8 “Operating Segments”

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

I.A.S. 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.

I.A.S. 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.

I.A.S. 17 “Leases”

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

I.A.S. 18 “Revenue”

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

I.A.S. 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 I.F.R.S. 8 (that is before the aggregation of segments).

I.A.S. 38 “Intangible Assets”

The amendments clarify (a) the requirements under I.F.R.S. 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.

I.A.S. 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.

I.F.R.I.C. 9 “Reassessment of Embedded Derivatives”

The amendment clarifies that I.F.R.I.C. 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.

I.F.R.I.C. 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.

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

I.F.R.S. 9 “Financial Instruments” (effective for annual periods beginning on or after 1st January 2013)

I.F.R.S. 9 is the first part of Phase 1 of the Board’s project to replace I.A.S. 39. The I.A.S.B. intends to expand I.F.R.S. 9 during 2010 to add

new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. I.F.R.S. 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. I.F.R.S. 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. I.F.R.S. 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. I.F.R.S. 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 I.F.R.S. 9 on its financial statements. The Group cannot currently early adopt I.F.R.S. 9 as it has not been endorsed by the E.U.. Only once approved will the Group decide if I.F.R.S. 9 will be adopted prior to 1st January 2013.

I.A.S. 12 (Amendment) “Income Taxes” (effective for annual periods beginning on or after 1st January 2012)

The amendment to I.A.S. 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 I.A.S. 40 “Investment Property”. Under I.A.S. 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 I.A.S. 40. This amendment has not yet been endorsed by the E.U. and is not expected to impact the Group’s financial statements.

I.A.S. 24 (Revised) “Related Party Disclosures” (effective for annual periods beginning on or after 1st January 2011)

This amendment attempts to reduce 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.

I.A.S. 32 (Amendment) “Financial Instruments: Presentation” (effective for

annual periods beginning on or after 1st 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.

I.F.R.S. 7 (Amendment) “Financial Instruments: Disclosures” – transfers of financial assets (effective for annual periods beginning on or after 1st 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 E.U. and is not expected to impact the Group’s financial statements.

I.F.R.I.C. 19 “Extinguishing Financial Liabilities with Equity Instruments” (effective for annual periods beginning on or after 1st 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.

I.F.R.I.C. 14 (Amendment) “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (effective for annual periods beginning on or after 1st 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.

Amendments to standards that form part of the I.A.S.B.’s 2010 annual improvements project

The amendments set out below describe the key changes to I.F.R.S.s following the publication in May 2010 of the results of the I.A.S.B.’s annual improvements project. Unless otherwise stated the following amendments are effective for annual periods beginning on or after 1st January 2011. In addition, unless otherwise stated, the following amendments will not have a material impact on the Group’s financial statements. The amendments have not yet been endorsed by the E.U..

I.F.R.S. 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 I.F.R.S. 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.

I.F.R.S. 7 “Financial Instruments: Disclosures”

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

I.A.S. 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.

I.A.S. 27 “Consolidated and Separate Financial Statements”

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

I.A.S. 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.

I.F.R.I.C. 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.

2.2 Consolidation

The consolidated financial statements include the financial statements of the Bank, its

subsidiaries and its associates which are referred to in note 2.2.3.

2.2.1 Business combinations and subsidiaries

Subsidiaries, which are those entities in which the Bank has an interest of more than one half of the voting rights or otherwise has power to govern the financial or operating policies, are consolidated with the method of full consolidation. The existence of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the parent controls another entity. Subsidiaries are consolidated with the method of full consolidation from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiary from the Group. The acquisition cost is measured as the sum of the fair value, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquire. The acquired identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. Where the cost of the acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

For disposals of ownership interests that result in a loss of control, the Group recognises gains and losses in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transactions provides evidence of an impairment of the asset transferred.

The Group accounts for investments in subsidiaries in its stand alone financial statements at cost less any impairment which is recognized in the income statement.

2.2.2 Associates

Associates are entities over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence, but which it does not control. Investments in associates are accounted for by the equity method.

Investments in associates include the goodwill which arises from the acquisition less any impairment.

Using the equity method, the investment in associate is carried on the statement of financial position at cost plus accumulated changes of profits or losses and reserves related to the Group after the acquisition date. The Group's portion of profits or losses of the associates after the acquisition, is recognized in the income statement and the portion from the reserves is recognized in the Group's reserves.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate while unrealized losses are also

eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In case the Group's share over the losses of the associate exceed the value of the investment, any further losses are not recognized unless payments have been made or assumed any further obligations on behalf of the associate.

The Group accounts for investments in associates in its stand alone financial statements at cost less any impairment which is recognized in the income statement.

2.2.3 Consolidation Basis

The financial statements of the subsidiaries and associates are prepared as of the same reporting date as that of the Bank, using consistent accounting policies.

Non-controlling interest represents the portion of profit or loss and net assets not held by the Group and is presented separately in the consolidated income statement and within equity separately from the Bank shareholders' equity.

As at December 31st, 2010 the Bank consolidated its subsidiaries and associates:

- a) The subsidiary "Hellenic Postbank - EL.TA. Mutual Fund Management S.A", is located in Athens, in which the Bank's holding percentage represents 51% of the share capital and the voting rights and is consolidated according to the method of full consolidation.
- b) The subsidiary "Hellenic Post Credit S.A.", in which the Bank's percentage participation in the share capital and the voting rights of the said company amounts to 50% and is consolidated according to the method of full consolidation. The company is located in Paiania, Attica. It should be noted that the above company is consolidated using the full consolidation method as the Bank has the right to appoint the majority of the members of the Board of Directors and control the strategic planning and business activity of the company.
- c) The subsidiary assurance brokerage company under the name "Post Insurance Brokerage S.A.", located in Athens, in which the Bank's participation percentage in the share capital and the voting rights of the said company amounts to 50,01% and is consolidated according to the method of full consolidation.
- d) The associate "ATTICA BANK S.A.", is located in Athens. The Bank's participation in its share capital and voting rights amounts to 22,43% and is consolidated with the equity method.
- e) The associate "Post Bank Green Institute" in which the Bank's participation percentage in the share capital and voting rights amounts to 50% is consolidated with the equity method. The company is located in Metamorfosis, Attica.
- f) The associate "T BANK S.A." (former "ASPIS BANK S.A."), is located in Athens. The Bank's participation in its share capital and voting rights amounts to 32,90% and is consolidated with the equity method. It is noted that the acquisition process of the above participation was completed on April 22nd, 2010, following the BoD decisions,

for the Bank's participation in the share capital increase of the aforementioned bank, and all the necessary authorizations by the authorities via the «Book of Demand» for the distribution of outstanding shares. As a result, the Bank acquired 47.602.370 new, common registered, with voting rights, shares of "T BANK S.A".

It is noted that due to the aforementioned consolidation of "T-Bank S.A." for the period ended on December 31st, 2010, consolidated profit / (loss) after tax and non-controlling interest has been affected by € -16,07 million or in percentage by -89,03%.

2.3 Financial Assets

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.3.1 Initial Recognition

The Group records all of its financial assets and liabilities including derivative financial instruments in the Statement of Financial Position. The acquisition of financial instruments is recognized on the date of transaction.

2.3.2 Classification and Financial Asset

Measurement

The Bank's financial instruments are classified in the categories described below according to the substance of the contract and the strategic objective of their acquisition.

i) Financial assets designated at fair value

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- ❖ Financial assets that are classified as held for trading. These assets are financial assets that are acquired with the objective of realizing profits from short-term changes in prices, except for derivatives that are designated as effective hedging instruments.
- ❖ Financial assets and liabilities at fair value through profit or loss. Upon initial recognition the Group may designate any financial assets and liabilities at fair value through profit or loss, when either:
 - It eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases; or
 - a group of financial assets, is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, which determines the Management of the Group.
 - Derivatives meet the definition of this category, designated at fair value through profit or loss". In the Statement of Financial Position, they are presented separately under the account "Derivatives" depending on the valuation result.

ii) Loans and Receivables

Loans and advances to customers are non derivatives, financial assets with fixed or pre defined payments, non negotiable to active markets, measured at amortized cost, using the effective interest method. They arise when the Group provides money to a client without the intention to market the demand.

An impairment loss is incurred if there is objective evidence that the Bank will not recover all amounts due, according to the terms of the contracts. For impairment policy and provisions there is an analytical reference in note 4.1.3.

Consumer Loans are characterized as past due after a 6-month non performing period during which no interest payment took place while mortgage loans after a 12-month period. However, after a 3-month non performing period for consumer loans and 6-month period for mortgage loans, these are assessed in memo accounts.

Loans to institutions, whose collateral is covered by the Greek State, are considered totally recoverable and are not examined for impairment.

iii) Held-to-Maturity financial assets

These include non-derivative financial assets with fixed or determinable payments and specified maturity date. The Group has the ability and intention to hold these investments up to maturity.

The Held-to-Maturity portfolio, which is kept up to the maturity date, is initially recognized at fair

value (which includes the transaction cost) and then is carried at amortized cost using the effective interest method, less any accumulated impairment in value.

If part of the Held-to Maturity-portfolio is sold or reclassified before maturity date by the Group, except under special circumstances in which, for example, a small part of its portfolio is sold, then the entire held to maturity portfolio must be reclassified to the available for sale portfolio at its fair value transferring profit or loss to the available for sale reserve in equity. In such case, the Group will not be able to classify any financial assets as held to maturity for the next two years.

The amendments of I.A.S.39 "Reclassification of Financial Assets", issued in October 2008 permit an entity to reclassify non-derivative financial assets from Trading Portfolio to Held-to-Maturity Portfolio under particular circumstances. Reclassification is allowed if current market circumstances are considered rare and the Group intends and has the ability to hold the financial asset until its maturity. Financial asset shall be reclassified at its fair value on the date of reclassification. Any gain or loss recognized in profit or loss until amendment's effective date shall not be reversed.

Additionally, a financial asset may be reclassified from Available for sale Portfolio to Held to maturity portfolio if the Group has the intention and the ability to hold that financial asset until its maturity. The financial asset shall be reclassified at its fair value on the date of reclassification. Profit or loss that had been recognized at AFS Reserve until amendments' effective date shall not be reversed but incrementally amortized

during the useful life of Held to Maturity financial instruments.

iv) Available for sale financial assets

This portfolio includes non-derivative financial assets, which are either classified in this category or cannot be classified in any of the portfolios mentioned above. These financial assets may be sold according to liquidity needs or changes in interest rates or prices. Financial assets of the available for sale portfolio are initially recognized at cost (including transaction costs) and then carried at fair values and gains or losses arising from changes in the fair value of securities classified as available for sale are recognized directly in equity up to the point where the financial assets are sold or if there is evidence of impairment, in which case the profit or loss is recognized in the Bank's Income Statement.

According to the revised I.A.S.39 "Reclassification of Financial Assets", reclassification of non-derivative financial assets from the Trading Portfolio to the Available for Sale Portfolio is allowed under certain conditions. In particular, reclassification is allowed when the Group has no intention to hold the assets until maturity and when rare circumstances are prevailing in the market. The financial assets shall be reclassified at their fair value on the date of reclassification. Any revaluation gain or loss already recognized in profit or loss shall not be reversed. Any revaluation gain or loss after the reclassification is recognized in the Available for Sale Reserve.

Moreover, a financial asset that meets the definition of loans and receivables can be transferred from the Available for Sale Portfolio to

the Loans and Receivables Portfolio if the Group has the intention to hold that financial asset for the foreseeable future. In addition, any financial asset that does not meet the definition of loans and receivables can be transferred from the Available for Sale Portfolio to the Hold to Maturity Portfolio if the Group has the intention to hold that financial asset until maturity.

The financial assets shall be reclassified at their fair value on the date of reclassification. Any revaluation gain or loss already recognized in the Available for Sale Reserve shall not be reversed. This revaluation gain or loss is amortized throughout the remaining life of the asset and the future cash flows should be taken into consideration for the calculation of the effective rate of the loan.

When estimating the impairment of investments in shares recognized as available for sale, any significant or prolonged decrease in the fair value of the share below its cost is also taken into consideration (apart from any indication mentioned above).

When there is such an indication, the accumulated loss that is being estimated as the difference between the purchase cost and the current fair value, reduced by any previous impairment is being transferred from the equity to the income statement.

Impairment of shares, which was recognized on the Income Statement, is not reversed through the Income Statement.

Impairment of Available for sale securities can be reversed through the Income Statement, only if the increase of market value is relevant with the

initial recognition of impairment to the Income Statement.

2.3.3 Financial Liabilities

The Bank's financial liabilities include mostly customer deposits and intra-group deposits.

Financial liabilities are initially recognized at their acquisition cost which is the fair value of cash or other financial assets paid. After their initial recognition they are measured at amortized cost using the effective interest rate method. Interest expense is recognized in the Profit and Loss account of the fiscal year under consideration.

2.3.4 Derivatives and Hedge Accounting

The Group holds derivative financial instruments both for trading or for hedging fair value changes of financial assets or liabilities.

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair values on a daily basis. Fair values are obtained from quoted market prices in active markets and option pricing models, where market prices are not available. Changes in the fair values of derivative financial instruments are included in net trading income.

All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Embedded derivatives shall be recognized as separate derivatives when their characteristics and risks are not closely related to those of the host contract, and the host contract is not recognized at its fair value through profit or loss.

Embedded derivatives are measured at their fair value and changes of fair value are recognized in income statement.

The Group has adopted a hedge accounting policy according to the requirements of the revised I.A.S.39. The following, according to the requirements of the revised I.A.S.39, must be met in order for a hedge relationship to qualify for hedge accounting:

- ❖ The hedge should be effective at initiation.
- ❖ Ability to calculate the hedge effectiveness during the hedge relationship. The hedge effectiveness should be between 80% - 125% at all times.
- ❖ Detailed documentation must be in place for all recognised hedging relationships.

Hedges are classified as follows :

- ❖ Fair value hedge , when it is used against any changes in the fair value of the hedged asset or liabilities or contractual corporate obligations.
- ❖ Cash flow hedge, when it is used against any variance regarding recognized asset or liability or exchange risk liability.
- ❖ Hedge of net investment in a foreign operation

The Bank documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as the risk management objective and strategy for undertaking various hedge transactions. The Bank also assesses, both at hedge inception and on an ongoing basis the hedge effectiveness of the hedging transaction.

Fair value hedge

For fair value hedges that meet the criteria for hedge accounting, any profits or losses from the revaluation of derivatives at fair value is recorded in to the income statement. Profits or losses on the hedging instrument due to hedging risk, adjust the value of the hedging instrument and are recorded in the income statement.

Hedge accounting shall be discontinued when the hedging instrument expires, is sold, terminated, exercised or when the hedge no longer meets the criteria of the hedge accounting.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to profit or loss over the period to maturity.

Since July 1st 2008, a part of fixed rate “Loans and receivables” portfolio has been hedged with interest rate swaps, according to the Bank’s hedge accounting policy. Moreover, since October 1st, 2008 the Bank has hedged bonds that are part of the “Available for Sale” and “Debt Securities” portfolio with interest rate swaps and futures.

2.3.5 Fair Value attributing methods

For the presentation of assets and liabilities at fair values, current market prices for each financial asset have been used. For those assets and liabilities of the Group’s current market prices are not available, values were obtained based on estimation methods which are not differed by the

values appeared in the financial statements. In particular :

- ❖ Investments traded in organized financial markets are valued at fair value, and determined based on the current market value at the closing day of the financial statements.
- ❖ Investment in unlisted securities are valued at fair value based on estimation methods.
- ❖ The fair value of derivative assets which are not traded in any active market is determined by valuation models. These models, though based on real data, require estimates and assumptions which are reviewed on a regular basis where market conditions change.

2.3.6 Derecognition

A financial asset is derecognized whenever the Bank loses control of the contractual rights to the cash flows from the financial asset. This is the case when the rights expire or are transferred and the Bank has substantially transferred all the risks and the rewards of ownership of the asset.

Financial obligations are derecognized when the Bank’s obligation to pay cash or transfer other financial assets is extinguished.

2.3.7 Offsetting

A financial asset and a financial liability is offset and the net amount is presented in the statement of financial position when, the Bank currently has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.3.8 Sale and Repurchase Agreements

The Bank engages in sales of instruments based on repurchase agreements of its own instruments at a future fixed price.

Those instruments that are sold on the terms of being repurchased (repos) are not derecognized from the statement of financial position but continue to be valued according to their classification (trading portfolio or available for sale). The amounts received are recognized on the statement of financial position as obligations and are valued on their amortized cost using the effective interest rate method.

2.4 Conversion into Foreign Currency

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

The assets and liabilities of the financial statements are converted into euro and the foreign exchange rates of the balance sheet date.

Transactions in foreign currencies are converted into functional currency using the exchange rates as of the dates of the transactions. Gains and losses from currency translation differences that derive from such transactions and from the conversion of assets and liabilities denominated in foreign currencies into the functional currency using the exchange rates on the balance sheet date, are transferred to the income statement.

2.5 Property, plant and equipment

Property, plant and equipment used for rendering services or administration purposes are presented in the financial statements at historic cost, less accumulated depreciation and any accumulated impairment losses. The historic cost includes all direct costs for the purchase of the assets. The property of the Bank was evaluated at their fair value on 31/12/2003 by independent evaluators (article 9, L.2190/1920) according to L.3082/2002, Chapter H, Article 3, para 3, which has been considered to be deemed cost according to I.F.R.S. 1.

Subsequent costs are added to the book value of the property, plant and equipment or as separate assets only to the extent that these costs increase future economic benefits that are estimated to arise from the use of the asset and their cost can be reliably measured. The cost of repairs and maintenance is charged to the income statement during the financial period in which they are incurred.

The depreciation of other property, plant and equipment (except land that is not depreciable) is calculated using the straight line method to allocate their cost to the residual value over their estimated useful lives as follows:

Buildings	50-60	Years
Mechanical Equipment	7	Years
Electrical Equipment	3-4	Years
Motor vehicles	8	Years
Furniture	5	Years

The residual values and the useful lives of the property, plant and equipment are reviewed at

each balance sheet date. When the carrying values of the property, plant and equipment exceed their recoverable value, the difference (impairment) is recognized immediately as an expense in the income statement.

At the sale of the property, plant and equipment, the differences between the consideration received and the carrying amount are recognized in the income statement. Repairs and maintenance expenses are charged to the income statement during the financial period they are incurred.

2.6 Goodwill and Intangible Assets

Goodwill

Goodwill is the difference between the acquisition cost and fair value of the assets, liabilities and contingent liabilities of an acquired entity on the date of the acquisition.

In the case where a subsidiary is acquired, positive goodwill is presented as an intangible asset in the "Goodwill and other intangible assets", whereas in the case of the acquisition of an associate, goodwill is included in the value of the Group's investment in the associate. In case of negative goodwill is recorded as income in the Income Statement.

On the date of acquisition (on the date of completion of the purchase price allocation), goodwill acquired is allocated to the cash generating units or to cash generating group of units expected to benefit from this business combination.

Following initial recognition, goodwill is measured at cost less the accumulated losses due to its impairment. Goodwill is not amortized, but is tested on an annual basis or more regular basis if events indicate that there might be possible impairment loss.

If part of a cash generating unit, to which goodwill has been allocated, is sold then the amount of goodwill corresponding to the sold element is included in the book value of the element sold in order to specify the profit or loss. The amount of goodwill of the sold element is assessed based on the values of the said element as well as on the remaining part of the cash generating unit.

Intangible assets

Intangible assets consist of the Bank's computer software and the intangible assets from the subsidiary's acquisition. The intangible assets are evaluated at historic cost less accumulated amortization. Intangible assets are amortized using the straight-line method over their useful lives, not exceeding a period of 7 years for software and 15 years for other assets obtained during subsidiary's acquisition.

Software maintenance costs are expensed as incurred. Expenditure which enhance or extend the performance of computer software programs beyond their original specifications is recognized as a capital improvement and added to the original cost of the software, provided that it can be reliably measured.

2.7 Foreclosed Assets

Foreclosed assets mainly include property which is acquired by the Group through the process of

auction due to forced liquidation of collaterals securing loans. The specific items, are initially recognized in the cost of acquisition, including transactions costs, and are included in "Other Assets" in the balance sheet. In subsequent periods, they are measured at lower value between carrying and recoverable value (recoverable value is the fair value of the asset less any costs to dispose). Gains or losses from disposal of repossessed assets, are included in "Other Operating Income" in the income statement.

2.8 Impairment of Non Financial Assets

On each balance sheet date, the Group examines the book value of the tangible and intangible assets to determine whether there is an indication for impairment. The recoverable value of the asset is then calculated. When it is not possible to estimate the recoverable value of a specific asset, the Group estimates the recoverable value of the cash flow generating unit, to which the asset belongs. The recoverable value is the greater amount between the net sale price and the value in use. For the calculation of the value in use of the asset, the estimated future cash flows are discounted to their present value.

If the recoverable amount of an asset (or a cash flow generating unit) is estimated to be less than its carrying value, the carrying value of the asset (or the cash flow generating unit) is reduced to the recoverable amount. An impairment loss is immediately recognized in the income statement as an expense. If, subsequently, an impairment loss reverses, the carrying value of the asset (or the cash flow generating unit) increases up to the lower of the revised estimated recoverable value and the carrying value of the asset if no

impairment loss had been recognized (or the cash flow generating unit) in prior periods. The reversal of the impairment loss is recognized in the income statement.

2.9 Operating leases

Leases are classified as finance leases when, according to the terms of lease, the risks and rewards of ownership of the asset are transferred to the lessee. All other leases are classified as operating leases. The payments for operating leases (net from incentives offered from the lessor) are recognized in the income statement on a straight line basis throughout the duration of the lease.

Assets leased under an operational leasing, are included in the fixed assets and are depreciated during their expected useful life, according to similar own fixed assets. Rental revenues (after the deduction of motives given to tenants) are recognized according to the straight method applied during the lease period.

2.10 Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise of balances with less than three months maturity from the date of acquisition, including cash and non-restricted balances with Central Bank, Treasury Bills and other eligible bills, loans and advances to banks, amounts due from other banks and short-term government securities.

2.11 Income and Deferred Taxes

Income tax charge includes the current tax and the deferred tax, that is, the tax or the tax relief

that are related to the economic benefits that arise during the fiscal year but have already been accounted for or will be accounted by the tax authorities in different fiscal years. Income tax is recognized in the income statement of the fiscal year, except for the tax that relates to transactions that were recognized directly to equity, in which case it is also recognized directly in equity.

The taxable profit differs from the profit reported on the income statement as it does not include temporary taxable or allowable differences as well as balances which are permanent differences or are tax exempted.

Current taxes are accounted for according to the tax rates and the tax laws that are used in fiscal years for which they are relevant, based on the taxable profit for the year.

Deferred taxation is calculated with the balance sheet method and is recognized for all temporary differences between accounting and tax base of assets and liabilities, which are included in the financial statements.

Liabilities from deferred taxation are generally recognized for all the temporary tax differences. Deferred tax assets are recognized to the extent at which there will be enough future taxable profits to utilize the temporary difference that creates the deferred tax asset. Deferred tax is not recognized when it derives from the original recognition of an asset or a liability in a transaction, apart from a business merger, that did not affect neither accounting profit nor tax profit, when the transaction occurred. The book value of the deferred tax asset is examined on every balance sheet date and is reduced to the

extent that it is not likely that adequate available taxable profit will exist to utilize recovery of the asset (wholly or in part). The deferred tax assets and liabilities are calculated based on the tax rates that are expected to be applied in the fiscal year when it is estimated that the asset or liability will be settled, taking in mind the tax rates (and tax laws) that have been put in effect or effectively apply up to the date of the balance sheet.

Deferred tax assets and liabilities are offset when the Bank has a legally enforceable right to offset current tax assets against current tax liabilities and when those are related with income taxes levied from the same tax authority and furthermore, the Group is willing to settle current tax liabilities and assets on a net basis. Deferred taxes either aggravate or ameliorate the income statement by exception to those taxes which are charged or credited directly to equity, only if these taxes are related to elements which are also credited or charged directly to equity at the same or different period.

2.12 Employee Benefits

Short – term benefits: Cash paid to the short-term employee benefits (except for the post retirement benefits) and benefits in kind are recognized as an expense when they are considered accrued.

Unpaid amounts are recognized as a liability, while in the case where the amount already paid exceeds the amount of the benefits, the Bank recognizes the excess amount as an asset (pre-paid expense) only to the extent that the prepayment will lead to a reduction of future payments or in a refund.

Employee benefits during and after the redundancy of the service

The Bank pays contributions to defined employee plans during the service and after retirement. The Bank has both defined benefit and defined contributions plans, which grant lump sum compensations upon termination, pension and other medical benefits.

a) Defined benefit plans

Defined benefit plans are pension plans that define an amount of pension benefit to be provided, usually as a function of one or more factors such as years of service, age and compensation. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses. The Bank has elected to use the “corridor approach” of I.A.S.19 “Employee Benefits”, according to which part of the actuarial gains/losses are not recognized and are amortized over the expected average remaining working lives of the employees participating in that plan. However, without disregarding the above, the Bank at its transition date to I.F.R.S. has elected to take the exemption of paragraph 20 of I.F.R.S.1 in relation to Employee benefits and has recognized all the cumulative actuarial gains and losses up to the date of the transition to I.F.R.S.

The defined benefit obligation is calculated annually by independent certified actuaries using the projected unit credit method. The present value of the defined benefit obligation is

determined by discounting the estimated future cash outflows using interest rates on government bonds that have terms to maturity approximating the terms on the related pension liability.

b) Defined contribution plans

Defined contribution plans are pension plans to which the employer pays contributions to and has no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to pension obligations. The regular contributions constitute net periodic costs for the year in which they are due and as such they are included in line 'Staff Costs' of the Income Statement.

Share based compensation

The fair value of the employee services received in exchange for the grant of the options under a share option scheme is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted.

The proceeds received from the issue of new shares, net of any directly attributable transaction cost, increase share capital and share premium when the options are exercised.

2.13 Provisions and contingent liabilities and assets

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the

obligation. The provisions are calculated on the basis of the best estimate of the Board of Directors, overviewed on the balance sheet date and are adjusted to represent the present value of the expense which is expected to settle an obligation.

Contingent liabilities are not recognized in the financial statements but are disclosed, unless the possibility of the outflow resource with potential financial benefit is remote. Contingent assets are not recognized in the financial statements but are disclosed if the inflow of economic benefit is probable.

2.14 Share Capital

Common shares

Share capital includes the common shares of the bank. Common shares are included in equity.

Incremental costs directly attributable to the issue of new shares are shown after the reduction of the relative income tax in reduction to the product of issue. Incremental costs directly attributable to the issue of new shares for the acquisition of other entities are included in the cost of acquisition of the new company.

The acquisition cost of treasury shares is deducted from the equity of the Bank, until the own shares are reissued or cancelled. Where such shares are subsequently reissued, any consideration received, net, of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Bank's equity reserves.

Preferred Securities

Preferred securities issued by the Group are classified as equity when there is no contractual obligation to deliver to the holder cash or another financial asset.

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

Dividend distribution on preferred securities is recognized as a deduction in the Group's equity on the date it is due.

Where preferred securities, issued by the Group, are repurchased, the consideration paid including any directly attributable incremental costs (net of income taxes), is deducted from shareholders' equity. Where such securities are subsequently called or sold, any consideration received is included in shareholders' equity.

2.15 Revenue and Expenses Recognition

The Group's revenue and expenses mainly include interest income from loans and interest bearing securities, commissions from portfolio management and other banking activities, income from dividends and other income. Any intercompany revenue is eliminated on consolidation.

Revenue recognition policies are as follows:

j) Interest Income and expenses

Interest income and expenses are reported in the income statement on accrual basis using the effective yield of the financial asset, or the

corresponding floating rate. The interest income and expenses include the amortization of premiums or discounts or other differences between the initial nominal value of an interest-bearing financial asset and the amount that will be received or paid at maturity, using the effective interest rate method. The effective interest rate method calculates the unamortized cost of the asset or liability in a way to allocate income or interest expenses over the period until maturity.

The effective interest rate discounts the estimated future cash flows of the financial instrument throughout its expected duration.

Once a financial asset or group of similar financial assets is depreciated as a result of impairment, interest income is recognized by applying the rate used to measure the impairment loss by discounting future cash flows.

ii) Income and expenses from commissions

Income and expenses from fees and commissions are recognized depending on the stage of completion of the services rendered in order to match those related to the costs, while those related to the undertaking of credit risk are charged in the income statement on a systematic basis during the period within which the risk exists as it is incorporated in the effective interest rate method calculation.

iii) Income from dividends

Income from dividends is recognized when the right to receive payment is established.

2.16 Dividends Distribution

The distribution of dividends to the shareholders of the Group is recognized as a liability in the financial statements on the date that the distribution is approved by the General Meeting of the shareholders.

3. Critical accounting policies, estimates and judgments

The preparation of the financial statements in accordance with International Financial Reporting Standards (I.F.R.S.) requires management to make a number of judgments, estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses in consolidated and stand alone Financial Statements and the accompanying notes. The Group's Management believes that the judgments, estimates and assumptions used in the preparation of the consolidated and stand alone Financial Statements are appropriate given the factual circumstances as of 31st December 2010 which have not changed in comparison with the previous fiscal year.

Various elements of the Group's accounting policies, by their nature, are inherently subject to estimations, valuation assumptions and other subjective assessments. In particular, the Group has identified the following policies which, due to the judgments, estimates and assumptions inherent in those policies, and the sensitivity of the financial statements to those judgments, estimates and assumptions, are critical to understanding the financial statements.

3.1 Measurement of financial instruments at fair value

Where no active market exists, the financial instruments that are measured at fair value and are not dealt with in active markets or where quoted prices are not otherwise available, fair value is determined using a variety of valuation techniques. These include present value methods, models based on observable input parameters, and models where some of the input parameters are unobservable.

Valuation methods are used primarily to value derivatives transacted in the over-the-counter market. Although a significant degree of judgment is, in some cases, required in establishing fair values, Management believes that the fair values recorded in the Statement of Financial Position and the changes in fair values recorded in the Income Statement are prudent and reflective of the underlying economics, based on the controls and procedural safeguards employed.

3.2 Impairment of loans

The amount of the allowance provided for loan losses is based upon management's ongoing assessments of the probable estimated losses in the loan portfolio. The accuracy of the allowances provided depends on management's estimates of future cash flows for specific counterparty allowances and the model assumptions and parameters used in determining collective allowances. While this necessarily involves judgment, the Bank's management believes that the allowances are reasonable and supportable.

3.3 Testing of subsidiaries' impairment

The Group tests for impairment of goodwill on acquired subsidiary and associate on an annual basis. In order to ascertain whether there is evidence for impairment, the value in use and the fair value of a business unit need to be calculated. Usually the methods used are the cash flows present value method, future dividends present value method and measurement on the basis of similar entity indicators. To apply the specific methods, Management needs to use data, such as the subsidiary's and associate's estimated future profitability, business plans and market data, such as interest rates.

3.4 Impairment for available-for-sale financial assets

The Bank follows the I.A.S.39 guidance on determining when a share is other than temporarily impaired. This determination requires judgment and the Bank evaluates what is significant or prolonged decline in the fair value of the equity investments below their cost.

In making this judgment, the Group evaluates, among other factors for shares that trade in an active market, the normal volatility in share price whereas for shares of companies not listed in the stock exchange market the significant reduction of financial figures. 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.

3.5 Income Taxes

Significant judgment is required in determining the provision for income taxes. During the ordinary course of business, there are many transactions and calculations for which the ultimate tax determination is uncertain. The Bank recognizes liabilities for anticipated differences due to a tax audit from tax authorities based on estimates of whether additional taxes will be imposed. In case the final payable taxes are different from the amounts that were initially recorded, such differences will affect, through the income statement, current and deferred income tax provision in the respective period.

4. Financial Risk Management

The Group's activities expose the Bank to a variety of financial risks, from which the most significant are : credit risk, market risk, liquidity risk, the change of fair value of financial assets due to change of prices and rates in the market and the sufficiency of capital resources for backing up Bank's activities. Market risk includes currency risk, interest rate and other price risk.

The Group's risk management policies are designed to identify, monitor and analyze these risks, to set appropriate risk limits and controls. The Bank regularly reviews its risk management policies and methods to reflect changes in markets and products in order to develop more efficient practices.

Risk management is carried out by the Risk Management Division under policies approved by the Board of Directors. The Risk Management Division identifies, evaluates, and hedges

financial risks in close co-operation with the Group's operating units. Apart from the Risk Management Division, there is also the Risk Management Committee, which has the following responsibilities :

- The strategic undertaking modulation of every risk type and capital management.
- The development of an internal risk management system and its integration in the business decisions procedure.
- Evaluation of the Risk Management Division's reports and notification to the Board of Directors.
- Annual valuation of the adequacy and effectiveness of the Bank's risk management policy.

4.1 Credit Risk

Credit risk is the risk of financial loss for the Bank that arises when the debtors are in no position to pay off their loans and to fulfill their contractual/transactional obligations. Credit risk is considered the most significant for the Bank's business; and its efficient monitoring and management constitutes a top priority for management.

The Group's overall exposure to credit risk including the liquidation risk mainly arises from the Group's investment and transaction activities, the trading activities in the derivative markets as well as from the settlement of financial instruments.

4.1.1 Credit risk measurement

There are various factors that affect the level of credit risk, some of which include general economic and market conditions, as well as the

future expectations, counterparties' financial condition, type, duration and amount of exposure, as well as the presence of any collateral/security (guarantees).

The Group's Board of Directors considers the efficient management of credit risk very important. Hellenic Postbank has created and developed all the needed infrastructure and procedures, in order to estimate and value the credit capacity of each counterparty.

a) Loans and advances

In measuring credit risk of loans and advances the Bank reflects : (i) a customer's creditworthiness and the probability of defaulting on their contractual obligations is systematically assessed, (ii) the Bank's current exposure to credit risk arising from the claim is monitored.

(i) Systematic evaluations of the customer's creditworthiness and assessment of the probability of defaulting on their contractual obligations

The Bank evaluates the creditworthiness of its borrowers and assesses the probability of defaulting on their contractual obligations. The Bank focusing on the application of modern credit risk measurement methods, evaluates applicants creditworthiness using applications scoring models. The Bank regularly tests the predictive capability of the creditworthiness evaluation and rating models used both for Corporate and Retail Credit, and makes adjustments that may be necessary thus ensuring its potential of accurately depicting any credit risk allowing for the timely implementations of measures addressing arising problems.

(ii) Monitoring the Bank's current credit risk exposure

The Bank monitors the credit risk exposure of its loans and advances to customers, based on their notional amount, as presented in the financial statements.

b) Securities and other bills

For the measurement and evaluation of the credit risk entailed in debt securities and other bills, external ratings from rating agencies are used, such as Standard and Poor's, Moody's or other similar organizations. The amount of the Bank's exposure to credit risk from debt securities and other bills is measured based on the market value of on or off balance sheet exposures and/or positions.

c) Stress Testing

Stress testing exercises constitute an integral part of the Bank's credit risk measurement and quantification, providing estimates of the size of financial losses that could occur under extreme financial market conditions. Hellenic Postbank systematically runs credit risk stress testing exercises, in accordance with the instructions issued by the Bank of Greece (Governor of the Bank of Greece Decree /2577/9.3.2006), the results of which are presented to and evaluated by the Risk Management Committee. The stress tests are performed by the Risk Management Division and primarily make use of the sensitivity analysis technique.

During 2010, the Risk Management Department conducted the annual exercise stress testing, according to the scenarios and methodology of

the test carried out across Europe (2010 EU Wide Stress Testing Exercise of European B), which was coordinated by the Committee of European Banking Supervisors (CEBS), in cooperation with the European Central Bank, under the supervision of the Bank of Greece. Results show that the Group has a strong capital base and can cope with severe disorders such as those scenarios, that jointly agreed by the Committee of European Banking Supervisors (CEBS), in cooperation with the European Central Bank, and subject to supervision of the Bank of Greece. Results showed the performance of capital stock with a value index TIER 1 10,1%, compared with a limit of 6% that has been reserved for the purpose of the test.

4.1.2 Credit limits management and risk mitigation techniques

The Group manages, controls and limits the concentration of credit risk per counterparty, per counterparty group, per product and per segment by applying limits to the counterparties and credit limits in order to ensure the maintenance of the maximum acceptable risk exposure and the protection of the Bank's funds. The Bank's total exposure to borrower credit risk is further controlled by the application of sub-limits that address on and off-balance sheet exposures, as well as daily positions of the trading book in financial instruments, such as foreign exchange profit/losses.

The following paragraphs describe further techniques applied by the Hellenic Postbank for credit risk control and limitation.

a) Collateral / Security

The Group obtains collateral/security against its credit to customers, minimizing thus the overall credit risk and ensuring the timely repayment of its debt claims.

To this end, the Bank has established categories of acceptable collateral and has incorporated them in its credit policy. The main types are the following:

- Mortgage for certain consumer and mortgage loans
- Greek State letters of guarantee for loans to public institutions
- Pledged deposits and securities

The collateral/security associated with a credit is initially evaluated during the credit approval process, based on their current or fair value, and is re-evaluated at regular intervals. In general, no collateral/security is required against exposures to financial institutions, unless it has to do with resale agreements (reverse repos).

b) Derivatives

The Group systematically monitors and controls the exposure and duration of its net open positions in the derivative markets. At any given moment, the overall credit risk exposure of the Bank to derivative products corresponds to the positive market value of its open positions.

Credit exposures from positions in the derivative markets are part of the overall credit limits set for any counterparty and are taken into consideration during the approval procedure.

c) Netting arrangements

In cases where there is the legal right and the expressed intention to net the amounts owed to the Bank by counterparty, the Bank is entitled to proceed in netting a claim along with an associated obligation and record the net amount on the Statement of Financial Position.

d) Credit-related commitments

The Group uses credit-related commitments to provide customers with funds as required. These credit-related commitments entail the same risk as the Group's loans and advances and mainly concern approved loan contracts for mortgage and loans that are related to certified construction of rising real estate.

4.1.3. Impairment and provisioning policy

Each reporting date the Group evaluates data on whether a financial asset or group of financial assets is impaired.

Financial assets which are amenable to impairment (if any indications exist) are assets valued at cost or under the equity method (participations in subsidiaries and associates), assets valued at amortized cost (long-term receivables) and available for sale investments.

The recoverable amount of investments in subsidiaries and associates is determined in the same manner as for non-financial assets.

The recoverable / receivable value of financial assets, so as to carry out the relevant impairment tests, is broadly defined based on the present

value of estimated future cash flows, discounted at the initial effective discount rate of the element or group of elements, or at the current rate of return of a similar financial instrument.

The resulting impairment loss is recognized in income statement.

The Group systematically examines whether there is valid and objective evidence that a claim's value has been impaired. To this end, as of the date of each published financial statement, it conducts an impairment test concerning the value of its loans, according to the general principles and methodology described in the International Accounting Standards, and proceeds with assuming the respective provisions.

A claim is considered impaired when its book value exceeds its anticipated recoverable amount. The recoverable amount is estimated by the sum of present value of future cash flows from anticipated repayments and the present value of liquidation of any collateral/guarantees in case the borrower fails to service the loan. In the event that there are indications that the Bank will not be able to receive all payments due, a specific provision is made for the impaired amount of associated with the loan. The amount of the provision equals the difference between the carrying amount and the present value of the estimated future cash flows.

The estimation concerning the existence of impairment and any resulting provisioning is conducted individually at a loan level for those considered by the Bank as significant, and collectively on the loan group level for those considered less significant. The estimation of impairment is conducted collectively for claims

(portfolios of claims) with common risk characteristics, which are not considered significant on an individual basis. Also collective assessment includes loans that have been tested individually for impairment but no impairment has occurred.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, such as an improvement in the debtor's credit rating, the previously recognized loss is reduced and the difference is recognized in the Income Statement.

Write-offs

The Bank proceeds with write-offs of impaired loans against their respective provisions, after all necessary judicial and other procedures have been exhausted and once it is highly expected that these loans will not be collected. The Board of Directors of the Bank and its subsidiaries makes the decision for the write-offs.

The Bank continues the monitoring of the written-off loans, following their write off, in case that they may become collectable. Probable income from written-off loans is assessed in the income statement.

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

The following table presents the Group's maximum credit risk exposure at 31/12/2010 and 31/12/2009, without including collateral held or other credit enhancements. For balance sheet items, credit exposures are based on their

carrying amounts as reported on the Statement of Financial Position.

On consolidated basis

Maximum exposure in Credit Risk	31.12.2010	31.12.2009
Credit risk exposure relating to on-balance sheet assets		
Loans and advances to credit institutions	931.918.570,64	2.339.367.903,83
Loans and advances to consumers (net of provisions)		
Loans to individuals		
-Consumer loans	1.671.312.021,45	1.816.089.453,79
-Mortgages	4.684.130.823,80	4.556.669.304,99
-Credit cards	209.550.385,10	210.294.853,09
Loans to corporate entities		
-Public sector	660.340.381,42	596.362.277,54
-Corporate debt securities	771.434.128,80	700.478.323,13
-Due from affiliates	3.000.000,00	-
Trade Portfolio		
-Fixed income securities	11.731.357,46	357.304.366,56
Derivative financial instruments-assets	3.581.660,27	6.104.895,79
Financial instruments designated at fair value through profit & loss		
-Fixed income securities	37.761.214,00	59.750.888,45
Investment portfolio		
Available for sale		
-Fixed income securities	708.869.815,65	5.608.332.301,62
Held to maturity		
-Fixed income securities	2.135.527.615,97	450.736.603,03
Debt securities		
-Fixed income securities	3.200.427.318,82	22.701.717,71
Other assets	471.311.519,47	462.439.768,60
Total	15.500.896.812,85	17.186.632.658,13
Credit risk exposure to off-balance sheet assets		
Loan commitments and other credit related liabilities	112.167.375,14	104.807.622,02
Total	15.613.064.187,99	17.291.440.280,15

On stand alone basis

Maximum exposure in Credit Risk	31.12.2010	31.12.2009
Credit risk exposure relating to on-balance sheet assets		
Loans and advances to credit institutions	924.277.011,75	2.334.818.210,09
Loans and advances to consumers (net of provisions)		
Loans to individuals		
-Consumer loans	1.671.312.021,45	1.816.089.453,79
-Mortgages	4.684.130.823,80	4.556.669.304,99
-Credit cards	1.689.366,82	10.209.488,03
Loans to corporate entities		
-Public sector	660.340.381,42	596.362.277,54
-Corporate debt securities	771.434.128,80	700.478.323,13
-Due from affiliates	209.908.747,62	208.278.517,45
Trade Portfolio		
-Fixed income securities	11.706.357,46	357.304.366,56
Derivative financial instruments-assets	3.581.660,27	6.104.895,79
Financial instruments designated at fair value through profit & loss		
-Fixed income securities	37.761.214,00	59.750.888,45
Investment portfolio		
Available for sale		
-Fixed income securities	708.869.815,65	5.608.332.301,62
Held to maturity		
-Fixed income securities	2.135.527.615,97	450.736.603,03
Debt securities		
-Fixed income securities	3.200.427.318,82	22.701.717,71
Other assets	465.890.477,33	456.319.891,76
Total	15.486.856.941,16	17.184.156.239,94
Credit risk exposure to off-balance sheet assets		
Loan commitments and other credit related liabilities	205.258.627,52	196.724.025,18
Total	15.692.115.568,68	17.380.880.265,12

4.1.5 Loans and advances

Loans and advances to customers and to credit institutions are summarized as follows:

ON CONSOLIDATED BASIS

Amount in €	31.12.2010		31.12.2009	
	Loans and advances to consumers	Loans and advances to credit institutions	Loans and advances to consumers	Loans and advances to credit institutions
Neither past due nor impaired	7.323.340.787,24	931.918.570,64	7.325.240.043,50	2.339.367.903,83
Past due under 90 days but not impaired	371.231.143,70	-	307.249.003,77	-
Impaired loans and advances	521.536.592,55	-	410.279.870,77	-
Gross	8.216.108.523,49	931.918.570,64	8.042.768.918,04	2.339.367.903,83
Less: allowance for impairment	(216.340.782,92)	-	(162.874.705,50)	-
Net	7.999.767.740,57	931.918.570,64	7.879.894.212,54	2.339.367.903,83

ON STAND ALONE BASIS

Amount in €	31.12.2010		31.12.2009	
	Loans and advances to consumers	Loans and advances to credit institutions	Loans and advances to consumers	Loans and advances to credit institutions
Neither past due nor impaired	7.354.349.259,05	924.277.011,75	7.333.615.058,18	2.334.818.210,09
Past due under 90 days but not impaired	355.987.114,29	-	307.247.717,91	-
Impaired loans and advances	479.582.905,26	-	393.956.084,67	-
Gross	8.189.919.278,60	924.277.011,75	8.034.818.860,76	2.334.818.210,09
Less: allowance for impairment	(191.103.808,69)	-	(146.731.495,83)	-
Net	7.998.815.469,91	924.277.011,75	7.888.087.364,93	2.334.818.210,09

a) Loans without impairment

Loans and advances to customers

ON CONSOLIDATED BASIS

31.12.2010	Loans and advances to individuals (retail customers)			Loans and advances to corporate entities		Total loans and advances to customers
	Consumer loans	Mortgages	Credit Cards	Public Sector loans and debt securities	Debt Securities and corporate bond loans	
Standard monitoring	1.563.685.620,55	4.148.980.380,66	175.900.275,81	660.340.381,42	774.434.128,80	7.323.340.787,24
Total	1.563.685.620,55	4.148.980.380,66	175.900.275,81	660.340.381,42	774.434.128,80	7.323.340.787,24

31.12.2009	Loans and advances to individuals (retail customers)			Loans and advances to corporate entities		Total loans and advances to customers
	Consumer loans	Mortgages	Credit Cards	Public Sector loans and debt securities	Debt Securities and corporate bond loans	
Standard monitoring	1.701.035.755,87	4.120.978.875,27	206.384.811,69	596.362.277,54	700.478.323,13	7.325.240.043,50
Total	1.701.035.755,87	4.120.978.875,27	206.384.811,69	596.362.277,54	700.478.323,13	7.325.240.043,50

ON STAND ALONE BASIS

31.12.2010	Loans and advances to individuals (retail customers)			Loans and advances to corporate entities		Total loans and advances to customers
	Consumer loans	Mortgages	Credit Cards	Public Sector loans and debt securities	Debt Securities and corporate bond loans	
Standard monitoring	1.563.685.620,55	4.148.980.380,66	-	660.340.381,42	981.342.876,42	7.354.349.259,05
Total	1.563.685.620,55	4.148.980.380,66	-	660.340.381,42	981.342.876,42	7.354.349.259,05

31.12.2009	Loans and advances to individuals (retail customers)			Loans and advances to corporate entities		Total loans and advances to customers
	Consumer loans	Mortgages	Credit Cards	Public Sector loans and debt securities	Debt Securities and corporate bond loans	
Standard monitoring	1.701.035.755,87	4.120.978.875,27	6.481.308,92	596.362.277,54	908.756.840,58	7.333.615.058,18
Total	1.701.035.755,87	4.120.978.875,27	6.481.308,92	596.362.277,54	908.756.840,58	7.333.615.058,18

Loans and advances to credit institutions

ON CONSOLIDATED BASIS

	2010	2009
Investment grade	-	-
Special Monitoring	130.433.187,13	120.685.633,21
Standard Monitoring	801.485.383,51	2.218.682.270,62
Total	931.918.570,64	2.339.367.903,83

ON STAND ALONE BASIS

	2010	2009
Investment grade	-	-
Special Monitoring	130.433.187,13	120.685.633,21
Standard Monitoring	793.843.824,62	2.214.132.576,88
Total	924.277.011,75	2.334.818.210,09

b) Loans and advances past due up to 90 days but not impaired

On consolidated basis

31.12.2010

	Loans and advances to individuals			Total
	Consumer loans	Mortgages	Credit Cards	
up to 30 days	23.014.570,10	148.715.831,46	7.319.116,12	179.049.517,68
31 - 60 days	11.060.810,98	120.831.848,95	4.770.234,90	136.662.894,83
61 - 90 days	7.974.564,67	44.389.488,13	3.154.678,39	55.518.731,19
Total	42.049.945,75	313.937.168,54	15.244.029,41	371.231.143,70

31.12.2009

	Loans and advances to individuals			Total
	Consumer loans	Mortgages	Credit Cards	
up to 30 days	23.672.117,88	131.259.116,03	955.969,60	155.887.203,51
31 - 60 days	11.665.151,87	100.428.522,40	266.372,78	112.360.047,05
61 - 90 days	8.132.749,10	30.703.176,55	165.827,56	39.001.753,21
Total	43.470.018,85	262.390.814,98	1.388.169,94	307.249.003,77

On stand alone basis

31.12.2010

	Loans and advances to individuals			Total
	Consumer loans	Mortgages	Credit Cards	
up to 30 days	23.014.570,10	148.715.831,46	-	171.730.401,56
31 - 60 days	11.060.810,98	120.831.848,95	-	131.892.659,93
61 - 90 days	7.974.564,67	44.389.488,13	-	52.364.052,80
Total	42.049.945,75	313.937.168,54	-	355.987.114,29

31.12.2009

	Loans and advances to individuals			Total
	Consumer loans	Mortgages	Credit Cards	
up to 30 days	23.672.117,88	131.259.116,03	955.084,09	155.886.318,00
31 - 60 days	11.665.151,87	100.428.522,40	266.126,04	112.359.800,31
61 - 90 days	8.132.749,10	30.703.176,55	165.673,95	39.001.599,60
Total	43.470.018,85	262.390.814,98	1.386.884,08	307.247.717,91

c) Loans and advances impaired

ON CONSOLIDATED BASIS

31.12.2010

	Loans and advances to individuals (retail customers)			Loans and advances to corporate institutions	
	Consumer loans	Mortgages	Credit cards	Debt Securities and corporate bond loans	Total
Impaired loans	142.154.645,84	305.877.554,60	58.847.371,11	14.657.021,00	521.536.592,55
Total	142.154.645,84	305.877.554,60	58.847.371,11	14.657.021,00	521.536.592,55

31.12.2009

	Loans and advances to individuals (retail customers)			Loans and advances to corporate institutions	
	Consumer loans	Mortgages	Credit cards	Debt Securities and corporate bond loans	Total
Impaired loans	135.985.935,90	232.116.350,74	35.081.363,14	7.096.220,99	410.279.870,77
Total	135.985.935,90	232.116.350,74	35.081.363,14	7.096.220,99	410.279.870,77

ON STAND ALONE BASIS

31.12.2010

	Loans and advances to individuals (retail customers)			Loans and advances to corporate institutions	
	Consumer loans	Mortgages	Credit cards	Debt Securities and corporate bond loans	Total
Impaired loans	142.154.645,84	305.877.554,60	16.893.683,82	14.657.021,00	479.582.905,26
Total	142.154.645,84	305.877.554,60	16.893.683,82	14.657.021,00	479.582.905,26

31.12.2009	Loans and advances to individuals (retail customers)			Loans and advances to corporate institutions	
	Consumer loans	Mortgages	Credit cards	Debt Securities and corporate bond loans	Total
Impaired loans	135.985.935,90	232.116.350,74	18.757.577,04	7.096.220,99	393.956.084,67
Total	135.985.935,90	232.116.350,74	18.757.577,04	7.096.220,99	393.956.084,67

The Bank receives for mortgages collateral securities (1st lien) that pertain the 120% of the disbursement of loans' value.

4.1.6 Investment in securities and treasury bills

Tables below present the credit rating of debt securities that the Bank and the Group have in their portfolio, according to announcements of international rating agencies.

31/12/2010	Trade Portfolio	Available for sale	Held to maturity	Corporate debt securities	Debt securities of loan portfolio	Total
AAA	-	47.527.694,50	-	-	-	47.527.694,50
AA- to AA+	-	-	-	126.765.273,49	-	126.765.273,49
A- to A+	26.153.960,00	54.886.843,39	59.599.823,56	97.690.354,10	8.759.819,48	247.090.800,53
Lower than A-	15.361.516,72	536.087.959,33	2.075.927.792,41	651.606.269,76	3.171.005.634,63	6.449.989.172,85
Unrated	7.949.030,00	70.367.318,43	-	407.307.390,10	-	485.623.738,53
Total	49.464.506,72	708.869.815,65	2.135.527.615,97	1.283.369.287,45	3.179.765.454,11	7.356.996.679,90

31/12/2009	Trade Portfolio	Available for sale	Held to maturity	Corporate debt securities	Debt securities of loan portfolio	Total
AAA	6.891.000,00	94.520.405,76	-	-	-	101.411.405,76
AA- to AA+	-	-	-	185.840.572,71	-	185.840.572,71
A- to A+	40.027.786,15	889.452.584,01	63.467.713,68	103.010.986,86	8.573.347,58	1.104.532.418,28
Lower than A-	345.028.404,15	4.231.530.796,36	205.705.583,43	601.467.933,41	13.499.487,35	5.397.232.204,70
Unrated	25.105.000,00	392.828.515,49	181.563.305,92	313.412.183,44	-	912.909.004,85
Total	417.052.190,30	5.608.332.301,62	450.736.603,03	1.203.731.676,42	22.072.834,93	7.701.925.606,30

4.1.7 Obtaining ownership of provided collaterals

During 2009 and 2010, the Bank obtained assets after transferring the ownership of its assets' collaterals.

	2010	2009
Pledged assets	0,00	44.614,47
Total	0,00	44.614,47

4.1.8 Concentration of risks of financial assets with credit risk exposure per industrial sector

The following table breaks down the Bank's main credit exposure at their carrying amounts, as categorized by industrial sector as at December 31st, 2010. The Bank has allocated exposures to sectors based on the industry sector of its counterparties.

On consolidated basis
Credit risk exposure by industrial sector

31.12.2010	BANKING & OTHER FINANCIAL SERVICES	CONSTRUCTION	ENERGY	INSURANCE	TELECOMMUNICATIONS	OTHER INDUSTRIES	PUBLIC SECTOR	INDIVIDUALS	TOTAL
Loans and advances to credit institutions	931.918.570,64	-	-	-	-	-	-	-	931.918.570,64
Loans and advances due from customers									
-Consumer/personal loans	-	-	-	-	-	-	-	1.671.312.021,45	1.671.312.021,45
-Mortgages	-	-	-	-	-	-	-	4.684.130.823,80	4.684.130.823,80
-Credit Cards	-	-	-	-	-	-	-	209.550.385,10	209.550.385,10
Loans to corporate entities									
-Public Sector	-	348.302.962,92	-	-	-	-	312.037.418,50	-	660.340.381,42
-Debt securities	149.345.667,90	159.215.687,44	118.128.775,36	38.306.387,77	-	306.437.610,33	-	-	771.434.128,80
-Loans to affiliates	-	-	-	-	-	-	-	3.000.000,00	3.000.000,00
Trade Portfolio									
-Bonds	9.541.864,74	-	-	-	-	2.181.782,56	7.710,16	-	11.731.357,46
Derivative financial assets	3.581.660,27	-	-	-	-	-	-	-	3.581.660,27
Financial instruments designated at fair value through profit & loss									
-Bonds	37.761.214,00	-	-	-	-	-	-	-	37.761.214,00
Investment Portfolio									
-Available for sale	-	-	-	-	-	-	-	-	-
-Bonds	503.129.802,71	-	5.160.750,00	2.371.528,09	48.628.600,00	17.735.919,85	131.843.215,00	-	708.869.815,65
-Held to maturity									
-Bonds	82.077.543,25	-	-	-	-	-	2.053.450.072,72	-	2.135.527.615,97
Debt securities of loan portfolio									
-Bonds	24.386.132,03	-	-	-	-	-	3.176.041.186,79	-	3.200.427.318,82
Other assets	160.008.440,35	-	-	184.108,08	-	148.654.340,08	3.292.193,73	159.172.437,23	471.311.519,47
Loan commitments and other credit related liabilities	-	-	-	-	-	-	-	112.167.375,14	112.167.375,14
Total Exposure 31.12.2010	1.901.750.895,89	507.518.650,36	123.289.525,36	40.862.023,94	48.628.600,00	475.009.652,82	5.676.671.796,90	6.839.333.042,72	15.613.064.187,99
Total Exposure 31.12.2009	3.816.291.276,27	475.372.267,46	215.179.005,42	3.124.866,78	51.240.171,63	407.353.544,92	5.495.519.214,87	6.827.359.932,80	17.291.440.280,15

On stand alone basis

Credit risk exposure by industrial sector

31.12.2010	BANKING & OTHER FINANCIAL SERVICES	CONSTRUCTION	ENERGY	INSURANCE	TELECOMMUNICATIONS	OTHER INDUSTRIES	PUBLIC SECTOR	INDIVIDUALS	TOTAL
Loans and advances to credit institutions	924.277.011,75	-	-	-	-	-	-	-	924.277.011,75
Loans and advances due from customers									
-Consumer loans	-	-	-	-	-	-	-	1.671.312.021,45	1.671.312.021,45
-Mortgages	-	-	-	-	-	-	-	4.684.130.823,80	4.684.130.823,80
-Credit Cards	-	-	-	-	-	-	-	1.689.366,82	1.689.366,82
Loans to corporate entities									
-Public Sector	-	348.302.962,92	-	-	-	-	312.037.418,50	-	660.340.381,42
-Debt securities	149.345.667,90	159.215.687,44	118.128.775,36	38.306.387,77	-	306.437.610,33	-	-	771.434.128,80
-Loans to affiliates	209.908.747,62	-	-	-	-	-	-	-	209.908.747,62
Trade Portfolio									
-Bonds	9.541.864,74	-	-	-	-	2.156.782,56	7.710,16	-	11.706.357,46
Derivative financial assets	3.581.660,27	-	-	-	-	-	-	-	3.581.660,27
Financial instruments designated at fair value through profit & loss									
-Bonds	37.761.214,00	-	-	-	-	-	-	-	37.761.214,00
Investment Portfolio									
-Available for sale	-	-	-	-	-	-	-	-	-
-Bonds	503.129.802,71	-	5.160.750,00	2.371.528,09	48.628.600,00	17.735.919,85	131.843.215,00	-	708.869.815,65
-Held to maturity									
-Bonds	82.077.543,25	-	-	-	-	-	2.053.450.072,72	-	2.135.527.615,97
Debt securities of loan portfolio									
-Bonds	24.386.132,03	-	-	-	-	-	3.176.041.186,79	-	3.200.427.318,82
Other assets	281.181.808,01	-	2.031,30	-	-	5.212.388,43	3.292.193,73	176.202.055,86	465.890.477,33
Loan commitments and other credit related liabilities	93.091.252,38	-	-	-	-	-	-	112.167.375,14	205.258.627,52
Total Exposure 31.12.2010	2.318.282.704,66	507.518.650,36	123.291.556,66	40.677.915,86	48.628.600,00	331.542.701,17	5.676.671.796,90	6.645.501.643,07	15.692.115.568,68
Total Exposure 31.12.2009	4.092.327.476,91	475.372.267,46	215.179.974,72	2.967.860,00	51.240.171,63	312.052.381,18	5.495.519.214,87	6.736.220.918,35	17.380.880.265,12

4.2 Market Risk

Market risk is the risk of a loss arising from financial assets and liabilities management as well as from various portfolios management due to adverse changes in the prices of the related assets.

4.2.1 Currency Risk

Foreign currency risk is the investment risk deriving from unfavorable currency rate changes, when the Bank holds open foreign exchange positions. Management has set specific maximum currency exposure limits for intra-day and daily currency positions. Currency exposure limits are monitored daily.

The Bank's open foreign exchange positions for the years ended on December 31st, 2010 and 2009 in stand alone and on a consolidated basis were as follows.

Currency Risk on consolidated basis

31.12.2010	USD	CAD	GBP	CHF	SEK	OTHER CURRENCIES	EURO	TOTAL
Currency Risk concerning Assets								
Cash and balances with Central Bank	160.296,04	13.924,34	37.894,86	1.415,55	2.502,93	825.793,29	360.787.735,69	361.829.562,70
Receivables to Credit Institutions	24.066.234,81	1.145.689,02	747.187,42	628.919,05	16.866,13	3.146.844,43	902.166.829,78	931.918.570,64
Financial assets designated at fair value through profit & loss	2.075.412,53	-	-	-	-	-	73.847.368,24	75.922.780,77
Derivative financial assets	-	-	-	-	-	-	3.581.660,27	3.581.660,27
Loans & advances, due from customers	-	-	-	-	-	-	8.216.108.523,49	8.216.108.523,49
Minus :Provisions	-	-	-	-	-	-	(216.340.782,92)	(216.340.782,92)
Investment securities Available for Sale	73.533.279,33	-	4.679.728,14	-	-	-	767.364.006,50	845.577.013,97
Investment securities Held to Maturity	9.726.615,89	-	-	-	-	-	2.125.801.000,08	2.135.527.615,97
Debt securities	12.524.170,10	-	-	-	-	-	3.187.903.148,72	3.200.427.318,82
Investment in Subsidiary	-	-	-	-	-	-	-	-
Investment in Associates	-	-	-	-	-	-	119.525.213,08	119.525.213,08
Property, plant and equipment	-	-	-	-	-	-	135.624.795,81	135.624.795,81
Intangible Assets	-	-	-	-	-	-	25.462.016,18	25.462.016,18
Deferred tax assets	-	-	-	-	-	-	221.275.983,28	221.275.983,28
Current tax assets	-	-	-	-	-	-	38.590.881,25	38.590.881,25
Other Assets	703.284,66	4.636,28	84.360,48	18,33	-	4.771,79	470.514.447,93	471.311.519,47
Total Assets	122.789.293,36	1.164.249,64	5.549.170,90	630.352,93	19.369,06	3.977.409,51	16.432.212.827,38	16.566.342.672,78
Currency Risk concerning Liabilities								
Due to banks	-	-	-	-	-	1.903.166,87	3.100.381.704,88	3.102.284.871,75
Due to Customers	16.965.967,71	1.112.483,67	825.784,38	619.031,78	21.912,83	1.834.343,54	12.103.423.963,92	12.124.803.487,83
Derivative financial liabilities	-	-	-	-	-	-	154.993.975,32	154.993.975,32
Deferred Tax Liabilities	-	-	-	-	-	-	49.584.623,70	49.584.623,70
Current Tax Liabilities	-	-	-	-	-	-	4.940.899,93	4.940.899,93
Retirement Benefit Obligations	-	-	-	-	-	-	21.933.217,53	21.933.217,53
Other Liabilities	638.789,78	3.810,38	85.259,98	188,15	(0,01)	8.823,77	176.641.221,32	177.378.093,37
Total Liabilities	17.604.757,49	1.116.294,05	911.044,36	619.219,93	21.912,82	3.746.334,18	15.611.899.606,60	15.635.919.169,43
Net on financial position	105.184.535,87	47.955,59	4.638.126,54	11.133,00	(2.543,76)	231.075,33	820.313.220,78	930.423.503,35
Time contracts and other currency derivatives	(119.652.576,50)	-	(7.949.904,71)	-	-	-	127.602.481,21	-
Net currency position	(14.468.040,63)	47.955,59	(3.311.778,17)	11.133,00	(2.543,76)	231.075,33	947.915.701,99	930.423.503,35

Currency Risk on stand alone basis

31.12.2010	USD	CAD	GBP	CHF	SEK	OTHER CURRENCIES	EURO	TOTAL
Currency Risk concerning Assets								
Cash and balances with Central Bank	160.296,04	13.924,34	37.894,86	1.415,55	2.502,93	825.793,29	360.783.936,72	361.825.763,73
Receivables to Credit Institutions	24.066.234,81	1.145.689,02	747.187,42	628.919,05	16.866,13	3.146.844,43	894.525.270,89	924.277.011,75
Financial assets designated at fair value through profit & loss	2.075.412,53	-	-	-	-	-	73.380.302,75	75.455.715,28
Derivative financial assets	-	-	-	-	-	-	3.581.660,27	3.581.660,27
Loans & advances, due from customers	-	-	-	-	-	-	8.189.919.278,60	8.189.919.278,60
Minus: Provisions	-	-	-	-	-	-	(191.103.808,69)	(191.103.808,69)
Investment securities Available for Sale	73.533.279,33	-	4.679.728,14	-	-	-	767.364.006,50	845.577.013,97
Investment securities Held to Maturity	9.726.615,89	-	-	-	-	-	2.125.801.000,08	2.135.527.615,97
Debt securities	12.524.170,10	-	-	-	-	-	3.187.903.148,72	3.200.427.318,82
Investment in Subsidiary	-	-	-	-	-	-	21.011.178,00	21.011.178,00
Investment in Associates	-	-	-	-	-	-	124.250.000,00	124.250.000,00
Property, plant and equipment	-	-	-	-	-	-	135.463.924,22	135.463.924,22
Intangible Assets	-	-	-	-	-	-	13.092.250,79	13.092.250,79
Deferred tax assets	-	-	-	-	-	-	221.145.444,13	221.145.444,13
Current tax assets	-	-	-	-	-	-	38.590.881,25	38.590.881,25
Other Assets	703.284,66	4.636,28	84.360,48	18,33	-	4.771,79	465.093.405,79	465.890.477,33
Total Assets	122.789.293,36	1.164.249,64	5.549.170,90	630.352,93	19.369,06	3.977.409,51	16.430.801.880,02	16.564.931.725,42
Currency Risk concerning Liabilities								
Due to banks	-	-	-	-	-	1.903.166,87	3.100.381.704,88	3.102.284.871,75
Due to Customers	16.825.128,54	1.160.439,27	784.182,80	630.164,80	19.369,06	2.065.418,90	12.119.315.345,95	12.140.800.049,32
Derivative financial liabilities	-	-	-	-	-	-	154.993.975,32	154.993.975,32
Deferred Tax Liabilities	-	-	-	-	-	-	47.898.148,69	47.898.148,69
Current Tax Liabilities	-	-	-	-	-	-	3.874.448,86	3.874.448,86
Retirement Benefit Obligations	-	-	-	-	-	-	21.370.087,03	21.370.087,03
Other Liabilities	638.789,78	3.810,38	85.259,98	188,15	(0,01)	8.823,77	175.544.409,53	176.281.281,58
Total Liabilities	17.463.918,32	1.164.249,65	869.442,78	630.352,95	19.369,05	3.977.409,54	15.623.378.120,26	15.647.502.862,55
Net on financial position	105.325.375,04	(0,01)	4.679.728,12	(0,02)	0,01	(0,03)	807.423.759,76	917.428.862,87
Time contracts and other currency derivatives	(119.652.576,50)	-	(7.949.904,71)	-	-	-	127.602.481,21	-
Net currency position	(14.327.201,46)	(0,01)	(3.270.176,59)	(0,02)	0,01	(0,03)	935.026.240,97	917.428.862,87

Currency Risk on consolidated basis

31.12.2009	USD	CAD	GBP	CHF	SEK	OTHER CURRENCIES	EURO	TOTAL
Currency Risk concerning Assets								
Cash and balances with Central Bank	39.719,26	2.151,64	5.926,13	802,10	19,51	226.734,56	109.412.799,31	109.688.152,51
Receivables to Credit Institutions	22.066.734,38	832.465,39	728.879,92	300.405,51	104.759,96	574.000,17	2.314.760.658,50	2.339.367.903,83
Financial assets designated at fair value through profit & loss	1.898.181,35	-	-	-	-	-	444.190.727,11	446.088.908,46
Derivative financial assets	-	-	-	-	-	-	6.104.895,79	6.104.895,79
Loans & advances, due from customers	-	-	-	-	-	-	8.042.768.918,04	8.042.768.918,04
Minus :Provisions	-	-	-	-	-	-	(162.874.705,50)	(162.874.705,50)
Investment securities Available for Sale	102.346.273,85	-	5.466.851,33	-	-	-	5.665.951.316,18	5.773.764.441,36
Investment securities Held to Maturity	13.561.408,11	-	-	-	-	-	437.175.194,92	450.736.603,03
Debt securities	11.578.972,00	-	-	-	-	-	11.122.745,71	22.701.717,71
Investment in Subsidiary	-	-	-	-	-	-	-	-
Investment in Associates	-	-	-	-	-	-	125.683.029,22	125.683.029,22
Property, plant and equipment	-	-	-	-	-	-	130.449.962,88	130.449.962,88
Intangible Assets	-	-	-	-	-	-	25.450.672,96	25.450.672,96
Deferred tax assets	-	-	-	-	-	-	157.392.016,04	157.392.016,04
Current tax assets	-	-	-	-	-	-	25.754.374,42	25.754.374,42
Other Assets	1.175.192,07	2.335,96	84.134,76	663,12	496,65	983,98	461.175.962,06	462.439.768,60
Total Assets	152.666.481,02	836.952,99	6.285.792,14	301.870,73	105.276,12	801.718,71	17.794.518.567,64	17.955.516.659,35
Currency Risk concerning Liabilities								
Due to banks	118.700.541,44	-	-	-	-	-	3.548.270.000,00	3.666.970.541,44
Due to Customers	12.314.100,32	783.343,87	745.251,80	121.225,81	118.739,31	724.773,61	12.617.407.902,48	12.632.215.337,20
Derivative financial liabilities	958.588,49	-	-	-	-	-	157.345.535,83	158.304.124,32
Deferred Tax Liabilities	-	-	-	-	-	-	35.811.505,68	35.811.505,68
Current Tax Liabilities	-	-	-	-	-	-	10.059.203,65	10.059.203,65
Retirement Benefit Obligations	-	-	-	-	-	-	20.146.187,57	20.146.187,57
Other Liabilities	1.153.487,72	1.236,47	83.085,72	209,08	472,58	4.438,69	188.965.621,25	190.208.551,51
Total Liabilities	133.126.717,97	784.580,34	828.337,52	121.434,89	119.211,89	729.212,30	16.578.005.956,46	16.713.715.451,37
Net on financial position	19.539.763,05	52.372,65	5.457.454,62	180.435,84	(13.935,77)	72.506,41	1.216.512.611,18	1.241.801.207,98
Time contracts and other currency derivatives	(25.336.665,28)	-	(7.600.801,24)	(168.279,23)	-	105.081,08	33.000.664,67	-
Net currency position	(5.796.902,23)	52.372,65	(2.143.346,62)	12.156,61	(13.935,77)	177.587,49	1.249.513.275,85	1.241.801.207,98

Currency Risk on stand alone basis

31.12.2009	USD	CAD	GBP	CHF	SEK	OTHER CURRENCIES	EURO	TOTAL
Currency Risk concerning Assets								
Cash and balances with Central Bank	39.719,26	2.151,64	5.926,13	802,10	19,51	226.734,56	109.408.431,99	109.683.785,19
Receivables to Credit Institutions	22.066.734,38	832.465,39	728.879,92	300.405,51	104.759,96	574.000,17	2.310.210.964,76	2.334.818.210,09
Financial assets designated at fair value through profit & loss	1.898.181,35	-	-	-	-	-	443.690.705,43	445.588.886,78
Derivative financial assets	-	-	-	-	-	-	6.104.895,79	6.104.895,79
Loans & advances, due from customers	-	-	-	-	-	-	8.034.818.860,76	8.034.818.860,76
Minus :Provisions	-	-	-	-	-	-	(146.731.495,83)	(146.731.495,83)
Investment securities Available for Sale	102.346.273,85	-	5.466.851,33	-	-	-	5.665.951.316,18	5.773.764.441,36
Investment securities Held to Maturity	13.561.408,11	-	-	-	-	-	437.175.194,92	450.736.603,03
Debt securities	11.578.972,00	-	-	-	-	-	11.122.745,71	22.701.717,71
Investment in Subsidiary	-	-	-	-	-	-	20.722.928,00	20.722.928,00
Investment in Associates	-	-	-	-	-	-	125.710.000,00	125.710.000,00
Property, plant and equipment	-	-	-	-	-	-	130.316.833,77	130.316.833,77
Intangible Assets	-	-	-	-	-	-	12.408.893,12	12.408.893,12
Deferred tax assets	-	-	-	-	-	-	157.301.572,92	157.301.572,92
Current tax assets	-	-	-	-	-	-	25.754.374,42	25.754.374,42
Other Assets	1.175.192,07	2.335,96	84.134,76	663,12	496,65	983,98	455.056.085,22	456.319.891,76
Total Assets	152.666.481,02	836.952,99	6.285.792,14	301.870,73	105.276,12	801.718,71	17.799.022.307,16	17.960.020.398,87
Currency Risk concerning Liabilities								
Due to banks	118.700.541,44	-	-	-	-	-	3.548.270.000,00	3.666.970.541,44
Due to Customers	12.314.100,32	783.343,87	745.251,80	121.225,81	118.739,31	724.773,61	12.642.913.927,86	12.657.721.362,58
Derivative financial liabilities	958.588,49	-	-	-	-	-	157.345.535,83	158.304.124,32
Deferred Tax Liabilities	-	-	-	-	-	-	34.012.050,50	34.012.050,50
Current Tax Liabilities	-	-	-	-	-	-	7.285.323,26	7.285.323,26
Retirement Benefit Obligations	-	-	-	-	-	-	19.644.199,23	19.644.199,23
Other Liabilities	1.153.487,72	1.236,47	83.085,72	209,08	472,58	4.438,69	190.569.122,97	191.812.053,23
Total Liabilities	133.126.717,97	784.580,34	828.337,52	121.434,89	119.211,89	729.212,30	16.600.040.159,65	16.735.749.654,56
Net on financial position	19.539.763,05	52.372,65	5.457.454,62	180.435,84	(13.935,77)	72.506,41	1.198.982.147,51	1.224.270.744,31
Time contracts and other currency derivatives	(25.336.665,28)	-	(7.600.801,24)	(168.279,23)	-	105.081,08	33.000.664,67	-
Net currency position	(5.796.902,23)	52.372,65	(2.143.346,62)	12.156,61	(13.935,77)	177.587,49	1.231.982.812,18	1.224.270.744,31

Furthermore, in order to reduce the foreign exchange risk, the Bank follows the cash flows of the invested capitals in foreign currency and makes the appropriate placements in currency futures.

The Bank in order to assess the foreign exchange risk, calculates the negative effect to the annual result that a variance in the currency exchange rates would provoke. The related calculations that took into account balances at 31.12.2010 have shown that in the case of a variance in the currency market by +/- 6% for the main currencies would affect the Bank's results by €6 thousand.

4.2.2 Interest Rate Risk

Interest rate risk is the risk due to adverse movements in interest rates.

Interest Rate Risk on consolidated basis

31/12/2010	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non- Interest Bearing Elements	Total
Assets							
Cash and Balances with Central Bank	325.484.330,26	-	-	-	-	36.345.232,44	361.829.562,70
Due from banks	930.176.326,79	1.742.243,85	-	-	-	-	931.918.570,64
Financial assets designated at fair value through profit & loss	13.019.582,56	16.708.940,00	19.735.984,16	25.000,00	-	26.433.274,06	75.922.780,77
Derivative Financial assets	-	1.337.775,00	39.908,37	128.416,00	-	2.075.560,90	3.581.660,27
Loans and Advances, due from Customers	4.551.674.397,00	729.431.195,60	1.171.431.890,05	1.330.625.691,54	113.378.757,50	319.566.591,79	8.216.108.523,49
Minus :Provisions	-	-	-	-	-	(216.340.782,92)	(216.340.782,92)
Investment securities Available for Sale	38.443.118,24	163.961.014,23	261.831.511,26	170.389.492,38	74.244.679,55	136.707.198,31	845.577.013,97
Investment securities Held to Maturity	438.927.942,18	565.450.910,43	536.781.200,41	594.367.562,95	-	-	2.135.527.615,97
Debt securities	16.704.437,50	363.736.479,30	623.824.894,70	273.163.816,00	1.922.997.691,32	-	3.200.427.318,82
Investment in subsidiaries	-	-	-	-	-	-	-
Investment in Associates	-	-	-	-	-	119.525.213,08	119.525.213,08
Property, plant and equipment	-	-	-	-	-	135.624.795,81	135.624.795,81
Intangible Assets	-	-	-	-	-	25.462.016,18	25.462.016,18
Deferred Tax Asset	-	-	-	-	-	221.275.983,28	221.275.983,28
Current Tax Assets	-	-	-	-	-	38.590.881,25	38.590.881,25
Other Assets	143.464.615,76	-	-	-	-	327.846.903,71	471.311.519,47
Total Assets	6.457.894.750,29	1.842.368.558,40	2.613.645.388,95	2.368.699.978,88	2.110.621.128,37	1.173.112.867,88	16.566.342.672,78
Liabilities							
Due to banks	2.905.448.462,75	196.836.409,00	-	-	-	-	3.102.284.871,75
Due to Customers	7.576.391.440,56	1.520.019.084,63	2.991.161.838,72	37.231.123,92	-	-	12.124.803.487,83
Derivative financial liabilities	46.180.086,44	39.867.254,51	10.904.060,73	7.245.051,39	3.524.206,55	47.273.315,70	154.993.975,32
Deferred Tax Liabilities	-	-	-	-	-	49.584.623,70	49.584.623,70
Current Tax Liabilities	-	-	-	-	-	4.940.899,93	4.940.899,93
Retirement Benefit Obligations	-	-	-	-	-	21.933.217,53	21.933.217,53
Other Liabilities	-	-	-	-	-	177.378.093,37	177.378.093,37
Total Liabilities	10.528.019.989,75	1.756.722.748,14	3.002.065.899,44	44.476.175,31	3.524.206,55	301.110.150,24	15.635.919.169,43
Total Interest Sensitivity Gap	(4.070.125.239,46)	85.645.810,26	(388.420.510,49)	2.324.223.803,57	2.107.096.921,82		58.420.785,70

Interest Rate Risk on stand alone basis

31/12/2010	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non- Interest Bearing Elements	Total
Assets							
Cash and Balances with Central Bank	325.484.330,26	-	-	-	-	36.341.433,47	361.825.763,73
Due from banks	922.534.767,90	1.742.243,85	-	-	-	-	924.277.011,75
Financial assets designated at fair value through profit & loss	13.019.582,56	16.708.940,00	19.735.984,16	-	-	25.991.208,57	75.455.715,28
Derivative Financial assets	-	1.337.775,00	39.908,37	128.416,00	-	2.075.560,90	3.581.660,27
Loans and Advances, due from Customers	4.551.674.397,00	703.241.950,71	1.171.431.890,05	1.330.625.691,54	113.378.757,50	319.566.591,79	8.189.919.278,60
Minus :Provisions	-	-	-	-	-	(191.103.808,69)	(191.103.808,69)
Investment securities Available for Sale	38.443.118,24	163.961.014,23	261.831.511,26	170.389.492,38	74.244.679,55	136.707.198,31	845.577.013,97
Investment securities Held to Maturity	438.927.942,18	565.450.910,43	536.781.200,41	594.367.562,95	-	-	2.135.527.615,97
Debt securities	16.704.437,50	363.736.479,30	623.824.894,70	273.163.816,00	1.922.997.691,32	-	3.200.427.318,82
Investment in subsidiaries	-	-	-	-	-	21.011.178,00	21.011.178,00
Investment in Associates	-	-	-	-	-	124.250.000,00	124.250.000,00
Property, plant and equipment	-	-	-	-	-	135.463.924,22	135.463.924,22
Intangible Assets	-	-	-	-	-	13.092.250,79	13.092.250,79
Deferred Tax Asset	-	-	-	-	-	221.145.444,13	221.145.444,13
Current Tax Assets	-	-	-	-	-	38.590.881,25	38.590.881,25
Other Assets	143.464.615,76	-	-	-	-	322.425.861,57	465.890.477,33
Total Assets	6.450.253.191,40	1.816.179.313,51	2.613.645.388,95	2.368.674.978,88	2.110.621.128,37	1.205.557.724,30	16.564.931.725,42
Liabilities							
Due to banks	2.905.448.462,75	196.836.409,00	-	-	-	-	3.102.284.871,75
Due to Customers	7.592.388.002,05	1.520.019.084,63	2.991.161.838,72	37.231.123,92	-	-	12.140.800.049,32
Derivative financial liabilities	46.180.086,44	39.867.254,51	10.904.060,73	7.245.051,39	3.524.206,55	47.273.315,70	154.993.975,32
Deferred Tax Liabilities	-	-	-	-	-	47.898.148,69	47.898.148,69
Current Tax Liabilities	-	-	-	-	-	3.874.448,86	3.874.448,86
Retirement Benefit Obligations	-	-	-	-	-	21.370.087,03	21.370.087,03
Other Liabilities	-	-	-	-	-	176.281.281,58	176.281.281,58
Total Liabilities	10.544.016.551,24	1.756.722.748,14	3.002.065.899,44	44.476.175,31	3.524.206,55	296.697.281,86	15.647.502.862,55
Total Interest Sensitivity Gap	(4.093.763.359,84)	59.456.565,37	(388.420.510,49)	2.324.198.803,57	2.107.096.921,82		8.568.420,43

Interest Rate Risk on consolidated basis

31/12/2009	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non- Interest Bearing Elements	Total
Assets							
Cash and Balances with Central Bank	74.942.596,12	-	-	-	-	34.745.556,39	109.688.152,51
Due from banks	1.790.025.878,59	460.079.552,01	89.262.473,22	-	-	-	2.339.367.903,83
Financial assets designated at fair value through profit & loss	156.932.008,77	91.784.576,35	14.140.609,39	140.635.356,34	13.562.704,16	29.033.653,45	446.088.908,46
Derivative Financial assets	-	3.230.492,77	376.583,98	489.798,47	310.392,72	1.697.627,85	6.104.895,79
Loans and Advances, due from Customers	3.623.826.871,46	530.920.922,15	647.796.364,60	1.848.634.288,32	1.230.106.349,02	161.484.122,49	8.042.768.918,04
Minus :Provisions	-	-	-	-	-	(162.874.705,50)	(162.874.705,50)
Investment securities Available for Sale	65.361.567,04	733.957.020,88	1.694.107.682,70	1.263.510.078,03	1.851.395.952,97	165.432.139,74	5.773.764.441,36
Investment securities Held to Maturity	103.990.321,76	49.429.536,57	257.700.160,20	39.616.584,50	-	-	450.736.603,03
Investments in Subsidiaries	-	8.573.347,58	-	10.621.822,62	3.506.547,51	-	22.701.717,71
Investment in Associates	-	-	-	-	-	125.683.029,22	125.683.029,22
Property, plant and equipment	-	-	-	-	-	130.449.962,88	130.449.962,88
Intangible Assets	-	-	-	-	-	25.450.672,96	25.450.672,96
Deferred Tax Asset	-	-	-	-	-	157.392.016,04	157.392.016,04
Current Tax Assets	-	-	-	-	-	25.754.374,42	25.754.374,42
Other Assets	95.271.476,16	-	-	-	-	367.168.292,44	462.439.768,60
Total Assets	5.910.350.719,90	1.877.975.448,31	2.703.383.874,09	3.303.507.928,27	3.098.881.946,38	1.061.416.742,38	17.955.516.659,35
Liabilities							
Due to banks	1.457.292.437,18	25.153.104,26	2.184.525.000,00	-	-	-	3.666.970.541,44
Due to Customers	7.604.329.003,43	1.764.038.231,92	3.101.218.346,26	162.629.755,59	-	-	12.632.215.337,20
Derivative financial liabilities	47.177.005,18	46.896.255,51	17.618.532,63	7.831.490,40	11.788.091,91	26.992.748,68	158.304.124,32
Deferred Tax Liabilities	-	-	-	-	-	35.811.505,68	35.811.505,68
Current Tax Liabilities	-	-	-	-	-	10.059.203,65	10.059.203,65
Retirement Benefit Obligations	-	-	-	-	-	20.146.187,57	20.146.187,57
Other Liabilities	-	-	-	-	-	190.208.551,51	190.208.551,51
Total Liabilities	9.108.798.445,78	1.836.087.591,69	5.303.361.878,90	170.461.245,99	11.788.091,91	283.218.197,09	16.713.715.451,37
Total Interest Sensitivity Gap	(3.198.447.725,88)	41.887.856,62	(2.599.978.004,81)	3.133.046.682,28	3.087.093.854,47		463.602.662,68

Interest Rate Risk on stand alone basis

31/12/2009	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non- Interest Bearing Elements	Total
Assets							
Cash and Balances with Central Bank	74.942.596,12	-	-	-	-	34.741.189,07	109.683.785,19
Due from banks	1.785.476.184,85	460.079.552,01	89.262.473,22	-	-	-	2.334.818.210,09
Financial assets designated at fair value through profit & loss	156.932.008,77	91.784.576,35	14.140.609,39	140.635.356,34	13.562.704,16	28.533.631,77	445.588.886,78
Derivative Financial assets	-	3.230.492,77	376.583,98	489.798,47	310.392,72	1.697.627,85	6.104.895,79
Loans and Advances, due from Customers	3.623.826.871,46	522.970.864,87	647.796.364,60	1.848.634.288,32	1.230.106.349,02	161.484.122,49	8.034.818.860,76
Minus :Provisions	-	-	-	-	-	(146.731.495,83)	(146.731.495,83)
Investment securities Available for Sale	65.361.567,04	733.957.020,88	1.694.107.682,70	1.263.510.078,03	1.851.395.952,97	165.432.139,74	5.773.764.441,36
Investment securities Held to Maturity	103.990.321,76	49.429.536,57	257.700.160,20	39.616.584,50	-	-	450.736.603,03
Debt securities	-	8.573.347,58	-	10.621.822,62	3.506.547,51	-	22.701.717,71
Investment in Subsidiaries	-	-	-	-	-	20.722.928,00	20.722.928,00
Investment in Associates	-	-	-	-	-	125.710.000,00	125.710.000,00
Property, plant and equipment	-	-	-	-	-	130.316.833,77	130.316.833,77
Intangible Assets	-	-	-	-	-	12.408.893,12	12.408.893,12
Deferred Tax Asset	-	-	-	-	-	157.301.572,92	157.301.572,92
Current Tax Assets	-	-	-	-	-	25.754.374,42	25.754.374,42
Other Assets	95.271.476,16	-	-	-	-	361.048.415,60	456.319.891,76
Total Assets	5.905.801.026,16	1.870.025.391,03	2.703.383.874,09	3.303.507.928,27	3.098.881.946,38	1.078.420.232,92	17.960.020.398,86
Liabilities							
Due to banks	1.457.292.437,18	25.153.104,26	2.184.525.000,00	-	-	-	3.666.970.541,44
Due to Customers	7.619.683.096,39	1.767.600.046,11	3.107.480.094,63	162.958.125,44	-	-	12.657.721.362,58
Derivative financial liabilities	47.177.005,18	46.896.255,51	17.618.532,63	7.831.490,40	11.788.091,91	26.992.748,68	158.304.124,32
Deferred Tax Liabilities	-	-	-	-	-	34.012.050,50	34.012.050,50
Current Tax Liabilities	-	-	-	-	-	7.285.323,26	7.285.323,26
Retirement Benefit Obligations	-	-	-	-	-	19.644.199,23	19.644.199,23
Other Liabilities	-	-	-	-	-	191.812.053,23	191.812.053,23
Total Liabilities	9.124.152.538,74	1.839.649.405,89	5.309.623.627,27	170.789.615,85	11.788.091,91	279.746.374,90	16.735.749.654,56
Total Interest Sensitivity Gap	(3.218.351.512,58)	30.375.985,14	(2.606.239.753,18)	3.132.718.312,42	3.087.093.854,47		425.596.886,27

Furthermore, the Bank, for measuring interest rate risk, estimates the negative impact on the annual interest rate income arising from the parallel change in interest rates in all the currencies as by 100 basis points. The

amendments that were made to the balances at the end of December 2010 indicated that in case the interest rate falls / increases by 100 basis points, the Bank will suffer (losses) / gains amounting to € 21,1 million respectively.

4.3 Liquidity Risk

Liquidity risk is the risk of a financial institution which will not be able to meet its obligations as they become due, because of lack of the required liquidity.

The Bank's objective is to invest all available capital, but also to maintain a level of security so as not to be exposed to liquidity risk.

Regarding the management of liquidity risk, the Bank classifies asset and liability elements to time bands according to the remaining period at the balance sheet date in order to meet all of its payment obligations as they fall due.

The following tables analyze financial assets and liabilities, according to the contractual non discounted cash flows and discounted cash flows for derivatives settled on a net basis, in time bands according to the remaining period upon maturity, on December 31st, 2010 and 2009 on stand alone and on consolidated basis.

Consolidated basis

As at 31st December 2010

Liabilities	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Due to banks	1.105.647.087,75	2.002.475.158,47	0,00	-	-	3.108.122.246,22
Due to customers	7.521.219.076,58	1.547.320.741,55	3.047.515.600,13	37.543.287,07	-	12.153.598.705,33
Retirement benefit obligations	137.637,21	186.487,80	1.051.578,12	10.379.447,06	143.895.023,53	155.650.173,72
Other liabilities	8.487.544,84	94.277.569,46	12.803.404,49	4.197,77	-	115.572.716,56
Total liabilities (contractual maturity dates)	8.635.491.346,38	3.644.259.957,28	3.061.370.582,74	47.926.931,90	143.895.023,53	15.532.943.841,83
Total assets (expected maturity dates)	1.896.843.922,57	941.483.716,72	1.602.387.966,60	6.488.225.306,84	9.737.894.564,75	20.666.835.477,49

Stand-alone basis

As at 31st December 2010

Liabilities	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Due to banks	1.105.647.087,75	2.002.475.158,47	0,00	-	-	3.108.122.246,22
Due to customers	7.609.195.833,58	1.547.320.741,55	3.047.515.600,13	37.543.287,07	-	12.241.575.462,33
Retirement benefit obligations	137.637,21	186.487,80	1.051.578,12	10.068.000,00	141.092.000,00	152.535.703,13
Other liabilities	8.487.544,84	95.642.381,02	13.071.404,24	4.197,77	-	117.205.527,87
Total liabilities (contractual maturity dates)	8.723.468.103,38	3.645.624.768,84	3.061.638.582,49	47.615.484,84	141.092.000,00	15.619.438.939,55
Total assets (expected maturity dates)	1.874.587.452,16	940.733.236,90	1.603.210.269,25	6.488.196.161,74	9.757.693.516,37	20.664.420.636,43

Consolidated basis

As at 31st December 2009

Liabilities	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Due to banks	1.564.863.697,43	77.994.179,01	2.930.874.881,78	-	-	4.573.732.758,22
Due to customers	7.680.986.025,28	2.042.658.462,31	3.015.587.790,36	70.589,25	-	12.739.302.867,20
Retirement benefit obligations	49.238,37	36.592,08	1.459.673,81	9.254.527,07	129.913.100,62	140.713.131,95
Other liabilities	32.008.136,16	6.021.512,03	58.758.963,14	169.780,79	-	96.958.392,13
Total liabilities (contractual maturity dates)	9.277.907.097,24	2.126.710.745,43	6.006.681.309,10	9.494.897,11	129.913.100,62	17.550.707.149,50
Total assets (expected maturity dates)	2.082.677.838,52	953.280.880,54	1.496.629.551,20	7.887.831.865,63	10.592.451.530,40	23.012.871.666,29

Stand-alone basis

As at 31st December 2009

Liabilities	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Due to banks	1.564.863.697,43	77.994.179,01	2.930.874.881,78	-	-	4.573.732.758,22
Due to customers	7.680.986.025,28	2.042.658.462,31	3.041.093.815,74	70.589,25	-	12.764.808.892,58
Retirement benefit obligations	49.238,37	36.592,08	1.459.673,81	9.254.527,07	129.411.112,28	140.211.143,61
Other liabilities	33.611.637,88	6.021.512,03	58.758.963,14	169.780,79	3,00	98.561.896,85
Total liabilities (contractual maturity dates)	9.279.510.598,96	2.126.710.745,43	6.032.187.334,48	9.494.897,11	129.411.115,28	17.577.314.691,26
Total assets (expected maturity dates)	2.078.123.777,46	952.780.858,86	1.496.629.551,20	7.887.831.865,63	10.633.897.386,40	23.049.263.439,55

Derivatives Cash flows

The table below presents the contractual, non-discounted cash flows of derivative financial assets and liabilities.

On stand alone and consolidated basis

a) Derivatives settled on a net basis

31.12.2010	up to 1 month	1-3 months	3-12 months	1-5 years	over 5 years	Total
Derivatives held for trading:						
-Derivatives over index/securities	(2.666.625,00)	207.505,00	-	-	-	(2.459.120,00)
Derivatives held for hedging:						
-Derivatives over index/securities	-	189.645,00	(3.393.375,00)	(1.206.225,00)	-	(4.409.955,00)
Total	(2.666.625,00)	397.150,00	(3.393.375,00)	(1.206.225,00)	0,00	(6.869.075,00)
31.12.2009	up to 1 month	1-3 months	3-12 months	1-5 years	over 5 years	Total
Derivatives held for trading:						
-Derivatives over index/securities	-	(3.062.603,27)	-	-	-	(3.062.603,27)
Derivatives held for hedging:						
-Derivatives over index/securities	-	(1.262.750,00)	-	-	-	(1.262.750,00)
Total	0,00	(4.325.353,27)	0,00	0,00	0,00	(4.325.353,27)

b) Derivatives settled on a gross basis

31.12.2010	up to 1 month	1-3 months	3-12 months	1-5 years	over 5 years	Total
Derivatives held for trading:						
-Currency Swaps						
-Outflow	-	-	(10.373.978,17)	-	-	(10.373.978,17)
-Inflow	-	-	9.621.822,62	-	-	9.621.822,62
-Interest Rate Swaps						
-Outflow	(6.751.226,25)	(3.006.352,87)	(43.027.295,32)	(167.288.322,16)	21.432.250,00	(198.640.946,60)
-Inflow	858.420,88	361.669,92	33.213.235,18	144.569.407,73	(24.682.353,87)	154.320.379,84
Credit default swaps						
-Outflow	(16.218,46)	(759.577,02)	(2.815.066,71)	(7.913.648,12)	-	(11.504.510,32)
-Inflow	-	-	-	-	-	0,00
Derivatives held for hedging:						
-Currency Swaps						
-Outflow	(62.677,74)	(212.299,62)	(3.367.397,87)	(45.970.407,55)	(13.775.524,98)	(63.388.307,75)
-Inflow	45.299,72	386.331,28	1.387.807,41	42.358.966,18	14.432.530,57	58.610.935,16
-Interest Rate Swaps						
-Outflow	(306.219,58)	(27.207.673,20)	(149.437.444,66)	(492.929.140,36)	(1.309.789.750,00)	(1.979.670.227,80)
-Inflow	4.349.513,96	5.619.503,15	128.548.003,60	441.417.933,86	1.312.586.879,66	1.892.521.834,23
Total Outflows	(7.136.342,04)	(31.185.902,71)	(209.021.182,73)	(714.101.518,19)	(1.302.133.024,98)	(2.263.577.970,65)
Total Inflows	5.253.234,56	6.367.504,36	172.770.868,81	628.346.307,77	1.302.337.056,36	2.115.074.971,84

31.12.2009	up to 1 month	1-3 months	3-12 months	1-5 years	over 5 years	Total
Derivatives held for trading:						
-Currency Swaps						
-Outflow	-	(197.785,26)	(6.542.857,34)	(26.037.404,99)	(9.734.018,19)	(42.512.065,78)
-Inflow	-	126.674,40	5.678.092,70	24.801.743,92	10.798.083,69	41.404.594,71
-Interest Rate Swaps						
-Outflow	(254.772,22)	(726.250,00)	(36.164.171,93)	(78.084.735,00)	(94.154.500,00)	(209.384.429,16)
-Inflow	5.214.935,34	5.226.484,56	11.246.867,01	63.671.858,06	98.388.715,16	183.748.860,12
Credit default swaps						
-Outflow	(2.697,95)	(2.844.131,23)	(8.753.761,59)	(38.905.509,78)	(190.892,68)	(50.696.993,23)
-Inflow	-	-	-	-	-	0,00
Derivatives held for hedging:						
-Currency Swaps						
-Outflow	-	-	(446.250,00)	(8.785.000,00)	-	(9.231.250,00)
-Inflow	-	68.498,88	218.627,72	8.982.050,23	-	9.269.176,83
-Interest Rate Swaps						
-Outflow	-	(14.152.213,01)	(8.416.620,00)	(202.748.140,00)	(422.092.050,00)	(647.409.023,01)
-Inflow	130.293,41	4.613.113,03	16.733.201,17	157.032.299,33	438.547.418,71	617.056.325,65
Total Outflows	(257.470,17)	(17.920.379,50)	(60.323.660,86)	(354.560.789,77)	(526.171.460,87)	(959.233.761,18)
Total Inflows	5.345.228,75	10.034.770,87	33.876.788,60	254.487.951,54	547.734.217,56	851.478.957,31

Off financial position items

On stand alone basis

<i>Amounts in €</i>	Up to 1 year	Over 1 year
Operating leases	5.916.965,12	40.169.238,79
Commitments to extend credit	205.258.627,52	-
Total	211.175.592,64	40.169.238,79

On consolidated basis

<i>Amounts in €</i>	Up to 1 year	Over 1 year
Operating leases	5.944.642,40	40.191.719,23
Commitments to extend credit	112.167.375,14	-
Total	118.112.017,54	40.191.719,23

4.4 Fair Values of financial assets and liabilities

ON CONSOLIDATED BASIS

	Carrying Value		Fair Value	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Financial Assets				
Loans and advances to credit institutions	931.918.570,64	2.339.367.903,83	931.918.570,64	2.339.367.903,83
Loans and advances to customers				
-Retail customers	6.564.993.230,35	6.583.053.611,87	6.555.563.799,16	6.575.892.232,82
-Public sector	660.340.381,42	596.362.277,54	661.161.719,68	596.362.277,54
-Corporate debt securities	771.434.128,80	700.478.323,13	771.416.497,35	700.478.323,13
-Loans to affiliates	3.000.000,00	-	3.000.000,00	-
Portfolio held to maturity	2.135.527.615,97	450.736.603,03	2.067.533.640,34	450.552.868,77
Debt securities of loan portfolio	3.200.427.318,82	22.701.717,71	2.332.926.290,76	23.426.702,54
Investment in associates	119.525.213,08	125.683.029,22	62.835.556,64	93.636.084,70
	Carrying Value		Fair Value	
Financial liabilities	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Due to banks	3.102.284.871,75	3.666.970.541,44	3.102.284.871,75	3.666.970.541,44
Due to customers	12.124.803.487,83	12.632.215.337,20	12.177.521.121,65	12.643.233.547,54

ON STAND ALONE BASIS

	Carrying Value		Fair Value	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Financial Assets				
Loans and advances to credit institutions	924.277.011,75	2.334.818.210,09	924.277.011,75	2.334.818.210,09
Loans and advances to customers				
-Retail customers	6.357.132.212,07	6.382.968.246,81	6.347.702.780,88	6.375.806.867,76
-Public sector	660.340.381,42	596.362.277,54	661.161.719,68	596.362.277,54
-Corporate debt securities	771.434.128,80	700.478.323,13	771.416.497,35	700.478.323,13
-Loans to affiliates	209.908.747,62	208.278.517,45	209.908.747,62	208.278.517,45
Portfolio held to maturity	2.135.527.615,97	450.736.603,03	2.067.533.640,34	450.552.868,77
Debt securities of loan portfolio	3.200.427.318,82	22.701.717,71	2.332.926.290,76	23.426.702,54
Investment in associates	124.250.000,00	125.710.000,00	62.835.556,64	93.636.084,70
	Carrying Value		Fair Value	
Financial liabilities	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Due to banks	3.102.284.871,75	3.666.970.541,44	3.102.284.871,75	3.666.970.541,44
Due to customers	12.140.800.049,32	12.657.721.362,58	12.190.009.136,10	12.668.739.572,92

The fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Differences might arise between the carrying amount and the fair value of financial assets and liabilities.

The items of the trading portfolio, derivatives and securities available for sale are presented in the financial statements at their fair value. Loans and other advances, securities held to maturity and financial liabilities are presented in the financial statements at amortized cost. Their carrying value, as it is presented in the Financial Statements, does not materially differ from their fair value. In particular:

(a) Loans and advances to banks

Loans and advances to banks mainly include short term interbank placements and other collectibles. The vast majority of the placements have their maturity date within three months. Liabilities to banks include liabilities that have their maturity within 3 months. Therefore, their fair value is quite similar to the carrying amount.

(b) Loans and advances to customers

The vast majority of loans relate to loans with a floating interest rate. Furthermore, the largest portion of loans with fixed interest for a period over one year has been hedged for changes in interest rates. Thus, the carrying amount of the loans and advances to customers does not materially differ from their fair value as at balance sheet date.

(c) Held to maturity securities

The fair value of held to maturity securities amounts to € 2.067.534 thousand (2009: € 450.553 thousand). The fair value of the aforementioned securities is defined through reference to prices in secondary market.

(d) Deposits

The fair value of deposits without a fixed maturity date (saving and sight deposit accounts), is the amount that the Bank should pay when demanded by a customer. Deposits from customers, have average maturity period 6 months approximately. Therefore, their estimated fair value does not materially differ from their carrying amount.

4.5 Financial asset and liabilities at fair value, fair value hierarchy

The Group adopted the amendments to I.F.R.S.7 "Improving Disclosures about Financial Instruments" (effective from 1 January 2009). These amendments require the Group to present certain information about financial instruments measured at fair value in the income statement.

In the first year of application, comparative information need not be presented for the disclosures required by the amendment. Accordingly, the disclosure for the fair value

hierarchy is presented only for the fiscal year 2009.

This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inflows other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).
- *Level 3*: inflows for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined from the lowest level of significant inflow to the fair value measurement.

The financial assets and liabilities measured at fair value in the income statement are grouped into the fair value hierarchy as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS			
	31.12.2010			
	Level 1	Level 2	Level 3	Total
-Bonds	15.148.184,88	27.826.886,57	6.517.500,00	49.492.571,45
-Shares	7.433,08	-	-	7.433,08
-Mutual fund units	26.422.776,24	-	-	26.422.776,24
Total trading securities	41.578.394,20	27.826.886,57	6.517.500,00	75.922.780,77
-Derivatives	207.505,00	2.243.885,27	-	2.451.390,27
-Derivatives held for hedging	1.130.270,00	-	-	1.130.270,00
Financial assets (derivatives)	1.337.775,00	2.243.885,27	0,00	3.581.660,27
-Bonds	492.127.278,63	216.742.537,02	-	708.869.815,65
-Shares	103.158.167,40	-	33.341.154,43	136.499.321,83
-Venture Capital	-	-	207.876,49	207.876,49
Available for sale securities	595.285.446,03	216.742.537,02	33.549.030,92	845.577.013,97
Total Financial assets	638.201.615,23	246.813.308,86	40.066.530,92	925.081.455,01
-Derivatives	(2.666.625,00)	(89.992.004,37)	-	(92.658.629,37)
-Derivatives held for hedging	(5.540.225,00)	(56.795.120,95)	-	(62.335.345,95)
Financial liabilities (derivatives)	(8.206.850,00)	(146.787.125,32)	0,00	(154.993.975,32)

ON CONSOLIDATED BASIS				
31.12.2009				
Amounts in €	Level 1	Level 2	Level 3	Total
-Bonds	183.579.711,26	227.778.043,75	5.697.500,00	417.055.255,01
-Shares	10.365,16	-	-	10.365,16
-Mutual fund units	29.023.288,29	-	-	29.023.288,29
Total trading securities	212.613.364,71	227.778.043,75	5.697.500,00	446.088.908,46
-Derivatives	385.619,15	2.314.002,60	-	2.699.621,75
-Derivatives held for hedging	2.904.350,00	500.924,04	-	3.405.274,04
Financial assets (derivatives)	3.289.969,15	2.814.926,64	0,00	6.104.895,79
-Bonds	4.638.597.153,39	969.735.148,23	-	5.608.332.301,62
-Shares	137.915.742,96	-	27.304.318,46	165.220.061,42
-Venture Capital	-	-	212.078,32	212.078,32
Available for sale securities	4.776.512.896,35	969.735.148,23	27.516.396,78	5.773.764.441,36
Total Financial assets	4.992.416.230,21	1.200.328.118,62	33.213.896,78	6.225.958.245,60
-Derivatives	(4.483.798,21)	(108.849.928,36)	-	(113.333.726,57)
-Derivatives held for hedging	(4.167.100,00)	(40.803.297,75)	-	(44.970.397,75)
Financial liabilities (derivatives)	(8.650.898,21)	(149.653.226,11)	0,00	(158.304.124,32)

ON STAND ALONE BASIS				
31.12.2010				
Amounts in €	Level 1	Level 2	Level 3	Total
-Bonds	15.148.184,88	27.801.886,57	6.517.500,00	49.467.571,45
-Shares	7.433,08	-	-	7.433,08
-Mutual fund units	25.980.710,75	-	-	25.980.710,75
Total trading securities	41.136.328,71	27.801.886,57	6.517.500,00	75.455.715,28
-Derivatives	207.505,00	2.243.885,27	-	2.451.390,27
-Derivatives held for hedging	1.130.270,00	-	-	1.130.270,00
Financial assets (derivatives)	1.337.775,00	2.243.885,27	0,00	3.581.660,27
-Bonds	492.127.278,63	216.742.537,02	-	708.869.815,65
-Shares	103.158.167,40	-	33.341.154,43	136.499.321,83
-Venture Capital	-	-	207.876,49	207.876,49
Available for sale securities	595.285.446,03	216.742.537,02	33.549.030,92	845.577.013,97
Total Financial assets	637.759.549,74	246.788.308,86	40.066.530,92	924.614.389,52
-Derivatives	(2.666.625,00)	(89.992.004,37)	-	(92.658.629,37)
-Derivatives held for hedging	(5.540.225,00)	(56.795.120,95)	-	(62.335.345,95)
Financial liabilities (derivatives)	(8.206.850,00)	(146.787.125,32)	0,00	(154.993.975,32)

Amounts in €	ON STAND ALONE BASIS			
	31.12.2009			
	Level 1	Level 2	Level 3	Total
-Bonds	183.579.711,26	227.778.043,75	5.697.500,00	417.055.255,01
-Shares	10.365,16	-	-	10.365,16
-Mutual fund units	28.523.266,61	-	-	28.523.266,61
Total trading securities	212.113.343,03	227.778.043,75	5.697.500,00	445.588.886,78
-Derivatives	385.619,15	2.314.002,60	-	2.699.621,75
-Derivatives held for hedging	2.904.350,00	500.924,04	-	3.405.274,04
Financial assets (derivatives)	3.289.969,15	2.814.926,64	0,00	6.104.895,79
-Bonds	4.638.597.153,39	969.735.148,23	-	5.608.332.301,62
-Shares	137.915.742,96	-	27.304.318,46	165.220.061,42
-Venture Capital	-	-	212.078,32	212.078,32
Available for sale securities	4.776.512.896,35	969.735.148,23	27.516.396,78	5.773.764.441,36
Total Financial assets	4.991.916.208,53	1.200.328.118,62	33.213.896,78	6.225.458.223,93
-Derivatives	(4.483.798,21)	(108.849.928,36)	-	(113.333.726,57)
-Derivatives held for hedging	(4.167.100,00)	(40.803.297,75)	-	(44.970.397,75)
Financial liabilities (derivatives)	(8.650.898,21)	(108.849.928,36)	0,00	(158.304.124,32)

The movement of the financial assets, categorized in level 3, is presented below:

ON STAND ALONE & CONSOLIDATED BASIS	Available for sale financial assets (at level 3)
Opening balance as at 1.1.2010	33.213.896,50
Valuation of Trading securities	820.000,00
Profit / (Loss) recognized directly at Income Statement	820.000,00
Foreign exchange differences	20.063,43
Valuation of Available for sale securities	6.009.846,39
Profit / (Loss) recognized directly at Statement of Comprehensive Income	6.029.909,83
Additions	2.724,54
Closing balance as at 31.12.2010	40.066.530,87

4.6 Capital Adequacy

In accordance with the regulatory framework applicable to Greek Banks, the Bank is subject to various regulatory capital requirements administered by the Bank of Greece, which are based on the regulations of the Bank of International Settlements (B.I.S.). Those regulations require that banks maintain minimum capital levels against assets and certain off-balance sheet items that expose them to risk, so

that the capital adequacy ratio and the solvency ratio to be greater or equal to the percentage of 8%. The total capital adequacy ratio (solvency ratio), on consolidated basis, for a credit institution is defined as the ratio of equity to the sum of risk weighted assets (in accordance with the B.I.S. guidelines) and off-balance sheet items.

Amounts in thousand €	31.12.2010	31.12.2009
Share Capital (common and preference shares)	1.277.484,07	1.277.484,07
Reserves	86.939,17	86.848,06
Other Equity	59.421,91	94.456,73
Regulatory Adjustments	(101.061,11)	(73.252,27)
Deductions	(99.608,76)	(99.087,49)
Capital (TIER I)	1.223.175,28	1.286.449,10
Total Regulatory Equity	1.223.175,28	1.286.449,10
TOTAL RISK WEIGHTED ASSETS	6.613.448,25	7.524.922,00
Capital adequacy ratio (TIER I)	18,50%	17,10%
Total capital adequacy ratio	18,50%	17,10%

Since January 1st, 2008 the Bank adopted the "Standardized Approach", for credit risk measurement and the "Basic Indicator Approach" for operating risk measurement, according to the proposals of Basel II. In the context of applying the standardized approach started to implement

the financial Collateral Comprehensive Method in the year 2010. As at December 31st, 2010 the Bank's total asset adequacy ratio was 18,5% based on the proposals of Basel II, whereas on December 31st, 2009 was 17,10%.

5. Reclassification of amounts

Certain amounts of the financial statements of the previous comparative fiscal year ended as at 31st of December 2009, have been reclassified compared to financial information of these periods, in order to conform to current period's presentation.

In the Statement of Financial Position at 31/12/2009 (on consolidated and stand alone basis), there is a reclassification of € 22.701.717,71 from the line "Loans and advances due from customers" to the line "Debt securities", in order to be consistent with debt securities at 31/12/2010.

The analysis of the lines "Deferred tax assets and liabilities", "Other assets" and "Other liabilities", presented in the statement of financial position

(individual and consolidated) and "Net interest income" and "Other expenses" presented in the income statement for 31/12/2009 were restated, so as to be comparable to those of the current fiscal year.

There are reclassifications in certain lines of Note 6 of the Financial Information, which refer to Segment Report of the previous comparative fiscal year 31/12/2009

There were some adjustments in risk analysis of I.F.R.S. 7 of section 4 "Financial Risk Management" of the previous comparative year 01/01 to 31/12/2009, in order to be comparable with those of the current fiscal year.

Additionally, restatements have also been made for the analysis of related parties of the previous

year 2009, so to make them comparable with those of the current fiscal year.

It is noted that all the above adjustments and reclassifications do not affect the final result of the previous comparative fiscal year and Total Equity at 31/12/2009 as well.

6. Segment report analysis

A segment is defined as a group of assets and operations that provide products and services, that are subject to risks and rewards different from those of other segments.

the Bank provides its clients with a range of mortgage and consumer credit products, insurance products, credit cards and deposit products.

A geographical segment is a geographical area where products and services provided, are subject to risks and rewards different from those of other areas. The Bank's activities take place exclusively in Greece.

2. Public Sector - Corporate: This segment comprises of public companies, corporate debt securities and loans to affiliates. The Group provides loans to customers of this segment and has not issued any letter of credit. It is also noted that, corporate bonds from the line "Debt securities" in the Statement of Financial Position are also included in this segment.

It has to be noted that for the determination of the business sector results, income and expenses from financing costs those ones which are included in the "Net interest income" between the sectors according to management assumptions. The Group has divided its activities in different business segments:

3. Treasury: This segment comprises the management of Group's securities and cash equivalents. Moreover, this section includes the subsidiary "HELLENIC POSTBANK-ELTA MUTUAL FUNDS MANAGEMENT S.A" and Group's associates. Financial products which the Bank invests on are mainly Greek government bonds, derivative products, shares listed in both Athens Stock Exchange and foreign stock exchanges and foreign currency transactions.

1. Retail Banking: This segment comprises the total of private individuals - clients. Via the network of its branches, its subsidiaries " Hellenic Post Credit S.A.", "Post Insurance Brokerage S.A" and the alternative network of EL.TA shops,

Segment Reporting on Consolidated Basis

Amounts in €	Retail Banking	Treasury	Public Sector-Corporate	Total
From January 1st to December 31st, 2010				
Net income from interest	237.723.284,75	129.731.194,57	17.146.815,09	384.601.294,41
Net income from commissions	15.069.229,32	9.657.742,39	52.817,24	24.779.788,95
Net other operating income	(5.287.734,62)	(85.636.783,39)	562.200,24	(90.362.317,77)
Total net income	247.504.779,45	53.752.153,57	17.761.832,57	319.018.765,59
Expenses	(203.911.990,10)	(15.196.551,06)	(4.193.512,44)	(223.302.053,60)
Depreciation	(11.074.401,35)	(734.596,01)	(73.821,20)	(11.882.818,56)
Allowances for loans impairment	(46.680.750,47)	-	(7.560.800,01)	(54.241.550,48)
Allowance for the impairment of other assets and investments	-	(3.735.828,66)	-	(3.735.828,66)
Share in profit / (loss) of associates	-	(18.246.147,60)	-	(18.246.147,60)
Profit / (loss) before tax	(14.162.362,47)	15.839.030,24	5.933.698,92	7.610.366,69
Income taxes				(36.165.562,30)
Extraordinary social responsibility tax				(4.372.445,90)
Net profit / (loss) after tax				(32.927.641,51)
Capital expenditure 31.12.2010	16.405.936,56	491.462,47	106.929,29	17.004.328,32
Total assets at 31.12.2010	7.332.131.368,98	7.677.860.537,97	1.556.350.765,83	16.566.342.672,78
Total liabilities at 31.12.2010	11.399.212.093,22	3.337.334.637,43	899.372.438,78	15.635.919.169,43
From January 1st to December 31st, 2009				
Net income from interest	188.077.834,04	71.363.707,58	3.856.429,12	263.297.970,74
Net income from commissions	15.877.788,85	(463.815,26)	466.538,82	15.880.512,41
Net other operating income	(2.337.618,42)	92.652.242,42	(492.067,52)	89.822.556,48
Total net income	201.618.004,47	163.552.134,74	3.830.900,42	369.001.039,63
Expenses	(232.235.634,68)	(18.175.457,56)	(4.400.828,32)	(254.811.920,56)
Depreciation	(10.215.041,36)	(1.070.526,41)	(72.823,79)	(11.358.391,56)
Allowances for loans impairment	(33.515.414,86)	-	(7.096.220,99)	(40.611.635,85)
Allowances for the impairment of other receivables	(236.557,78)	(15.940.430,67)	-	(16.176.988,45)
Share in profit / (loss) of associates	-	697.354,85	-	697.354,85
Profit / (loss) before tax	(74.584.644,21)	129.063.074,95	(7.738.972,68)	46.739.458,06
Income taxes				(16.807.218,36)
Extraordinary social responsibility tax				(7.285.323,26)
Net profit / (loss) after tax				22.646.916,44
Capital expenditure 31.12.2009	25.548.744,84	819.268,88	193.433,18	26.561.446,90
Total assets at 31.12.2009	6.865.552.170,67	9.511.504.916,50	1.578.459.572,17	17.955.516.659,35
Total liabilities at 31.12.2009	12.476.800.807,21	3.876.404.580,48	360.510.063,69	16.713.715.451,37

Segment Reporting on stand alone Basis

Amounts in €	Retail Banking	Treasury	Public Sector - Corporate	Total
From January 1st to December 31st, 2010				
Net income from interest	217.132.799,58	129.716.022,21	17.146.815,09	363.995.636,88
Net income from commissions	11.023.620,87	8.883.878,10	52.817,24	19.960.316,21
Net other operating income	(4.016.509,59)	(85.646.891,51)	562.200,24	(89.101.200,86)
Total net income	224.139.910,86	52.953.008,80	17.761.832,57	294.854.752,23
Expenses	(194.395.852,40)	(14.603.684,24)	(4.193.512,44)	(213.193.049,08)
Depreciation	(10.298.214,46)	(712.446,70)	(73.821,20)	(11.084.482,36)
Allow ances for loans impairment	(38.311.196,91)	-	(7.560.800,01)	(45.871.996,92)
Allow ance for the impairment of other assets and investments	-	(30.021.422,11)	-	(30.021.422,11)
Profit / (loss) before tax	(18.865.352,91)	7.615.455,75	5.933.698,92	(5.316.198,24)
Income taxes				(32.910.083,21)
Extraordinary social responsibility tax				(3.874.448,86)
Net profit / (loss) after tax				(42.100.730,31)
Capital expenditure 31.12.2010	16.146.537,64	648.701,58	119.691,26	16.914.930,48
Total assets at 31.12.2010	7.117.494.372,13	7.684.177.492,14	1.763.259.861,16	16.564.931.725,42
Total liabilities at 31.12.2010	11.394.860.990,48	3.337.276.914,04	915.364.958,03	15.647.502.862,55
From January 1st to December 31st, 2009				
Net income from interest	184.450.810,24	71.359.668,53	3.856.429,12	259.666.907,89
Net income from commissions	12.130.751,18	(1.034.444,28)	466.538,82	11.562.845,72
Net other operating income	(1.309.918,36)	92.614.497,55	(492.067,53)	90.812.511,66
Total net income	195.271.643,06	162.939.721,80	3.830.900,41	362.042.265,27
Expenses	(238.088.174,57)	(17.528.158,91)	(4.400.828,32)	(260.017.161,80)
Depreciation	(9.441.203,68)	(1.038.123,96)	(72.823,79)	(10.552.151,43)
Allow ances for loans impairment	(28.590.497,18)	-	(7.096.220,99)	(35.686.718,17)
Allow ance for the impairment of other assets and investments	(236.557,78)	(14.754.483,62)	-	(14.991.041,40)
Profit / (loss) before tax	(81.084.790,15)	129.618.955,31	(7.738.972,69)	40.795.192,47
Income taxes				(13.534.623,17)
Extraordinary social responsibility tax				(7.285.323,26)
Net profit / (loss) after tax				19.975.246,04
Capital expenditure 31.12.2009	25.045.111,17	1.050.507,40	205.362,40	26.300.980,97
Total assets at 31.12.2009	6.869.461.285,25	9.512.099.541,44	1.578.459.572,18	17.960.020.398,87
Total liabilities at 31.12.2009	12.498.568.305,51	3.876.671.285,37	360.510.063,68	16.735.749.654,56

7. Net interest income

Net interest income is analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
<i>Interest income from:</i>				
Fixed income securities	273.081.880,17	202.390.801,94	273.081.880,17	202.390.801,94
Loans and advances, due from customers	333.376.397,68	350.223.302,71	312.984.043,16	346.690.200,50
Amounts due from banks	26.428.485,23	68.914.749,49	26.245.261,51	68.848.088,86
Interest on deposits in Bank of Greece	2.513.531,88	3.042.043,62	2.513.531,88	3.042.043,62
Interest income on deposits of "Contribution to Hellenic Deposit and Investment Guarantee fund"	2.045.328,09	690.155,77	2.045.328,09	690.155,77
Interest and similar income	637.445.623,05	625.261.053,53	616.870.044,81	621.661.290,69
<i>Interest expense from:</i>				
Liabilities due to credit institutions	36.391.968,44	70.623.859,12	36.391.968,44	70.623.775,80
Amounts due to customers	202.760.258,76	274.773.522,45	202.791.168,77	274.805.838,61
Contribution to Hellenic Deposit and Investment Guarantee Fund	11.651.697,23	14.372.412,22	11.651.697,23	14.372.412,22
Other interest bearing liabilities	2.040.404,21	2.193.289,00	2.039.573,49	2.192.356,17
Interest and similar expenses	252.844.328,64	361.963.082,79	252.874.407,93	361.994.382,80
Net interest income	384.601.294,41	263.297.970,74	363.995.636,88	259.666.907,89

8. Net fee and commission income

Net fee and commission income are analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Commissions from securities & insurance contracts	799.865,36	604.172,49	968.356,68	30.148,79
Fund management fees & commissions from foreign exchange operations	367.173,80	145.466,96	367.173,80	145.466,96
Commissions from credit cards and consumer loans	3.841.508,20	3.996.581,21	484.939,13	3.418.915,97
Other commission income	20.809.084,08	12.999.649,82	18.910.164,20	9.687.894,89
Total commission income	25.817.631,44	17.745.870,48	20.730.633,81	13.282.426,61
Credit cards commission expenses	192.299,22	393.733,98	192.299,22	393.733,98
Other commission expenses	845.543,27	1.471.624,09	578.018,38	1.325.846,91
Total commission expenses	1.037.842,49	1.865.358,07	770.317,60	1.719.580,89
Net commission income	24.779.788,95	15.880.512,41	19.960.316,21	11.562.845,72

It is noted that the line "Other commission income" in the financial statements of 31.12.2010, includes underwriting fees and commissions in relation to the share capital increase of National Bank of Greece in the fourth quarter of 2010 that amounts to €9.094.089,49.

9. Dividend income

Dividend income is analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Dividend income from affiliates	-	-	1.258.400,00	871.200,00
Dividends from shares of local companies listed and unlisted	2.192.563,74	2.945.102,17	2.192.563,74	2.945.102,17
Dividends from shares of companies listed on foreign stock markets	5.015.611,76	4.759.012,88	5.015.611,76	4.759.012,88
Total	7.208.175,50	7.704.115,05	8.466.575,50	8.575.315,05

10. Net income / (loss) from financial instruments designated at fair value through profit or loss

Net income from financial instruments designated at fair value through profit or loss is analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Profit / (Loss) from financial assets at fair value through P&L				
- Debt securities	(7.704.490,57)	8.241.251,25	(7.704.490,57)	8.241.251,25
- Mutual Funds	(2.890.277,12)	1.383.809,65	(2.887.508,76)	1.415.234,32
<u>Total of Profit / (Loss) from financial assets at fair value through P&L</u>	(10.594.767,69)	9.625.060,90	(10.591.999,33)	9.656.485,57
Profit / (Loss) from trade portfolio				
- Debt securities and derivatives	(94.385.401,47)	36.091.247,67	(94.385.401,47)	36.091.247,67
- Equity securities	358.363,45	2.010.445,89	345.486,97	1.975.395,87
Foreign exchange profits / (losses)	571.782,40	1.211.598,68	587.170,06	1.214.258,32
<u>Total of trade portfolio</u>	(93.455.255,62)	39.313.292,24	(93.452.744,44)	39.280.901,86
Total	(104.050.023,31)	48.938.353,14	(104.044.743,77)	48.937.387,43

Since July 1st, 2008 the Bank has applied fair value hedge accounting for a part of fixed rate mortgage and consumer loans portfolio using interest rate swaps. Moreover, since 1/10/2008 the Bank has carried out fair value hedge accounting as regards bonds in Available for Sale and Loans portfolio, using interest rate swaps and futures. For the year 1/1/2010 - 31/12/2010,

the net result of interest rate swaps and futures valuation amounted to a loss of € 18.129.264,68 , while the net result of loans and debt securities valuation at fair value amounted to a profit of € 18.214.294,15. The difference of the above results amounting to € 85.029,47 has been added to "Other expenses".

11. Net income / (loss) from investment securities

The profit / (loss) of investment portfolio is analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Net income from the available for sale securities				
- Shares	2.873.367,80	4.774.844,30	2.873.367,80	4.774.844,30
- Bonds and other securities	3.334.672,55	43.966.794,27	3.334.672,55	43.966.794,27
- Impairment	(741.896,57)	(17.119.814,34)	(741.896,57)	(17.119.814,34)
Total	5.466.143,78	31.621.824,23	5.466.143,78	31.621.824,23

12. Personnel expenses

The number of the Group employees on December 31st, 2010 amounts to 2.510 (134 of which are related to subsidiaries) as compared to 2.554 (135 of which are related to subsidiaries) on December 31st, 2009.

Personnel expenses affect the Income Statement of the fiscal year as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Wages and salaries	107.117.537,77	100.432.020,84	103.326.432,88	96.969.431,56
Social security contributions	13.779.644,58	10.170.772,91	13.198.177,17	9.597.170,89
Provision for staff termination indemnity	3.457.970,19	2.940.451,85	3.365.935,49	2.867.772,23
Other personnel expenses	3.167.025,81	2.751.425,02	3.006.489,82	2.639.924,44
Cost of voluntary redundancy	503.919,95	7.903.140,00	503.919,95	7.903.140,00
Total	128.026.098,30	124.197.810,62	123.400.955,31	119.977.439,12

The line "Cost of voluntary redundancy" of fiscal year 2010, refers to the unbudgeted cost of the "Voluntary Retirement Programs" adopted by the Bank with No. 114/30.05.2008 and No.

140/16.06.2009 Board's Decisions and involves additional cost due to the completion of voluntary retirement schemes of the Bank for the years 2008 and 2009.

13. Other operating expenses

Other operating expenses are analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Associated lawyers & engineers fees	3.054.307,72	3.361.045,75	3.054.307,72	3.361.045,75
Electronic data support fees	3.235.776,22	3.021.961,80	1.632.594,37	1.555.491,53
Other third party fees and expenses	11.519.972,00	16.557.568,19	11.238.162,49	15.990.456,76
Expenses of EL.TA. Network	15.589.614,87	16.037.634,33	15.589.614,87	16.037.634,33
Brokerage fees of Post Credit	-	-	80.254,11	13.623.161,17
Rental expenses	6.421.827,34	5.615.458,98	6.064.315,11	5.269.120,30
Insurance expenses	1.215.535,52	669.641,97	1.201.105,28	650.206,00
Telephone-postal expenses	5.629.837,56	5.548.997,89	4.116.823,68	4.865.938,39
Repairs and maintenance	3.881.241,48	3.712.436,60	3.772.224,75	3.645.360,81
Office supplies	1.657.734,84	1.700.066,35	1.420.313,45	1.456.010,51
Promotion and advertising expenses	14.926.127,87	32.168.981,88	14.253.905,30	32.057.148,98
Electricity expenses	1.906.997,37	1.793.817,20	1.906.997,37	1.793.817,20
Cleaning expenses	212.962,08	606.659,11	212.779,57	606.078,97
Tax and duties - VAT	9.718.013,43	13.510.095,32	9.689.996,30	13.472.584,72
Subscription-contributions	2.148.819,81	2.836.957,79	1.810.834,33	2.680.350,14
Security services expenses	4.482.734,93	5.683.637,13	4.482.734,93	5.683.637,13
Other operating expenses	4.906.309,74	5.346.708,34	4.682.484,71	4.879.232,82
Total	90.507.812,78	118.171.668,63	85.209.448,34	127.627.275,51

14. Allowance for the impairment of other assets and investments

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Other assets	-	6.874.189,78	-	6.874.189,78
Impairment loss of associates (note	3.735.828,66	9.302.798,67	30.021.422,11	8.116.851,62
Total	3.735.828,66	16.176.988,45	30.021.422,11	14.991.041,40

15. Other expenses

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Ineffectiveness of hedge accounting (note 10)	(85.029,47)	8.882.424,94	(85.029,47)	8.882.424,94
Cost of loans to employees	3.633.599,35	2.670.948,54	3.633.599,35	2.670.948,54
Other expenses	1.219.572,64	889.067,83	1.034.075,55	859.073,69
Total	4.768.142,52	12.442.441,31	4.582.645,43	12.412.447,17

16. Income tax

Tax expense affects the comprehensive income of the fiscal year as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Income Tax	3.408.555,30	12.846.383,82	-	9.424.148,13
Provisions for non-offsetting taxes	23.947.910,57	5.800.000,00	23.947.910,57	5.800.000,00
Deferred Tax	8.809.096,43	(1.839.165,46)	8.962.172,64	(1.689.524,96)
Total	36.165.562,30	16.807.218,36	32.910.083,21	13.534.623,17

The current income tax of the Bank for 2009 is calculated at a tax rate of 25%, while for the year 2010 there is no income tax as the Bank has tax losses. Current income tax is recorded as an expense for the current year and is calculated with the use of effective tax rate.

According to Law 3697/08 starting from 2010, the tax rate will be reduced one percent annually until the rate reaches 20% in 2014 and thereafter. Also, according to article 13 of Law 3842/2010 which replaces par. 1 of article 109 of Law 2238/1994, distributable profits shall be taxed at 40% and non-distributable profits, bearing 24% taxation.

According to the new tax law, which was voted on 29th March, 2011, the legal persons' tax rate for the financial years beginning from 1/1/2011 is determined to 20%. When the profit distribution is approved by a General Assembly after the 1st January 2011 the income tax rate withheld is equal to 25%. For the profits distributed during 2011, the income tax rate withheld is equal to 21%.

The reconciliation of current income tax expense is analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Profit/(loss) before tax	7.610.366,69	46.739.458,06	(5.316.198,24)	40.795.192,47
Income tax based on the current tax rate	1.826.488,00	11.684.864,52	(1.275.887,58)	10.198.798,12
Income not subject to taxation	(19.087.328,17)	(10.856.638,31)	(16.375.313,22)	(10.856.923,77)
Expenses not deductible for tax purposes	4.871.684,65	4.307.713,86	2.246.842,97	2.523.073,90
Effect of tax rate change	24.599.960,08	5.085.164,46	24.366.530,47	5.083.561,09
Income tax of previous fiscal years	(5.326,62)	710.188,00	-	710.188,00
Provision for taxes not off set	23.947.910,57	5.800.000,00	23.947.910,57	5.800.000,00
Additional tax	12.173,79	75.925,83	-	75.925,83
Income tax	36.165.562,30	16.807.218,36	32.910.083,21	13.534.623,17

17. Extraordinary social responsibility tax

According to article 5 of Law 3845/2010 "Actions for the implementation of the Greek Economy Support mechanism by other E.U. member States and International Monetary FUND", an extraordinary lump sum social responsibility tax was imposed on net income of corporations for the year 2009, for income over € 100.000.

Due to the aforementioned legislation, for the current period, the Bank's and the Group's results were aggravated with an extraordinary social responsibility tax amounting to € 3.874.448,86 and € 4.372.445,90 respectively. In the comparative period 2009, the Bank and the Group recorded the amount of € 7.285.323,26.

18. Earnings / (losses) per share

The calculation of basic and diluted earnings / (losses) per share on both consolidated and stand alone basis is based on net profit / (loss) of the period and weighted average number of shares outstanding minus the weighted average number of treasury shares.

The basic and diluted earnings / (losses) per share for the periods 1/1/2010 - 31/12/2010 and 1/1/2009 - 31/12/2009 are calculated as follows:

<i>Amounts in €</i>	On consolidated basis		On stand alone basis	
	1.1-31.12.2010	1.1-31.12.2009	1.1-31.12.2010	1.1-31.12.2009
Net profit / (loss) attributable to the owners of the Bank	(34.122.172,83)	20.630.368,84	(42.100.730,31)	19.975.246,04
Minus : Preference shares dividends	17.096.960,00	10.400.547,94	17.096.960,00	10.400.547,94
Net profit / (loss) attributable to the parent company's common shareholders	(51.219.132,83)	10.229.820,90	(59.197.690,31)	9.574.698,10
Weighted average number of shares outstanding	281.000.944	216.017.980	281.032.944	216.049.980
Basic and diluted earnings / (losses) per share	(0,1823)	0,0474	(0,2106)	0,0443

According to I.A.S.33 par. 14, for the calculation of earnings per share, the after-tax amount of preference dividends of the current and previous fiscal year, must be deducted from profit attributable to the parent company's shareholders. The aforementioned dividend is deducted from the calculation of earnings per share, whether or not the dividends have been declared. As

presented above, dividends are the after tax amount for the respective period, which corresponds to 10% of € 224.960.000,00 preference shares' value. It is noted that there were no potential shares to be included in the calculation of the diluted earnings per share on December 31st, 2010.

19. Cash and balances with Central Bank

Cash and Balances with Central Bank are analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Cash	36.345.232,44	34.745.556,39	36.341.433,47	34.741.189,07
Balances with Central Bank	325.484.330,26	74.942.596,12	325.484.330,26	74.942.596,12
Total	361.829.562,70	109.688.152,51	361.825.763,73	109.683.785,19

From cash and balances with Central Bank as at 31/12/2010 the amount of € 325.484.330,26 and € 74.942.596,12 on 31/12/2009 refers to mandatory deposits to Bank of Greece.

20. Due from Banks

Amounts due from banks are analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Time deposits with banks	610.005.636,00	1.955.959.477,17	604.405.636,00	1.952.959.477,17
Correspondent Banks	3.635.904,18	1.555.126,21	3.635.904,18	1.555.126,21
Sight deposits	6.203.384,94	8.404.994,37	4.161.826,05	6.855.300,63
Margin accounts	20.042.070,31	44.965.672,34	20.042.070,31	44.965.672,34
Reverse repos	100.136.904,23	222.000.000,00	100.136.904,23	222.000.000,00
Collaterals & others	191.894.670,98	106.482.633,74	191.894.670,98	106.482.633,74
Total	931.918.570,64	2.339.367.903,83	924.277.011,75	2.334.818.210,09

21. Loans and advances due from customers

Amounts due from customers are analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Public sector (loans & debt securities)	660.340.381,42	596.362.277,54	660.340.381,42	596.362.277,54
Consumer loans	1.747.890.212,14	1.880.491.710,63	1.747.890.212,14	1.880.491.710,63
Mortgage loans	4.768.795.103,80	4.615.486.040,99	4.768.795.103,80	4.615.486.040,99
Credit cards	249.991.676,33	242.854.344,76	16.893.683,82	26.625.770,03
Corporate debt securities	786.091.149,80	707.574.544,12	786.091.149,80	707.574.544,12
Loans to affiliates	3.000.000,00	-	209.908.747,62	208.278.517,45
Total	8.216.108.523,49	8.042.768.918,04	8.189.919.278,60	8.034.818.860,76
Less: Allowances for impairment of loans and advances, due from customers	(216.340.782,92)	(162.874.705,50)	(191.103.808,69)	(146.731.495,83)
Net Total	7.999.767.740,57	7.879.894.212,54	7.998.815.469,91	7.888.087.364,93

It is noted that during 2010, credit cards amounting to € 9.349.361,78 as well as allowances for impairment to loans and advances due from customers, amounting to € 724.211,00 were transferred from the bank to its subsidiary "HELLENIC POST CREDIT S.A". During 2009, were transferred credit cards of total amount € 216.901.888,83 and allowances for impairment to loans and advances due from customers amounting to € 10.618.219,99 .

Lines "Corporate debt securities" and "Public sector (loans and debt securities)" as at 31.12.2010 include loans of total amortized cost € 397.389.193,53 pledged for the distribution of specific government bonds of total amount of € 329 million for the raising of funds, according to article 3 of Law 3723/2008.

The movement of allowances for impairment of loans and advances, due from customers is analyzed as follows :

ON CONSOLIDATED BASIS

Amounts in €	Consumer loans	Mortgages	Credit Cards	Debt securities and other loans	Total
Balance at January 1st, 2010	64.402.256,84	58.816.736,00	32.559.491,67	7.096.220,99	162.874.705,50
Allow ances for loans impairment	12.225.676,77	26.577.601,59	7.877.472,11	7.560.800,01	54.241.550,48
Loans w ritten off	(49.742,92)	(730.057,59)	-	-	(779.800,51)
Returns from w ritten off loans of the year	-	-	4.327,45	-	4.327,45
Balance at December 31st, 2010	76.578.190,69	84.664.280,00	40.441.291,23	14.657.021,00	216.340.782,92

Amounts in €	Consumer loans	Mortgages	Credit Cards	Debt securities and other loans	Total
Balance at January 1st, 2009	54.194.551,00	45.380.700,00	22.523.045,00	0,00	122.098.296,00
Allow ances for loans impairment	10.632.066,22	13.453.214,71	9.430.133,93	7.096.220,99	40.611.635,85
Loans w ritten off	(424.360,38)	(17.178,71)	-	-	(441.539,09)
Transfers	-	-	600.000,00	-	600.000,00
Returns from w ritten off loans of the year	-	-	6.312,74	-	6.312,74
Balance at December 31st, 2009	64.402.256,84	58.816.736,00	32.559.491,67	7.096.220,99	162.874.705,50

ON STAND ALONE BASIS

Amounts in €	Consumer loans	Mortgages	Credit Cards	Debt securities and other loans	Total
Balance at January 1st, 2010	64.402.256,84	58.816.736,00	16.416.282,00	7.096.220,99	146.731.495,83
Allow ances for loans impairment	12.225.676,77	26.577.601,59	(492.081,45)	7.560.800,01	45.871.996,92
Loans w ritten off / transfers of provisions of the year	(49.742,92)	(730.057,59)	(724.211,00)	-	(1.504.011,51)
Returns from w ritten off loans of the year	-	-	4.327,45	-	4.327,45
Balance at December 31st, 2010	76.578.190,69	84.664.280,00	15.204.317,00	14.657.021,00	191.103.808,69

Amounts in €	Consumer loans	Mortgages	Credit Cards	Debt securities and other loans	Total
Balance at January 1st, 2009	54.194.551,00	45.380.700,00	22.523.045,00	0,00	122.098.296,00
Allow ances for loans impairment	10.632.066,22	13.453.214,71	4.505.216,25	7.096.220,99	35.686.718,17
Loans w ritten off / transfers of provisions of the year	(424.360,38)	(17.178,71)	(10.618.291,99)	-	(11.059.831,08)
Returns from w ritten off loans of the year	-	-	6.312,74	-	6.312,74
Balance at December 31st, 2009	64.402.256,84	58.816.736,00	16.416.282,00	7.096.220,99	146.731.495,83

22. Financial assets designated at fair value through profit and loss

<i>Amounts in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Financial assets designated at fair value through profit and loss				
Bonds issued by financial institutions	22.874.714,00	35.747.388,45	22.874.714,00	35.747.388,45
Mutual fund units	26.422.776,24	29.023.288,29	25.980.710,75	28.523.266,61
Alternative investments	14.886.500,00	24.003.500,00	14.886.500,00	24.003.500,00
Total financial assets designated at fair value through profit and loss	64.183.990,24	88.774.176,74	63.741.924,75	88.274.155,06
Trading securities				
<u>Bonds and other debt securities</u>				
Greek government bonds	10.774,90	146.496.472,19	10.774,90	146.496.472,19
Foreign government bonds	-	6.891.000,00	-	6.891.000,00
Bonds issued by financial institutions	9.538.800,00	188.024.571,99	9.538.800,00	188.024.571,99
Corporate bonds	2.181.782,56	15.892.322,38	2.156.782,56	15.892.322,38
	11.731.357,46	357.304.366,56	11.706.357,46	357.304.366,56
<u>Shares</u>				
Shares listed on the ATHEX	7.433,07	10.365,16	7.433,07	10.365,16
	7.433,07	10.365,16	7.433,07	10.365,16
Total trading securities	11.738.790,53	357.314.731,72	11.713.790,53	357.314.731,72
Total	75.922.780,77	446.088.908,46	75.455.715,28	445.588.886,78

The pledged bonds in trade portfolio as at 31/12/2010 are analyzed as follows :

Pledged bonds included in trading portfolio

Type of engagement	Fair Value 31.12.2010
Interbank repos	29.712.730,00
Total	29.712.730,00

23. Derivative financial instruments – assets - liabilities

Derivative financial instruments analysis as at December 31st, 2010 and December 31st, 2009 is presented as follows:

Amounts in €	ON CONSOLIDATED & STAND ALONE BASIS					
	December 31 st , 2010			December 31 st , 2009		
	Face Value	Fair Value		Face Value	Fair Value	
		Assets	Liabilities		Assets	Liabilities
Interest rate sw aps	2.066.189.202,22	-	92.409.778,25	3.422.744.381,51	500.924,04	70.471.151,88
Credit default sw aps	99.744.649,00	128.416,00	6.195.759,64	500.388.518,67	532.832,70	24.422.051,01
Currency sw aps	30.401.633,49	39.908,37	3.574.896,73	32.857.756,09	542.789,13	1.548.141,51
Futures	1.657.200.000,00	1.337.775,00	5.540.225,00	4.397.615.542,76	3.163.969,15	6.083.323,21
Fx forw ards	97.336.361,07	1.386.920,59	454,88	354.116,82	3.219,35	3.122,68
Embedded derivatives	163.875.256,61	688.640,31	44.606.235,82	301.290.221,45	199.585,62	53.208.759,03
Options	22.471.117,50	-	2.666.625,00	136.303.199,63	1.161.575,80	2.567.575,00
Total	4.137.218.219,89	3.581.660,27	154.993.975,32	8.791.553.736,93	6.104.895,79	158.304.124,32

From the aforementioned derivative financial instruments the Bank, at 31/12/2010, holds for fair value hedge accounting purposes: a) interest rate swaps to hedge fixed rate loans of nominal value € 205.929.400,00 for which the net fair value results to an obligation of € 6.436.178,78, b) currency and interest rate swaps to hedge debt securities portfolio and “Available for sale

portfolio” of nominal value € 1.213.698.713,20 for which the net fair value results to a liability of € 50.359.953,31 and c) futures to hedge “Available for Sale” portfolio and debt securities of nominal amount € 1.580.000.000,00 for which the net fair value results to an obligation of € 4.409.955,00.

24. Investment securities available for sale and held to maturity

Investment securities available for sale and held to maturity are analyzed as follows:

Amounts in €	ON CONSOLIDATED & STAND ALONE BASIS	
	31.12.2010	31.12.2009
Available for sale securities		
Debt securities		
Greek government bonds	83.847.990,00	4.817.884.842,82
Foreign government bonds	63.482.725,00	63.725.789,22
Corporate bonds	143.906.100,30	197.960.991,35
Bonds issued by financial institutions	417.633.000,35	528.760.678,23
Total of debt securities	708.869.815,65	5.608.332.301,62
Equity securities		
Share listed on ATHEX	103.158.167,14	137.915.742,96
Unlisted shares	33.341.154,70	27.304.318,46
Venture capital	207.876,48	212.078,32
Total equity securities	136.707.198,32	165.432.139,74
Total available for sale securities	845.577.013,97	5.773.764.441,36
Securities held to maturity		
Debt securities		
Greek government bonds	1.009.267.514,66	261.276.192,34
Bonds issued by financial institutions	77.295.821,59	184.917.686,68
Corporate bonds	4.781.721,66	4.542.724,01
Greek Treasury Bill securities	1.044.182.558,06	-
Total held to maturity securities	2.135.527.615,97	450.736.603,03
Total investment portfolio	2.981.104.629,94	6.224.501.044,39

The Management of the Bank, justifying the rare circumstances of financial market in the second semester of 2008 and the second quarter of 2010, applied the amendments of I.A.S.39 and I.F.R.S.7, issued in October 2008 and applied from 1/7/2008.

Securities that were transferred at 1/7/2008 from "Trading securities" portfolio either to "Held to maturity" or "Loans and receivables" (line "Debt securities" in Statement of Financial Position) with a fair value of € 53,94 million at 31/12/2010 have been measured at amortized cost. Consequently, a fair value profit amounting to € 2,00 million for the period from January 1st to December 31st, if they had been measured at fair value, has had no effect on the comprehensive

income statement of the period. Moreover, securities and stocks that were transferred from "Trading securities" portfolio to "Available for sale securities" portfolio have been evaluated at 31/12/2010 at € 50,79 million and the fair value loss amounted to € 6,65 million for the period 1/1/2010 – 31/12/2010, was recognized in "Available for sale reserve". Third quarter results include € 2,07 million realized profit from the sale of the reclassified securities. A Greek Government Bond that on 1/7/2008 was originally transferred from "Trading portfolio" to "Available for sale" portfolio, on 1/4/2010 was reclassified to "Loans and receivables" (line "Debt securities" in Statement of Financial Position), and its fair value gains amounting to € 0,36 million were transferred directly to "Available for sale reserve".

Also, Greek Government Bonds with fair value amounting to € 364,11 million at the beginning of April 2010, were originally transferred on 1/10/2008 from "Trading portfolio" to "Available for sale" portfolio. Commencing on April 2010 there were reclassified again to "Held to maturity" portfolio and "Loans and receivables" (line "Debt securities" in Statement of Financial Position). Fair value losses of the aforementioned securities for the period 1/1/2010 to April 2010 which were reclassified for the second time, amounting to € 34,22 million were directly recognized to "Available for sale reserve" portfolio.

Finally in April 2010, Greek Government Bonds were reclassified as follows: a) securities from "Available for sale" portfolio either to "Held to maturity" portfolio or "Loans and receivables" (line "Debt securities" in Statement of Financial

Position) with fair value at 31/12/2010 amounting to € 3.017 million, that have been evaluated to amortized cost. As a result, the negative evaluation amounting to € 857,05 million for the period from reclassification date from April 2010 to 31/12/2010, that would have been accounted if they were evaluated at fair value, has not been accounted to "Available for sale reserve" in Equity, b) securities from "Trading portfolio" either to "Held to maturity" or "Loans and receivables" (line "Debt securities" in Statement of Financial Position) with fair value at 31/12/2010 amounting to € 130,47 million that have been evaluated in amortized cost. As a result, the negative evaluation amounting to € 12,73 million for the period from their reclassification date from April 2010 to 31/12/2010 that would have been accounted if they were evaluated in fair value, has not been recognized to the results of the fiscal year.

The fair values of pledged bonds at 31/12/2010 are included in investment portfolio as follows:

Pledged debt securities included in investment portfolio

Type of engagement	Fair Value 31.12.2010
Interbank repos	308.646.763,49
Pledged assets for daily liquidity (Bank of Greece)	2.081.270.447,25
Total	2.389.917.210,74

The movement of available for sale and held to maturity securities for the fiscal year 1/1/2010 – 31/12/2010 is analyzed as follows:

	Investments available for sale	Investments held to maturity	Total
Opening balance as at 1.1.2010	5.773.764.441,36	450.736.603,03	6.224.501.044,39
Additions	1.301.916.514,40	1.719.170.616,46	3.021.087.130,86
Transfers to debt securities	(3.103.698.151,80)	-	(3.103.698.151,80)
Transfers to "Held to maturity" portfolio	(769.920.899,65)	769.920.899,65	-
Transfers from "Trading securities" portfolio	-	132.891.960,20	132.891.960,20
Disposals / write offs / maturities	(2.055.719.164,25)	(967.615.295,35)	(3.023.334.459,60)
Foreign exchange differences	9.210.284,71	1.193.825,16	10.404.109,87
Premium / discount amortization	33.475,11	29.229.006,82	29.262.481,93
Adjustment to fair value recognized directly in reserves	(310.009.485,91)	-	(310.009.485,91)
Closing balance as at 31.12.2010	845.577.013,97	2.135.527.615,97	2.981.104.629,94

The movement of investment securities available for sale for the fiscal year 1/1/2009 - 31/12/2009 is analyzed as follows:

	Investments available for sale	Investments held to maturity	Total
Opening balance as at 1.1.2009	2.439.197.833,49	1.143.282.566,59	3.582.480.400,08
Additions	5.467.669.027,82	-	5.467.669.027,82
Disposals / write offs / maturities	(2.049.246.926,16)	(687.702.555,62)	(2.736.949.481,78)
Foreign exchange differences	(3.215.408,40)	(640.859,09)	(3.856.267,49)
Premium / discount amortization	(19.359.502,80)	(4.202.548,85)	(23.562.051,65)
Adjustment to fair value recognized directly in reserves	(61.280.582,59)	-	(61.280.582,59)
Closing balance as at 31.12.2009	5.773.764.441,36	450.736.603,03	6.224.501.044,39

25. Debt securities

The movement of debt securities is analyzed as follows:

Amounts in €	ON CONSOLIDATED BASIS & STAND ALONE BASIS	
	31.12.2010	31.12.2009
Greek Government bonds	3.176.041.186,79	-
Corporate bonds	24.386.132,03	22.701.717,71
Total	3.200.427.318,82	22.701.717,71

The movement of debt securities for the fiscal year 1/1/2010 - 31/12/2010 is analyzed as follows:

	Debt securities
Opening balance as at 1.1.2010	22.701.717,70
Additions	12.897.733,62
Transfers from available for sale portfolio	3.103.698.151,81
Transfers from "Trading securities" portfolio	10.307.547,68
Foreign exchange differences	922.007,69
Premium / discount amortization	29.867.178,39
Adjustment to fair value recognized directly in reserves	20.032.981,93
Closing balance as at 31.12.2010	3.200.427.318,82

Pledged debt securities of loan portfolio as at 31/12/2010 are as follows:

Pledged debt securities	
Type of engagement	Amortised Cost 31.12.2010
Interbank repos	78.064.480,85
Pledged assets for daily liquidity (Bank of Greece)	2.652.170.481,52
Total	2.730.234.962,37

During the second quarter of 2010 there was a reclassification of Greek Government Bonds from

"Available for Sale" portfolio and "Trading portfolio" to "Loans and Receivables" (line "Debt

securities” of the Statement of Financial Position). Comprehensive information about the above reclassification is given in note 24. Moreover, the relevant amount of €

22.701.717,71 of debt securities as at 31/12/2009 has been reclassified in order to be comparable to the amount of the current year.

26. Property, plant and equipment

The movement of property, plant and equipment on consolidated and stand alone basis is analyzed as follows:

ON CONSOLIDATED BASIS

Amounts in €	Land	Buildings & Building installations	Mechanical Equipment & vehicles	Furniture and other equipment	Assets under Construction	Total
Cost						
January 1 st , 2009	65.606.461,77	48.426.953,68	3.667.632,88	44.819.530,87	5.322,58	162.525.901,78
Additions	-	16.591.071,42	7.322,78	6.109.027,54	-	22.707.421,74
Disposals & write offs	-	-	(59.449,99)	-	-	(59.449,99)
December 31st, 2009	65.606.461,77	65.018.025,10	3.615.505,67	50.928.558,41	5.322,58	185.173.873,53
Accumulated depreciation						
January 1 st , 2009	-	(8.285.281,17)	(3.332.305,23)	(35.660.286,77)	-	(47.277.873,17)
Depreciation	-	(2.619.998,92)	(92.066,17)	(4.733.972,39)	-	(7.446.037,48)
December 31st, 2009	0,00	(10.905.280,09)	(3.424.371,40)	(40.394.259,16)	0,00	(54.723.910,65)
Net book value at December 31st, 2009	65.606.461,77	54.112.745,01	191.134,27	10.534.299,25	5.322,58	130.449.962,88

Amounts in €	Land	Buildings & Building installations	Mechanical Equipment & vehicles	Furniture and other equipment	Assets under Construction	Total
Cost						
January 1 st , 2010	65.606.461,77	65.018.025,10	3.615.505,67	50.928.558,41	5.322,58	185.173.873,53
Additions	-	7.325.987,83	35.350,00	5.394.340,36	97.416,00	12.853.094,19
Transfers	3.151.752,36	(3.151.752,36)	-	64.666,37	-	64.666,37
December 31st, 2010	68.758.214,13	69.192.260,57	3.650.855,67	56.387.565,14	102.738,58	198.091.634,09
Accumulated depreciation						
January 1 st , 2010	-	(10.905.280,09)	(3.424.371,40)	(40.394.259,16)	-	(54.723.910,65)
Depreciation	-	(2.983.492,11)	(89.196,62)	(4.670.238,91)	-	(7.742.927,64)
December 31st, 2010	0,00	(13.888.772,20)	(3.513.568,02)	(45.064.498,07)	0,00	(62.466.838,29)
Net book value at December 31st, 2010	68.758.214,13	55.303.488,37	137.287,65	11.323.067,07	102.738,58	135.624.795,80

ON STAND ALONE BASIS

Amounts in €	Land	Buildings & Building installations	Mechanical Equipment & vehicles	Furniture and other equipment	Assets under Construction	Total
Cost						
January 1 st , 2009	65.606.461,77	48.304.481,52	3.662.333,81	44.168.403,17	5.322,58	161.747.002,85
Additions	-	16.591.071,43	7.322,78	6.000.635,06	-	22.599.029,27
Disposals & write offs	-	-	(59.449,99)	-	-	(59.449,99)
December 31st, 2009	65.606.461,77	64.895.552,95	3.610.206,60	50.169.038,23	5.322,58	184.286.582,13
Accumulated depreciation						
January 1 st , 2009	-	(8.228.721,27)	(3.329.482,93)	(35.057.191,70)	-	(46.615.395,90)
Depreciation	-	(2.610.140,47)	(91.271,32)	(4.652.940,66)	-	(7.354.352,45)
December 31st, 2009	0,00	(10.838.861,74)	(3.420.754,25)	(39.710.132,36)	0,00	(53.969.748,34)
Net book value at December 31st, 2009	65.606.461,77	54.056.691,21	189.452,35	10.458.905,87	5.322,58	130.316.833,79

Amounts in €	Land	Buildings & Building installations	Mechanical Equipment & vehicles	Furniture and other equipment	Assets under Construction	Total
Cost						
January 1 st , 2010	65.606.461,77	64.895.552,95	3.610.206,60	50.169.038,23	5.322,58	184.286.582,13
Additions	-	7.312.835,56	35.350,00	5.384.666,64	97.416,00	12.830.268,20
Transfers	3.151.752,36	(3.151.752,36)	-	-	-	-
December 31st, 2010	68.758.214,13	69.056.636,15	3.645.556,60	55.553.704,87	102.738,58	197.116.850,33
Accumulated depreciation						
January 1 st , 2010	-	(10.838.861,74)	(3.420.754,25)	(39.710.132,36)	-	(53.969.748,35)
Depreciation	-	(2.963.696,34)	(88.401,76)	(4.631.079,65)	-	(7.683.177,75)
December 31st, 2010	0,00	(13.802.558,08)	(3.509.156,01)	(44.341.212,01)	0,00	(61.652.926,10)
Net book value at December 31st, 2010	68.758.214,13	55.254.078,07	136.400,59	11.212.492,86	102.738,58	135.463.924,23

27. Goodwill and intangible assets

The movement of intangible assets on stand alone and consolidated basis is analyzed as follows:

<i>Amounts in €</i>	ON CONSOLIDATED BASIS	ON CONSOLIDATED BASIS	ON CONSOLIDATED BASIS	ON CONSOLIDATED BASIS	ON STAND ALONE BASIS
	CUSTOMER RELATIONSHIPS	GOODWILL	SOFTWARE	Total Goodwill and other Intangible assets	SOFTWARE
Cost					
January 1st, 2009	-	7.704.298,57	22.033.034,67	29.737.333,24	21.105.031,70
Recognition of intangible asset from acquisition of subsidiary	9.492.000,00	(3.796.800,00)	-	5.695.200,00	-
Additions	-	-	3.854.025,16	3.854.025,16	3.701.951,70
December 31st, 2009	9.492.000,00	3.907.498,57	25.887.059,83	39.286.558,40	24.806.983,40
Accumulated amortisation					
January 1st, 2009	-	-	(9.923.531,37)	(9.923.531,37)	(9.200.291,30)
Amortization charge	(632.800,00)	-	(3.279.554,07)	(3.912.354,07)	(3.197.798,98)
December 31st, 2009	(632.800,00)	0,00	(13.203.085,44)	(13.835.885,44)	(12.398.090,28)
Net book value at December 31st, 2009	8.859.200,00	3.907.498,57	12.683.974,39	25.450.672,96	12.408.893,12

	ON CONSOLIDATED BASIS	ON CONSOLIDATED BASIS	ON CONSOLIDATED BASIS	ON CONSOLIDATED BASIS	ON STAND ALONE BASIS
	CUSTOMER RELATIONSHIPS	GOODWILL	SOFTWARE	Total Goodwill and other Intangible assets	SOFTWARE
Cost					
January 1st, 2010	9.492.000,00	3.907.498,57	25.887.059,83	39.286.558,40	24.806.983,40
Additions	-	-	4.151.234,13	4.151.234,13	4.084.662,28
December 31st, 2010	9.492.000,00	3.907.498,57	30.038.293,96	43.437.792,53	28.891.645,68
Accumulated amortisation					
January 1st, 2010	(632.800,00)	-	(13.203.085,44)	(13.835.885,44)	(12.398.090,28)
Amortization charge	(632.800,00)	-	(3.507.090,92)	(4.139.890,92)	(3.401.304,61)
December 31st, 2010	(1.265.600,00)	0,00	(16.710.176,36)	(17.975.776,36)	(15.799.394,89)
Net book value at December 31st, 2010	8.226.400,00	3.907.498,57	13.328.117,60	25.462.016,17	13.092.250,79

The above amount of goodwill that was created in October 2008, derived from the difference between acquisition price and assets consolidated in the Group's financial statements from the acquisition of 50% of the subsidiary "HELLENIC POST CREDIT S.A." The purchase price

allocation process (P.P.A.) based on estimation of fair value of identifiable intangible assets, fixed assets and other assets and liabilities has been concluded at the end of the previous fiscal year 2009 and is presented in the table below :

Amounts in €	Current amounts	Fair Value adjustments	Fair Value recognized at acquisition date
Assets			
Property, plant and equipment	84.022,25		84.022,25
Intangible assets	195.586,40		195.586,40
Other Intangible assets-Customer relationships	0,00	9.492.000,00	9.492.000,00
Loans and advances to customers	1.472.868,53		1.472.868,53
Due to related parties	764.000,00		764.000,00
Financial assets designated at fair value through profit & loss	159.280,00		159.280,00
Other assets	483.799,60		483.799,60
Cash and cash equivalents	21.218.721,13		21.218.721,13
Total Assets	24.378.277,91		33.870.277,91
Minus			
Liabilities			
Due to Suppliers	(291.928,34)		(291.928,34)
Deferred tax liabilities	(2.975,81)	(1.898.400,00)	(1.901.375,81)
Retirement benefit obligations	(365.464,68)		(365.464,68)
Current income tax liabilities	(1.126.079,67)		(1.126.079,67)
Other liabilities	(200.026,54)		(200.026,54)
Total liabilities	(1.986.475,04)		(3.884.875,04)
Net Assets			29.985.402,87
Shareholding acquired by the Group			50,00%
Net asset value acquired by the Group			14.992.701,43
Total acquisition cost			(18.900.200,00)
Goodwill arising on acquisition			3.907.498,57

28. Investment in subsidiaries

The Bank's investment percentages in its subsidiaries at 31/12/2010 and 31/12/2009 respectively, are analyzed as follows:

Name	Country of incorporation	Participation Type	Bank's ownership interest % 31.12.2010	Bank's ownership interest % 31.12.2009	Participation Cost 31.12.2010	Participation Cost 31.12.2009
HELLENIC POSTBANK-ELTA MUTUAL FUNDS MANAGEMENT S.A.	Greece	Direct	51,00%	51,00%	1.360.878,00	1.322.628,00
HELLENIC POST CREDIT S.A.	Greece	Direct	50,00%	50,00%	18.900.200,00	18.900.200,00
POST INSURANCE BROKERAGE S.A.	Greece	Direct	50,01%	50,01%	750.100,00	500.100,00
TOTAL					21.011.178,00	20.722.928,00

On September 23rd, 2010 the Board of Directors of "Hellenic Postbank – EL.TA Mutual Fund Management S.A." certified a capital increase of € 75.000,00 through cash disbursement from its shareholders. The Bank's participation in the above capital increase amounts to € 38.250,00 (3.825 new, common, registered with voting rights shares of nominal value € 10 per share). The

overall percentage of ownership remains unchanged at 51%.

The subsidiary "Hellenic Post Credit S.A.", which head office is located in Paiania, acquired on October 2008 and the bank's participation percentage is remained unchanged to 50%.

On October 5th, 2010, the Board of Directors of “Post Insurance Brokerage” certified the share capital increase by the amount of € 500.000,00. The Bank’s participation in the aforementioned capital increase amounts to € 250.000,00 (2.500 ordinary shares of € 100 par value each). The

overall percentage of ownership remains unchanged at 50,01%.

The abovementioned companies are consolidated with the full consolidation method.

29. Investment in associates

The Bank’s investment percentages in its associates at 31/12/2010 and 31/12/2009 respectively, are analyzed as follows:

Name	Country of incorporation	Participation Type	Bank's ownership interest % 31.12.2010	Bank's ownership interest % 31.12.2009	Participation Cost 31.12.2010	Participation Cost 31.12.2009
ATTICA BANK S.A.	Greece	Direct	22,43%	22,43%	107.300.000,00	125.460.000,00
POST BANK GREEN INSTITUTE	Greece	Direct	50,00%	50,00%	250.000,00	250.000,00
T-BANK S.A.	Greece	Direct	32,90%	0,00%	16.700.000,00	0,00
TOTAL					124.250.000,00	125.710.000,00

The aforementioned companies are consolidated with the equity method. For the fiscal year 1/1/2010 – 31/12/2010, the proportion of profit and loss of the associates has been recognized in the Group’s Income Statement.

The movement of investment in associates for the fiscal year 2009 and for the fiscal year 2010 is analyzed as follows:

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Balance at January 1st	125.683.029,22	94.585.030,36	125.710.000,00	94.585.030,36
Additions of the year	28.561.422,11	39.241.821,26	28.561.422,11	39.241.821,26
Share in profit / (loss) after tax	(18.246.147,60)	697.354,85	-	-
Share in profit / (loss) of other comprehensive income (after tax)	(11.226.224,09)	461.621,42	-	-
Preference shares dividends (after tax)	(1.053.030,65)	-	-	-
Hybrid securities’ dividend	(454.678,00)	-	-	-
Other changes	(3.329,25)	-	-	-
Impairment	(3.735.828,66)	(9.302.798,67)	(30.021.422,11)	(8.116.851,62)
Balance at the end of the year	119.525.213,08	125.683.029,22	124.250.000,00	125.710.000,00

ATTICA BANK S.A. was recognized for the first time as an associate on December 23rd 2008, when the participation rate in its share capital and voting rights surpassed 20% and was transferred

from “Available for sale” portfolio to “Investment in associates”.

The associate “Post Bank Green Institute” was incorporated in 2009.

The Bank's participation in share capital and voting rights of the associate "T BANK S.A." (former "ASPIS BANK S.A."), amounts to 32,90% and took place in 22nd April 2010 after the Bank's participation in the share capital increase of the aforementioned Bank via the "Book of Demand" for the distribution of outstanding shares. After the capital increase completion, the Bank directly acquired 47.602.370 new, common registered,

with voting rights, shares at the disposal price of € 0,60 per share. It is noted that through the Purchase Price Allocation process (PPA) based on fair value estimation of identifiable intangible assets, fixed assets and other assets and liabilities a goodwill equal to 141.086,00€ arose and is presented in the following table.

Amounts in €	
Acquisition cost	28.561.422,00
Minus : % participation in the net assets of the associate company	
Total Shareholder's Equity (on acquisition date)	86.384.000,00
Shareholding %	32,90%
Group Share	28.420.336,00
Goodwill	141.086,00

The consolidated information of the associates for the periods ended as at 31/12/2010 and 31/12/2009 is presented as follows:

	Country of incorporation	Total assets 31.12.2010	Total equity 31.12.2010	Total liabilities 31.12.2010	Profit/ (loss) after tax 31.12.2010	Other comprehensive income after taxes 31.12.2010
ATTICA BANK S.A.	Greece	4.770.229.383,34	522.330.083,21	4.247.899.300,13	(7.113.982,28)	(50.057.075,14)
POST BANK GREEN INSTITUTE	Greece	3.560.563,74	382.212,16	3.178.351,58	(63.846,28)	-
T-BANK A.T.E	Greece	2.732.456.000,00	76.684.000,00	2.655.772.000,00	(71.561.000,00)	(3.284.000,00)

	Country of incorporation	Total assets 31.12.2009	Total equity 31.12.2010	Total liabilities 31.12.2009	Profit/ (loss) after tax 31.12.2009	Other comprehensive income after taxes 31.12.2009
ATTICA BANK A.T.E	Greece	5.257.509.909,97	582.802.731,32	4.674.707.178,65	5.667.795,10	2.057.860,36
POST BANK GREEN INSTITUTE	Greece	458.360,00	446.058,44	12.301,56	(53.941,56)	0,00

Goodwill amounting to € 19.725.346,14, generated from the acquisition of the associate company "Attica Bank S.A.", is included in the line "Investment in associates" on the consolidated Interim Financial Position of 31/12/2010. Purchase

Price Allocation process (P.P.A.) based on the fair value estimation of identifiable intangible assets, fixed assets and other assets and liabilities, that generated the aforementioned goodwill, was conducted and concluded by the end of the

previous year 2009. The goodwill of Attica Bank on the 31.12.2009, after the completion of the PPA

process and its impairment, over the fiscal year 2010, is presented in the following table:

Amounts in €	
Acquisition cost 31.12.2008	94.585.030,36
Minus : % participation in the net assets of the associate company	
Total Shareholder's Equity (on acquisition date)	324.358.163,67
Plus: Recognition of Intangible assets – customer relationships deposits	24.872.000,00
Plus: Recognition of Intangible assets – customer relationships loans	14.638.000,00
Minus: Deferred tax	(7.902.000,00)
Total equity at the date of acquisition after the recognition of Intangible assets	355.966.163,67
Shareholding % (at 31.12.2008)	21,03%
Group Share 31.12.2008	<u>74.859.684,22</u>
Goodwill 31.12.2008	19.725.346,14

According to the provisions of I.A.S. 28, on 31/12/2010 the Bank proceeded to impairment test of goodwill of its associates "ATTICA BANK S.A." and "T BANK S.A.". previously recognized in its assets. The Bank tested for impairment the recoverable amount of the investment, using its value in use.

Value in use was calculated using the after tax future cash flows, according to the method of discounted dividend model (D.D.M.). The aforementioned cash flows, were based on business plans of the associates' Management.

30. Deferred tax assets and liabilities

According to Law 3697/2008 concerning the gradual reduction of tax rates between the years 2010 to 2014, the Bank and its subsidiaries performed a recalculation of deferred taxes based on the new tax rates. The effect was recorded in the interim financial information on consolidated and stand alone basis.

Deferred tax assets and liabilities have been calculated based on the nominal tax rate at which temporary taxable and deductible differences are expected to be offset. Deferred tax assets and liabilities are analyzed as follows:

Amounts in €	ON CONSOLIDATED BASIS			
	31.12.2010		31.12.2009	
	Assets	Liabilities	Assets	Liabilities
Property plant and equipment	-	2.644.577,25	-	2.833.846,90
Intangible assets	1.134.589,74	1.671.590,59	1.761.986,43	1.799.320,78
Share capital increase expenses	1.087.394,88	-	1.822.906,44	-
Investment in associates	5.255.370,35	-	1.948.044,39	-
Financial assets designated at fair value through profit and loss	13.743.839,62	4.474,51	28.369.753,44	397.350,79
Available for sale and held to maturity investment securities	51.896.821,50	18.172.833,03	65.381.901,91	7.242.734,98
Loans and advances due from customers & debt securities	91.032.566,12	21.642.465,42	7.664.976,82	20.071.402,91
Retirement benefits obligations	4.373.992,66	-	4.019.282,97	-
Derivative financial instruments	29.642.994,41	-	36.322.176,10	-
Other assets	2.474.126,40	-	1.816.831,32	-
Accrued personnel expenses	1.427.672,98	-	1.629.447,96	-
Accrued income and expenses	3.389.795,97	5.448.682,90	6.654.708,26	3.466.849,32
Tax losses	15.816.818,65	-	-	-
Total	221.275.983,28	49.584.623,70	157.392.016,04	35.811.505,68

Amounts in €	ON STAND ALONE BASIS			
	31.12.2010		31.12.2009	
	Assets	Liabilities	Assets	Liabilities
Property plant and equipment	-	2.633.426,60	-	2.833.846,90
Intangible assets	1.134.589,74	-	1.761.986,43	-
Share capital increase expenses	1.087.394,88	-	1.822.906,44	-
Investment in associates	5.255.370,35	-	1.948.044,39	-
Financial assets designated at fair value through profit and loss	13.743.398,02	740,74	28.369.753,44	397.216,39
Available for sale and held to maturity investment securities	51.896.821,50	18.172.833,03	65.381.901,91	7.242.734,98
Loans and advances due from customers & debt securities	91.032.566,12	21.642.465,42	7.664.976,82	20.071.402,91
Retirement benefits obligations	4.274.017,41	-	3.928.839,85	-
Derivative financial instruments	29.642.994,41	-	36.322.176,10	-
Other assets	2.474.126,40	-	1.816.831,32	-
Accrued personnel expenses	1.397.550,68	-	1.629.447,96	-
Accrued income and expenses	3.389.795,97	5.448.682,90	6.654.708,26	3.466.849,32
Tax losses	15.816.818,65	-	-	-
Total	221.145.444,13	47.898.148,69	157.301.572,92	34.012.050,50

Deferred tax assets are only recognized to the extent that it is expected to be off-set with future taxable income.

The movement of the deferred tax for the accounting years 2010 and 2009 is as follows:

<i>Amounts in €</i>	On Consolidated Basis	
	31.12.2010	31.12.2009
Deferred tax expenses		
Intangible Assets	499.666,50	301.872,48
Derivative financial instruments	6.679.181,69	(19.034.326,40)
Loans and Advances due from Customers	(81.796.526,79)	12.779.640,17
Retirement benefit obligations	(354.709,69)	72.401,98
Investment in associates	(3.307.325,96)	1.663.555,67
Financial assets designated at amortised cost	(581.697,51)	(1.948.044,39)
Financial assets designated at fair value through profit and loss	7.457.081,60	(126.329,74)
Non tax deductible buildings depreciation	(374.008,40)	4.086.813,47
Property, plant and equipment - Differences in depreciation	173.588,10	(312.561,58)
Other temporary adjustments	80.413.846,89	677.812,88
Deferred tax recognized to the results	8.809.096,43	(1.839.165,46)
Deferred tax recognized directly to the shareholder's equity	(58.919.945,66)	(29.602.722,71)
Net change in deferred tax	(50.110.849,23)	(31.441.888,17)

<i>Amounts in €</i>	On Stand Alone Basis	
	31.12.2010	31.12.2009
Deferred Tax Expenses		
Intangible Assets	627.396,69	438.856,13
Derivative financial instruments	6.679.181,69	(19.034.326,40)
Loans and Advances due from Customers	(81.796.526,79)	12.779.640,17
Retirement benefit obligations	(345.177,56)	84.933,23
Investment in associates	(3.307.325,96)	(1.948.044,39)
Financial assets designated at amortised cost	(581.697,51)	(126.329,74)
Financial assets designated at fair value through profit and loss	7.457.657,60	4.086.939,07
Non tax deductible buildings depreciation	(374.008,40)	(312.561,58)
Property, plant and equipment - Differences in depreciation	173.588,10	677.812,88
Other temporary adjustments	80.429.084,78	1.663.555,67
Deferred tax recognized to the income statement	8.962.172,64	(1.689.524,96)
Deferred tax recognized directly to shareholder's equity	(58.919.945,66)	(29.602.722,71)
Net change in deferred tax	(49.957.773,02)	(31.292.247,67)

31. Current income tax assets and liabilities

Current tax assets are analyzed as follows:

Amounts in €	ON STAND ALONE AND CONSOLIDATED BASIS	
	31.12.2010	31.12.2009
Advance payment regarding income tax and other income tax assets to be offset	40.093.875,14	34.470.314,10
Income tax liabilities	(1.502.993,89)	(8.715.939,68)
Net income tax assets	38.590.881,25	25.754.374,42

Current tax liabilities are analyzed as follows:

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Income tax liabilities	568.454,03	2.773.880,39	-	-
Extraordinary social responsibility tax of L.3808/2009 & L.3845/2010	4.372.445,90	7.285.323,26	3.874.448,86	7.285.323,26
Total	4.940.899,93	10.059.203,65	3.874.448,86	7.285.323,26

32. Other assets

Other assets are analyzed as follows:

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Foreclosed assets	2.007.512,95	3.074.250,00	2.007.512,95	3.074.250,00
Commissions receivable	55.503,33	76.034,58	-	-
Due from Greek State	625.218,55	320.405,54	518.977,52	245.760,00
Accrued interest on loans	70.808.474,61	77.319.669,09	70.808.474,61	77.319.669,09
Accrued interest on Interbank deposits	670.785,24	6.829.894,73	670.785,24	6.829.894,73
Portfolio accrued interest	138.773.179,92	179.567.219,93	138.773.179,92	179.567.219,93
Additional contribution to Hellenic Deposit and Investment Guarantee Fund	143.464.615,76	95.271.476,16	143.464.615,76	95.271.476,16
Guarantees	40.345.632,00	40.345.632,00	40.345.632,00	40.345.632,00
Other assets	120.918.524,18	105.993.113,64	115.659.226,40	100.023.916,92
Provision for impairment of other assets	(46.357.927,07)	(46.357.927,07)	(46.357.927,07)	(46.357.927,07)
Total	471.311.519,47	462.439.768,60	465.890.477,33	456.319.891,76

In accordance with article 6 of Law 3714/7.11.2008, the amount of deposits guaranteed by the deposit guarantee fund, increased from € 20.000,00 to € 100.000,00 per depositor. The abovementioned stipulation of Law is in force until 31/12/2011 and it may be extended by the Minister of Finance. The computation

percentage of contribution paid by financial institutions to the Deposit Guarantee Fund was also increased. Thus, banks have made additional contributions for 2008. Law 3746/16.2.2009 concerning the "Hellenic Deposit and Investment Guarantee Fund" provides that the difference between the regular annual contribution of credit

institutions resulting from the application of article 6 of Law 3714/2008, will be included in a special asset group whose elements are jointly included in

the proportion of each participant in credit institutions.

Provision for impairment of other assets is analyzed as follows:

Amounts in €	ON CONSOLIDATED & STAND ALONE BASIS	
	31.12.2010	31.12.2009
Balance at the beginning of the year	(46.357.927,07)	(39.483.737,29)
Expense for the year	-	(6.874.189,78)
Balance at the end of the year	(46.357.927,07)	(46.357.927,07)

33. Due to Banks

Amounts in €	ON CONSOLIDATED & STAND ALONE BASIS	
	31.12.2010	31.12.2009
Deposits from other banks	2.805.311.441,67	3.118.700.541,44
Securities sold under repurchase agreement (Repos)	296.973.430,08	248.585.000,00
Trading liabilities from securities	-	299.685.000,00
Total	3.102.284.871,75	3.666.970.541,44

In the line "Deposits from other banks" an amount equal to € 2,8 billion, which concerns intraday liquidity that is provided to the bank (against pledged securities) from the European Central Bank, is included. The relevant amount for the fiscal year 2009 was € 3 billion.

34. Due to customers

Deposits and other customer accounts are analyzed as follows:

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Sight deposits	96.370.936,88	68.643.679,43	111.802.498,37	94.149.704,81
Savings deposits	5.928.226.196,76	6.512.221.883,18	5.928.226.196,76	6.512.221.883,18
Time deposits	6.089.513.166,11	6.036.402.340,89	6.090.078.166,11	6.036.402.340,89
Securities sold under agreements to repurchase (Repos)	-	5.676.107,34	-	5.676.107,34
Other liabilities	10.693.188,08	9.271.326,36	10.693.188,08	9.271.326,36
Total	12.124.803.487,83	12.632.215.337,20	12.140.800.049,32	12.657.721.362,58

35. Retirement benefit obligations

Amounts in €	ON STAND ALONE BASIS	
	31.12.2010	31.12.2009
Liabilities in statement of financial position:		
Lump sum retirement benefits		
- Unfunded	21.370.087,03	19.644.199,23

The amounts included in the statement of financial position are:

Amounts in €	31.12.2010	31.12.2009
Present value of unfunded benefits payable	30.123.264,87	28.402.955,43
Unrecognised actuarial profits / (losses)	(8.753.177,83)	(8.758.756,20)
Liability in statement of financial position	21.370.087,03	19.644.199,23

The amounts recognised in profit or loss are:

Amounts in €	31.12.2010	31.12.2009
Current service cost	1.505.657,42	1.350.680,43
Financial cost	1.585.271,07	1.404.237,80
Recognition of actuarial loss / (gain)	275.007,00	112.854,00
Recognised cost of previous employment	503.919,95	7.903.140,00
Total included in personnel expenses	3.869.855,44	10.770.912,23

The movement in the retirement benefit obligations is as follows:

Amounts in €	31.12.2010	31.12.2009
Opening balance	19.644.199,23	20.085.320,00
Total expense recognised in income statement	3.869.855,44	10.770.912,23
Benefits paid by the employer	(2.143.967,64)	(11.212.033,00)
Closing balance	21.370.087,03	19.644.199,23

The main actuarial assumptions used for accounting purposes are:

	31.12.2010	31.12.2009
Discount rate	5,60%	5,60%
Rate of compensation increase	4,00%	4,00%
Expected remaining service life	21,56	22,11
Inflation	2,50%	2,50%

Retirement benefit obligations are not analyzed on consolidated basis because the amounts of subsidiaries are not significant.

36. Other liabilities

Other liabilities are analyzed as follows:

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Other taxes payable	5.721.446,32	9.697.036,00	5.552.189,81	9.476.098,79
Accrued interest on deposits	58.542.420,38	44.700.752,92	58.542.420,38	44.700.752,92
Accrued interbank interest	533.333,33	22.842.239,32	533.333,33	22.842.239,32
Accrued interest on financial securities	44.892.537,64	25.691.379,65	44.892.537,64	25.691.379,65
Social insurance institutes	3.299.321,59	3.121.072,40	3.129.668,20	2.935.697,59
Suppliers	19.565.082,57	19.753.850,63	18.554.295,36	19.148.515,96
Other liabilities	15.980.612,86	32.493.139,47	16.233.498,18	35.108.287,88
Due to Hellenic Deposit and Investment Guarantee Fund	28.843.338,68	31.909.081,12	28.843.338,68	31.909.081,12
Total	177.378.093,37	190.208.551,51	176.281.281,58	191.812.053,23

37. Share capital

The common shares of share capital are analyzed as follows:

	Number of common shares	Par Value	Share Capital of common shares
Balance at January 1 st , 2009	142.232.982	3,7	526.262.033,40
Issue of new common shares	142.232.982	3,7	526.262.033,40
Balance at December 31st, 2009	284.465.964	3,7	1.052.524.066,80
Balance at December 31st, 2010	284.465.964	3,7	1.052.524.066,80

In the current year 2010 there was no change in the share capital of the Bank. During the previous year, 2009, the Second Repeated Extraordinary General Shareholders Assembly (holders of common shares) at April 22nd 2009, decided an increase of the share capital by issuing 142.232.982 new, common, registered shares, carrying voting rights of nominal value € 3.70 each. The increase of the common stock shares

by the amount of € 526.262.033,40, made in cash, providing “preemptive rights” to existing shareholders and “subscription warrants” for the acquisition of any unsold (/unsubscribed) shares. The sale price consisted of € 3.70 per share.

These shares were listed on the Stock Exchange on July 13th, 2009.

The preference shares of share capital are analyzed as follows :

	Number of preference shares	Par Value	Share Capital of preference shares
Balance at January 1st, 2009			
Issue of new preference shares	60.800.000	3,7	224.960.000,00
Balance at December 31st, 2009	60.800.000	3,7	224.960.000,00
Balance at December 31st, 2010	60.800.000	3,7	224.960.000,00

The Bank's Board of Directors Meeting, according to N. 136/ 25/5/2009 decision, in compliance with article 11 of Law 2190/1920, proceeded with the certification of the full payment of € 224.960.000,00 of share capital increase by issuing 60.800.000 preferred shares, as the Extraordinary General Meeting of the shareholders (owners of common shares) decided on January 28th, 2009, according to article 1 of Law 3723/2008. "The enhancement of liquidity of the economy in response to the impact of the international financial crisis". The share capital increase was undertaken by the Hellenic Republic, according to the relevant signed contract at May 14th, 2009 between the Bank and the Hellenic Republic, by contributing 224.960 bonds of total face value € 224.960.000,00 within the deadline defined by article 11 of Law 2190/1920.

The preference shares pay a non-cumulative coupon of 10%, subject to the following conditions: (a) meeting Bank of Greece minimum capital adequacy requirements at Bank and Group level, following such coupon payment, (b) availability of distributable reserves in accordance to article 44a of C.L. 2190/1920, and (c) the approval of the General Assembly of the Bank's Common Shareholders. In case of Bank's liquidation, preference shares are in priority in

comparison to common shares. In case the Bank does not satisfy the minimum capital adequacy ratios set by the Bank of Greece, five years after the issue of the preference shares, the shares are converted to common shares, subject to the approval of the Minister of Economy and Finance. If however, the Bank has sufficient capital adequacy, then the preference shares must be redeemed after five years or optionally before that, but not before July 1st, 2009.

The above recapitalisation scheme was approved by the European Union ("E.U.") in November 2008. In January 2009, the E.U. issued relevant application guidelines, clarifying that although the recapitalisation measures aim to enhance the capital adequacy of the banking sector and should not have the characteristics of debt, they should also contain appropriate incentives for State capital to be redeemed when the market and the regulator allows so.

In the context of the above E.U. guidelines and the practices adopted by other E.U. member states and in order for the State funds to be considered as equity for both regulatory and accounting purposes, the Greek State expressed, through a letter addressed to Bank of Greece (decision 39389/B2038/07.08.2009), its intention to proceed to the necessary amendments of the

legal framework and introduce “coupon step-up” features to the preference shares of those banks which, at the end of the five year period, do not proceed in their redemption, or the preference shares have not been converted into common shares according to the Minister of Economy and Finance’s decision.

Taking into consideration the aforementioned information and the announcement of the Ministry

of Economics and Finance, the contributed preference shares were recognised directly to equity, considering the relevant regulation up to the end of the previous fiscal year 2009. In the case that the amount of preference shares was recognized as a financial liability, the effect on the Group and the stand alone income statement would be the following:

Amounts in €	ON CONSOLIDATED BASIS	ON STAND ALONE BASIS	ON CONSOLIDATED BASIS	ON STAND ALONE BASIS
	From January 1 st to December 31 st 2010	From January 1 st to December 31 st 2010	From January 1 st to December 31 st 2009	From January 1 st to December 31 st 2009
Net interest income for the year	384.601.294,41	363.995.636,88	263.297.970,74	259.666.907,89
Profit / (loss) before tax for the year	7.610.366,69	(5.316.198,24)	46.739.458,06	40.795.192,47
Finance cost of preference dividend and effective rate for the preference share recognised as financial liability	(22.900.383,58)	(22.900.383,58)	(14.055.304,42)	(14.055.304,42)
Adjusted net interest income	361.700.910,83	341.095.253,30	249.242.666,32	245.611.603,47
Adjusted profit / (loss) before tax for the year	(15.290.016,89)	(28.216.581,82)	32.684.153,64	26.739.888,05
Income tax for the year	(40.538.008,20)	(36.784.532,07)	(24.092.541,62)	(20.819.946,43)
Deferred tax asset from finance cost derived from preference shares liability recognition	5.496.092,06	5.496.092,06	3.513.826,10	3.513.826,10
Adjusted income tax for the year	(35.041.916,14)	(31.288.440,01)	(20.578.715,52)	(17.306.120,33)
Profit / (loss) after tax for the year	(32.927.641,51)	(42.100.730,31)	22.646.916,44	19.975.246,04
Adjusted profit / (loss) after tax for the year	(50.331.933,03)	(59.505.021,83)	12.105.438,12	9.433.767,73
Total effect on profit / (loss) for the year	(17.404.291,52)	(17.404.291,52)	(10.541.478,31)	(10.541.478,31)

38. Other reserves, retained earnings, available-for-sale reserves and treasury shares

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Statutory reserve for the year	69.939.166,88	69.848.062,87	69.662.309,84	69.662.309,84
Special reserves	17.000.000,00	17.000.000,00	17.000.000,00	17.000.000,00
Retained earnings	48.488.408,81	94.613.271,49	42.264.041,90	94.765.320,15
Total	135.427.575,69	181.461.334,36	128.926.351,74	181.427.629,99

According to article 44 of Codified Law 2190/1920, an annual 5% retention of Bank’s net profits is held for statutory reserve until this reserve equals 1/3 of Share Capital. The tax free reserves are included in the Retained Earnings and are generated from the disposal of securities

as well as share of profits from taxable and non taxable income (with decreased factors), such as income from interest on Greek government bonds and treasury bills that have not been distributed. The non-taxable reserves as at 31/12/2010

amount to € 59.694.422,91 on stand alone basis and to € 59.704.265,89 on consolidated basis.

According to par.3 article 1 of Law 3723/2008, the distribution of dividends to shareholders of credit institutions that participate to the economic enhancement program, cannot exceed 35% of profits as stated in Law 148/1967. Through the 20708/B.1175/23.4.2009 decision of Minister of Finance it was clarified that in case of distributable profits, their distribution by way of dividends is limited from zero up to a maximum of 35% of the profits. Moreover, according to the combination of

article 28 of Law 3756/2009 and article 39 of Law 3844/2010, the financial institutions that participate in the economic enhancement program, are allowed to distribute dividend to their shareholders of common shares, only in the form of stock dividend. It is noted that the Board of Directors will propose on the Annual General Assembly the non-distribution of dividend for the common shares' holders, due to losses that arose from the fiscal year 2010.

The movement of the Available for sale reserve is analyzed as follows:

<i>Amount in €</i>	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Opening balance	(292.980.183,30)	(192.534.862,46)	(293.572.005,63)	(192.534.862,46)
Less: Deferred tax	65.125.371,42	37.475.756,06	65.255.572,33	37.475.756,06
Net opening balance	(227.854.811,88)	(155.059.106,40)	(228.316.433,30)	(155.059.106,40)
Net profits / (losses) transferred to income statement	(4.543.419,97)	(31.621.824,23)	(4.543.419,97)	(31.621.824,23)
Net profits / (losses) transferred to income statement due to Greek Bonds reclass	45.907.785,57	-	45.907.785,57	-
Net profits / (losses) transferred to income statement due to hedging	(41.148.579,20)	(8.134.736,36)	(41.148.579,20)	(8.134.736,36)
Net profits / (losses) from changes in fair value	(324.042.924,02)	(60.688.760,25)	(310.009.485,91)	(61.280.582,58)
Deferred tax movement	58.260.310,34	27.649.615,36	55.453.096,32	27.779.816,27
Balance at the end of the period	(493.421.639,16)	(227.854.811,88)	(482.657.036,49)	(228.316.433,30)

Treasury shares

The General Assembly (G.A.) of May 2nd, 2008 decided the implementation of a Share Buyback Plan, pursuant to article 16 of Law 2190/1920 "re: Societés Anonymes", as is in force. In particular, the G.A. approved the purchase of treasury shares via Athens Stock Exchange up to 10 million (Bank's) shares, with purchase values in the range of € 3,70 (minimum) and € 19,00 (maximum) within twenty four months from May 2nd, 2008 up to May 2nd, 2010 .

Within the frame of realization of the abovementioned General Assembly's decision, the Board of Directors, under the plan implementation procedures, decided at its May 30th, 2008 meeting on the acquisition of equity shares within the period approved by the General Assembly, as in compliance with the procedures prescribed by the effective legislation. The number of treasury shares on consolidated basis as at 31/12/2010 is 3.465.020 shares at a value

of € 23.507.018,24 while on stand alone basis the number of treasury shares is 3.433.020 shares at a value of €23.228.778,24.

It is noted that according to Law 3756/2009, “Amendments to Law on Dematerialized Securities System, on the Capital Market, taxation issues and other provisions” (Government Gazette 53A’/31.03.2009), the purchase of treasury shares is not allowed,

during participation of financial institutions in the programs on the enhancement of liquidity of the economy of Law 3723/2008. Following the decision of the Extraordinary General Assembly of the shareholders on 28/1/2009, to participate in the aforementioned programs, the Bank did not proceed with the acquisition of treasury shares after 19/02/2009.

39. Commitments, contingent liabilities and assets

a) Contingent tax liabilities

The tax liabilities of the Bank and of its related parties are not final, as there are periods that have not been subjected to tax audits. Such years are:

GROUP	OPEN TAX YEARS
TT HELLENIC POSTBANK S.A.	2009 - 2010
HELLENIC POSTBANK – EL.TA. MUTUAL FUND MANAGEMENT S.A.	2010
HELLENIC POST CREDIT S.A.	2009-2010
POST INSURANCE BROKERAGE S.A.	2010

Due to the fact that the tax audit may not recognize the business objective of certain expenses or assess other differences, it is possible that additional tax will be imposed for fiscal years that have not been audited by the tax authorities.

The accumulated provision that has been raised until December 31st 2010, for the unaudited tax periods, amounts to € 1.500.000,00 for the Bank, € 6.198,28 for “Hellenic Postbank - EL.TA Mutual Fund Management S.A.” and € 60.000,00 for “Hellenic Post Credit S.A” .

b) Operating leases

The Bank’s commitments (as lessee) mainly arise from buildings which are used as branches and vehicles used by Management. Its

receivables (as lessor) mainly relate to rentals of buildings leased to Bank’s subsidiaries.

The minimum future lease payments for the Bank are:

	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
- within one year	5.944.642,40	5.958.563,99	5.916.965,12	5.955.963,99
- over one year and up to 5 years	19.297.509,66	16.250.787,54	19.275.029,22	16.250.787,54
- over 5 years	20.894.209,57	16.856.262,40	20.894.209,57	16.856.262,40
Total	46.136.361,64	39.065.613,93	46.086.203,92	39.063.013,93

Note: Concerns rent expense from leased Buildings-Offices and Vehicles

The minimum future lease receipts for the Bank are:

	ON STAND ALONE BASIS	
	31.12.2010	31.12.2009
- within one year	88.803,60	80.468,30
- over one year and up to 5 years	411.400,32	259.800,00
- over 5 years	519.607,97	547.923,13
Total	1.019.811,89	888.191,43

Note : Concerns rental income from leased buildings to Bank's subsidiaries thus there is no analysis on consolidated basis

c) Other contingent liabilities

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Commitments to extend credit	112.167.375,14	104.807.622,02	205.258.627,52	196.724.025,18

d) Legal issues

There are certain claims and lawsuits against the Bank in the ordinary course of business. The total amount claimed by third parties in lawsuits filed against the Bank based on the opinion of Bank's legal department stands at € 8,72 million. In addition, the total amount claimed by the Bank stands at € 0,12 million. The accumulated provision raised for the unsettled legal claims amounts to € 1,44 million and according to the Management and the Legal Advisor is considered to be adequate. This provision is included in the line «Other liabilities».

the economy for facing the impact of the international financial crisis" has signed a bilateral Agreement borrowing intangible specific securities of the Greek government, with a nominal value of € 329 million of three years issued on 19/4/2010 ending on 19/4/2013, in order to strengthen its available portfolio securities for pledging to a possible need for raising additional liquidity in the future. The assets pledged by the Bank are referred to the notes 21, 22, 24 and 25 of the financial statements.

e) Pledged assets

The Bank in appliance to Article 3 of Law 3723/2008 on "Enhancement of the liquidity of

40. Transactions and balances of related parties

Related parties are considered to be the members of the Board of Directors, the Bank's managers that participate in Committees, or in

the management of subsidiaries and associates of the Group, as well as their close relatives (spouses, children etc).

a) Transactions with the Board of Directors' members and Bank's Management

The Group's transactions with related parties are analyzed as follows :

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Assets				
Loans	3.240.227,42	6.349.937,76	3.240.227,42	6.349.937,76
Total	3.240.227,42	6.349.937,76	3.240.227,42	6.349.937,76
Liabilities				
Deposits	1.536.124,76	3.122.132,07	1.536.124,76	3.122.132,07
Total	1.536.124,76	3.122.132,07	1.536.124,76	3.122.132,07
Amounts in €	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Expenses				
Board of Directors and Management fees and other benefits	4.837.805,15	5.731.178,80	4.761.512,96	5.584.574,29
Interest from deposits	30.760,79	85.779,37	30.760,79	85.779,37
Total	4.868.565,94	5.816.958,17	4.792.273,75	5.670.353,66
Income				
Interest income	77.822,10	128.528,97	77.822,10	128.528,97
Total	77.822,10	128.528,97	77.822,10	128.528,97

b) Transactions with subsidiaries and associates

Transactions and balances between the Bank, its subsidiaries and associates are set out in the table below. On stand alone basis, are included transactions and balances between the Bank, its subsidiaries and its associates. On consolidated

basis, only transactions with associates are included, as transactions and balances with subsidiaries are eliminated on consolidation.

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Assets				
Interbank loans and advances	62.483.909,59	100.000.000,00	62.483.909,59	100.000.000,00
Loans to subsidiaries and associates	3.000.000,00	-	209.908.747,62	208.278.517,45
Other assets	-	-	31.990,79	209.711,04
Total	65.483.909,59	100.000.000,00	272.424.648,00	308.488.228,49
Liabilities				
Interbank deposits and liabilities	3.607.347,83	-	19.603.909,32	25.506.025,38
Other liabilities	-	-	267.999,75	2.992.790,48
Total	3.607.347,83	0,00	19.871.909,07	28.498.815,86
Expenses				
Interest expense from interbank deposits and loans	58.883,14	191.288,54	89.793,15	223.604,70
Other expenses	-	-	80.254,11	13.650.787,34
Total	58.883,14	191.288,54	170.047,26	13.874.392,04
Income				
Interest income from interbank loans and advances	1.266.421,11	55.917,69	1.266.421,11	55.917,69
Interest income of subsidiaries and associates	42.713,61	-	3.882.395,80	543.111,59
Other income	-	-	1.361.269,69	1.237.046,78
Total	1.309.134,72	55.917,69	6.510.086,60	1.836.076,06

According to I.A.S. 24 the Hellenic Republic is considered as a related party with a total percentage of 34,043% to Bank's share capital. The notes of the financial statements provide sufficient information about the transactions with the Hellenic Republic.

Restatements were carried out on the transactions and balances of related parties of the previous year 2009 in order to be comparable with those of the current year.

41. Cash and cash equivalent analysis

For the purpose of preparing the statement of cash flow, account balances whose maturity is shorter than 3 months from the acquiring date as well as Greek Government Bonds from trading portfolio, are considered as cash and cash equivalents.

Amounts in €	ON CONSOLIDATED BASIS		ON STAND ALONE BASIS	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Cash and balances with Central Bank	36.345.232,44	34.745.556,40	36.341.433,47	34.741.189,08
Due from banks	741.754.063,22	2.010.328.850,62	734.112.504,33	2.005.779.156,88
Greek Government Bonds held for trading	10.774,90	146.496.472,19	10.774,90	146.496.472,19
Cash and cash equivalents	778.110.070,56	2.191.570.879,21	770.464.712,70	2.187.016.818,15

42. Post balance sheet events

The Extraordinary General Meeting of the shareholders of the Bank, held on January 28th, 2011, has decided the lump sum or the partial

repurchase by the Bank of up to the sum of 60.8 million of preferred shares of Law 3723/2008, of a total value of 224,960,000 EUR, now held by

the Hellenic Republic, according to the Decision No. 2/24004/0025/31.03.2009 (Official Gazette B' 652/9.04.2009) of the Minister of Economics and Finance (issued upon the relevant proposal of the Governor of the Bank of Greece) and the "Contract for the purchase of stocks" which was

signed on May 14th, 2009 between Hellenic Postbank and the Hellenic Republic. The above mentioned repurchase will take place through payments in cash, after acquiring the prerequisite statutory approvals.

These Financial Statements have been translated from the original which were prepared in the Greek language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original Greek language version of the financial statements takes precedence over this translation.

Information according to article 10, Law 3401/ 2005 (*)

The information according to article 10, Law 3401/ 2005 that relates to HELLENIC POSTBANK, its shares as well as the stock exchange market in which its shares are traded, which have been published and made available to investors throughout year 2010, have been incorporated in the present "Annual Financial Report" through reference.

For this purpose, a reference table is presented below;

Date	Title
21/12/10	Announcement of regulated information according to Law 3556/2007
30/11/10	3Q/9M 2010 Conference Call & Presentation
29/11/10	Change in the composition of the Board of Directors
25/11/10	Announcement of 3Q / 9 Month 2010 Financial Results
17/11/10	Reply to HCMC Letter
15/10/10	Changes in the composition of the Board of Directors
31/08/10	H1 2010, Presentation & Conference call
30/08/10	ANNOUNCEMENT DATE OF THE 1H 2010 FINANCIAL RESULTS
05/08/10	Announcement of regulated information according to Law 3556/2007
23/07/10	Results of the 2010 EU-wide stress test
14/06/10	Resolutions of the Ordinary General Meeting of June, 11th 2010
31/05/10	Announcement date of the 1st Quarter 2010 Financial Results
31/05/10	Presentation to Analysts - First Quarter 2010
10/05/10	New Treasury Manager of the Bank
03/05/10	Announcement
19/04/10	Acquisition of 32, 90% of the share capital of Aspis Bank S.A.
14/04/10	Announcement
12/04/10	Announcement
31/03/10	Annual Reporting to Analysts
26/03/10	Financial Calendar of 2010
03/03/10	Announcement
02/03/10	Changes in the composition of the Board of Directors and the Audit Committee of the Bank (correct resubmission)
09/02/10	Changes in the composition of the Board of Directors and the Audit Committee of the Bank

- 09/02/10** Announcement
- 28/01/10** Changes in Senior Management
- 22/01/10** Changes in Senior Management
- 15/01/10** Announcement of regulated information according to Law 3556/2007

The Bank's announcements for the full year 2010 are available on the web site of the Bank:

<http://www.irwebpage.com/ttbank/english/announcements.php?ys=2010>

AVAILABILITY OF ANNUAL FINANCIAL REPORT

The Annual Financial Report which includes, according to Law 3556/2007 and 7/448/11.10.2007 decision of Hellenic Capital Market Commission:

- STATEMENT by the Members of the BoD (law 3556/2007, article 4)
- Board of Directors Management Report
- Independent Auditor's Report
- Financial Statements on Consolidated and Stand Alone Basis December 31st, 2010 in accordance with International Financial Reporting Standards
- Information according to law 3401/2005, article 10
- FINANCIAL DATA AND INFORMATION FOR THE YEAR 2010, from January 1st, 2010 to December 31st, 2010 (published according to Law 2190/1920 Article 135, concerning companies that prepare annual financial statements under International Financial Reporting Standards (IFRS))

is available on the Bank's website address:

http://www.irwebpage.com/ttbank/english/financial_statement_year.php?y=2010



TT HELLENIC POSTBANK S.A.

Company's registration number 54777/06/B/03/7

Head office: 2-6, Pasmazoglou St, 101 75, Athens, Greece

FINANCIAL DATA AND INFORMATION FOR THE YEAR from January 1st, 2010 to December 31st, 2010

(Published according to Law 2190/20 Article 135, concerning companies that prepare annual financial statements under International Financial Reporting Standards (IFRS))

The Financial Information presented below derives from the financial statements and provides an overview of the financial position and results of TT Hellenic Postbank S.A. and TT Hellenic Postbank S.A. Group. Therefore, we recommend to the reader, prior to making any investment decision or other transaction concerning the Bank to visit the web site www.ttbank.gr, where the set of the financial statements is posted as well as the certified auditors' opinion.

COMPANY'S PROFILE

Responsible authority:	Ministry of Regional Development and Competitiveness
Web Site:	www.ttbank.gr
Date of approval by the Board of Directors of the Financial Statements for the year ended as at December 31 st , 2010:	March 30 th , 2011
Certified Auditors:	Sourbis Dimitrios (R.N. SOEL 16891) Michalatos Constantinos (R.N. SOEL 17701)
Auditing Company:	PricewaterhouseCoopers S.A. (R.N. SOEL 113)
Type of audit report:	Unqualified Opinion

COMPOSITION OF BOARD OF DIRECTORS

Chairman:	Papadopoulos Kleanthis
Vice-Chairman:	Pantelias Spyros
Non-Executive Member:	Michos Ioannis
Non-Executive Member:	Varsamis Christos
Non-Executive Member:	Katsimi Margarita
Non-Executive Member:	Papadopoulou Sofia
Non-Executive Member:	Kesti - Bastou Vasiliki
Independent Non-Executive Member:	Siamidis Michail
Independent Non-Executive Member:	Pittas Aristides

STATEMENT OF FINANCIAL POSITION

ASSETS	Amounts in thousand euros			
	Consolidated		Stand alone	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009
Cash and balances with Central Bank	361.829,56	109.688,15	361.825,76	109.683,79
Due from banks	931.918,57	2.339.367,90	924.277,01	2.334.818,21
Financial assets designated at fair value through profit and loss	75.922,78	446.088,91	75.455,72	445.588,89
Derivative financial instruments	3.581,66	6.104,90	3.581,66	6.104,90
Loans and advances to customers	8.216.108,52	8.042.768,92	8.189.919,28	8.034.818,86
Less: Allowances for impairment on loans & advances	(216.340,78)	(162.874,71)	(191.103,81)	(146.731,50)
Investment securities available for sale	845.577,01	5.773.764,44	845.577,01	5.773.764,44
Investment securities held to maturity	2.135.527,62	450.736,60	2.135.527,62	450.736,60
Debt securities of loan and receivables portfolio	3.200.427,32	22.701,72	3.200.427,32	22.701,72
Investment in subsidiaries	-	-	21.011,18	20.722,93
Investment in associates	119.525,21	125.683,03	124.250,00	125.710,00
Property, plant and equipment	135.624,80	130.449,96	135.463,93	130.316,83
Intangible assets	25.462,02	25.450,67	13.092,25	12.408,89
Deferred tax assets	221.275,98	157.392,02	221.145,44	157.301,57
Current tax assets	38.590,88	25.754,38	38.590,88	25.754,37
Other assets	471.311,52	462.439,77	465.890,48	456.319,90
TOTAL ASSETS	16.566.342,67	17.955.516,66	16.564.931,73	17.960.020,40
LIABILITIES				
Due to banks	3.102.284,87	3.666.970,54	3.102.284,87	3.666.970,54
Due to customers	12.124.803,49	12.632.215,34	12.140.800,05	12.657.721,36
Derivative financial instruments	154.993,98	158.304,12	154.993,98	158.304,12
Deferred tax liabilities	49.584,62	35.811,51	47.898,15	34.012,05
Current tax liabilities	4.940,90	10.059,20	3.874,45	7.285,32
Retirement benefit obligations	21.933,22	20.146,19	21.370,09	19.644,21
Other liabilities	177.378,09	190.208,55	176.281,28	191.812,06
Total Liabilities (a)	15.635.919,17	16.713.715,45	15.647.502,87	16.735.749,66
EQUITY				
Share Capital	1.277.484,07	1.277.484,07	1.277.484,07	1.277.484,07
Share premium	16.904,26	16.904,26	16.904,26	16.904,26
Treasury Shares	(23.507,02)	(23.507,02)	(23.228,78)	(23.228,78)
Available for sale reserve	(493.421,64)	(227.854,81)	(482.657,04)	(228.316,43)
Other Reserves	86.939,16	86.848,06	86.662,31	86.662,31
Retained Earnings	48.488,41	94.613,27	42.264,04	94.765,31
Capital and reserves attributable to owners of the parent (b)	912.887,24	1.224.487,83	917.428,86	1.224.270,74
Non-controlling interest (c)	17.536,26	17.313,38	-	-
Total Equity and non-controlling interest (d) = (b) + (c)	930.423,50	1.241.801,21	917.428,86	1.224.270,74
TOTAL EQUITY AND LIABILITIES (a) + (d)	16.566.342,67	17.955.516,66	16.564.931,73	17.960.020,40

STATEMENT OF COMPREHENSIVE INCOME

	Amounts in thousand euros			
	Consolidated		Stand alone	
	1/1-31/12/2010	1/1-31/12/2009	1/1-31/12/2010	1/1-31/12/2009
Net Interest Income	384.601,29	263.297,97	363.995,64	259.666,91
Net fee and commission income	24.779,79	15.880,51	19.960,32	11.562,85
Dividend income	7.208,18	7.704,12	8.466,58	8.575,32
Net income / (loss) from financial instruments designated at fair value through Profit and Loss	(104.050,02)	48.938,35	(104.044,74)	48.937,39
Net income / (loss) from investment securities	5.466,14	31.621,82	5.466,14	31.621,82
Other operating income	1.013,39	1.558,27	1.010,81	1.677,98
Total Operating Income	319.018,77	369.001,04	294.854,75	362.042,27
Personnel expenses	(128.026,10)	(124.197,81)	(123.400,96)	(119.977,44)
Other operating expenses	(90.507,81)	(118.171,67)	(85.209,45)	(127.627,28)
Depreciation and amortization charges	(11.882,82)	(11.358,39)	(11.084,48)	(10.552,15)
Other expenses	(4.768,14)	(12.442,44)	(4.582,64)	(12.412,45)
Allowances for loans impairment	(54.241,55)	(40.611,63)	(45.872,00)	(35.686,72)
Allowance for the impairment of other assets and investments	(3.735,83)	(16.176,99)	(30.021,42)	(14.991,04)
Share of Profit / (Loss) of Associates	(18.246,15)	697,35	-	-
Profit / (Loss) before tax	7.610,37	46.739,46	(5.316,20)	40.795,19
Income tax	(36.165,56)	(16.807,22)	(32.910,08)	(13.534,62)
Extraordinary social responsibility tax	(4.372,45)	(7.285,32)	(3.874,45)	(7.285,32)
Profit / (Loss) after tax	(32.927,64)	22.646,92	(42.100,73)	19.975,25
Attributable to:				
Owners of the parent	(34.122,17)	20.630,37	(42.100,73)	19.975,25
Non-controlling Interest	1.194,53	2.016,55	-	-
Other comprehensive income / (expenses) after tax	(265.566,83)	(72.795,71)	(254.340,60)	(73.257,33)
Total comprehensive income / (expenses) after tax	(298.494,47)	(50.148,79)	(296.441,33)	(53.282,08)
Attributable to:				
Owners of the parent	(299.689,00)	(52.165,34)	(296.441,33)	(53.282,08)
Non-controlling Interest	1.194,53	2.016,55	-	-
Earnings / (Losses) per share after tax				
-Basic and diluted (in euros)	(0,1823)	0,0474	(0,2106)	0,0443

STATEMENT OF CHANGES IN EQUITY

	Amounts in thousand euros			
	Consolidated		Stand alone	
	1/1-31/12/2010	1/1-31/12/2009	1/1-31/12/2010	1/1-31/12/2009
Balance at the beginning of the year (1/1/2010 and 1/1/2009 respectively)	1.241.801,21	543.950,97	1.224.270,74	532.979,10
Total comprehensive income / (expenses) after tax	(298.494,47)	(50.148,79)	(296.441,33)	(53.282,08)
Increase of share capital (common shares)	286,75	526.262,03	-	526.262,03
Increase of share capital (preference shares)	-	224.960,00	-	224.960,00
Expenses of share capital increase (common and preference shares) after tax	-	(8.881,12)	-	(8.881,12)
Deferred tax on capital increase expenses	-	1.822,91	-	1.822,91
Deferred tax on subsidiary's intangible assets	-	(949,20)	-	-
Purchases of Treasury Shares	-	(1.867,98)	-	(1.784,49)
Gains from treasury share's pre-emptive rights	-	2.194,39	-	2.194,39
Dividend distribution	(1.258,40)	(871,20)	-	-
Dividend issue on preference shares (after tax)	(11.453,58)	583,20	(10.400,55)	-
Non-controlling interest after acquisition of subsidiaries	-	4.746,00	-	-
Dividend to hybrid securities	(454,68)	-	-	-
Other changes recognized in equity of consolidated companies	(3,33)	-	-	-
Balance at the end of the year (31/12/2010 and 31/12/2009 respectively)	930.423,50	1.241.801,21	917.428,86	1.224.270,74

STATEMENT OF CASH FLOWS

	Amounts in thousand euros			
	Consolidated		Stand alone	
	1/1-31/12/2010	1/1-31/12/2009	1/1-31/12/2010	1/1-31/12/2009
Net cash flow from operating activities (a)	(1.355.241,40)	2.814.403,46	(1.359.170,16)	2.813.621,61
Net cash flow from investing activities (b)	(43.380,36)	(2.571.503,36)	(43.514,55)	(2.571.829,70)
Net cash flow from financing activities (c)	(14.839,05)	518.290,52	(13.867,40)	517.790,82
Net increase / (decrease) of cash and equivalents (a) + (b) + (c)	(1.413.460,81)	761.190,62	(1.416.552,11)	759.582,73
Cash and cash equivalents at the beginning of the year	2.191.570,88	1.430.380,27	2.187.016,82	1.427.434,09
Cash and cash equivalents at the end of the year	778.110,07	2.191.570,89	770.464,71	2.187.016,82

Additional data and information:

- The accounting policies, applied by the Group, based on International Financial Reporting Standards (I.F.R.S.) for the preparation of the Financial Statements as at December 31st, 2010 are consistent with those stated in the respective financial statements of the previous comparative fiscal year. The Bank adopted the amendments of International Accounting Standard (I.A.S.) 39 and International Financial Reporting Standard (I.F.R.S.) 7, which were issued in October 2008 and have been effective since July 1st, 2008. The effects of applying the aforementioned amendments are set out in Note 12 below.
- The Financial Statements on a consolidated basis at December 31st, 2010 include:
 - the following subsidiaries under the full consolidation method: i) "Hellenic Postbank-EL.TA Mutual Fund Management S.A." with participation of 51% on its share capital and voting rights, ii) "Hellenic Post Credit S.A." with participation of 50% on its share capital and voting rights and iii) "Post Insurance Brokerage S.A." with participation of 50,01% on its share capital and voting rights, as it is presented in note 2.2.3 of the Financial Statements as at December 31st, 2010.
 - the following associates under the equity method: i) "Attica Bank S.A." with the participation on its share capital and voting rights up to 22,43% at December 31st, 2010, ii) "Post Bank Green Institute" with the participation on its share capital and voting rights up to 50% at December 31st, 2010 and iii) "T-BANK S.A." (former ASPIS BANK) with the participation on its share capital and voting rights up to 32,90% at December 31st, 2010. This holding was acquired on the 22nd of April 2010, through the participation in unsubscribed share rights, in the "Book-Building" process of the share capital increase of "T-BANK S.A.". As a result, "TT Hellenic Postbank S.A." acquired 47.602.370 new, common, registered shares. It is noted that due to the aforementioned consolidation of "T-Bank S.A." for the fiscal year ended as at December 31st, 2010, consolidated profit / (loss) after tax and non-controlling interest has been affected by -16,07 million euros or in percentage by -89,03 %. Detailed information is provided in note 2.2.3 of the Financial Statements as at December 31st, 2010.
- On September 23rd, 2010 the Board of Directors of "Hellenic Postbank - EL.TA Mutual Fund Management S.A." verified a share capital increase of 75 thousand euros through cash disbursement from its shareholders. The Bank's participation in the capital increase amounts to 38.250 euros (3.825 ordinary shares of 10 euros par value each). The overall percentage of ownership remains unchanged at 51%.
- On October 5th, 2010, the Board of Directors of "Post Insurance Brokerage" verified the share capital increase by the amount of 500 thousand euros. The Bank's participation in capital increase amounts to 250 thousand euros (2.500 ordinary shares of 100 euros par value each). The overall percentage of ownership remains unchanged at 50,01%.
- The Bank has been audited by the tax authorities until the fiscal year of 2008. The consolidated subsidiaries: a) "Hellenic Post Credit S.A." has not been audited for the years 2009 and 2010, b) "Hellenic Postbank - EL.TA Mutual Fund Management S.A." has not been audited for the year 2010, and c) "Post Insurance Brokerage S.A." has not been audited for the first over twelve-month fiscal year 2010. Relative information is presented in detail in note 39 of the Financial Statements as at December 31st, 2010. Accumulated provision for unaudited tax years of the Group and the Bank amounts to 1,57 million euros and 1,5 million euros respectively.
- There are no unsettled legal claims or lawsuits in arbitrage, which may have significant effect on the Bank's financial statements. The accumulated provision raised for unsettled legal claims or lawsuits in arbitrage amounts to 1,44 million euros, whereas provisions for other assets raised for the Bank amount to 46,36 million euros, approximately.
- The number of the Group and the Bank employees as at December 31st, 2010 amounted to 2.510 and 2.376 respectively, whereas during the previous fiscal year (December 31st, 2009) amounted to 2.554 and 2.419 respectively.
- Property, plant and equipment are free of any liens and encumbrances.
- The Group's and Bank's transactions with related parties, for the fiscal year from January 1st, 2010 to December 31st, 2010 were as follows: a) Group's with Board of Directors and members of management: assets 3.240,23 thousand euros, liabilities 1.536,12 thousand euros, remuneration 4.837,81 thousand euros, income 77,82 thousand euros and expense 30,76 thousand euros, b) Bank's with Board of Directors and members of management: assets 3.240,23 thousand euros, liabilities 1.536,12 thousand euros, remuneration 4.761,51 thousand euros, income 77,82 thousand euros and expense 30,76 thousand euros, c) Group's with related companies: assets 65.483,91 thousand euros, liabilities 3.607,35 thousand euros, interbank interest income 1.266,42 thousand euros, interest expense 58,88 thousand euros, interest income of subsidiaries and associates 42,71 thousand euros, d) Bank's with related companies: assets 272.424,65 thousand euros, liabilities 19.871,91 thousand euros, interbank interest income 1.266,42 thousand euros, interest income of subsidiaries and associates 3.882,40 thousand euros, interbank interest expense from interbank deposits and loans 89,79 thousand euros and other income and expenses 1.361,27 thousand euros and 80,25 thousand euros respectively.
- "Other comprehensive income after tax" in the Statement of Comprehensive Income on consolidated and stand alone basis, concerns fair value differences attributed to the available for sale portfolio, for current and previous comparative fiscal year.
- Reclassifications of accounts in the previous comparative fiscal year (1/1/2009-31/12/2009), in order to be comparable with those of the current fiscal year, are comprehensively presented in note 5 of the Financial Statements. It is mentioned that these reclassifications have no effect on the total profit/loss of the previous comparative fiscal year and on total equity at 31/12/2009.
- The effect of the implementation of I.A.S.39 and I.F.R.S.7 amendments, which were issued on October 2008 and are effective from July 1st, 2008, due to reclassified securities at 1/7/2008, 1/10/2008 and at the beginning of April of 2010, measured at fair value, is as follows: revaluation losses for the fiscal year from January 1st, 2010 to December 31st, 2010 amounting to 40,51 million euros have been recognized in Available for sale reserve. Moreover, gains from disposal of reclassified securities for the fiscal year from January 1st, 2010 to December 31st, 2010 amounting to 2,07 million euros have been recognized in the income statement. For reclassified securities measured at amortized cost, losses for the fiscal year from January 1st, 2010 to December 31st, 2010, amounting to 867,79 million euros have not been recognized in the Income Statement and in Available for sale reserve. There is a detailed reference in note 24 of the Financial Statements.
- The number of Treasury Shares held by the Group for the fiscal year ended December 31st, 2010 was 3.465.020 common shares at cost of 23.507,02 thousand euros, while those held by the Bank were 3.433.020 common shares at cost of 23.228,78 thousand euros.
- According to article 28, of law 3756/2009, that has been amended with article 39 of law 3844/2010, in the case of distribution of dividend for the financial years of 2008 and 2009, under the provisions of paragraph 3, article 1, of Law 3723/2008, concerning the credit institutions that participate in the liquidity plan any distribution must be exclusively in the form of equity shares. Under this perspective, the General Assembly of 11/6/2010 approved the Bank's Board of Directors proposal, regarding the non-distribution of dividends to the owners of common shares from profits earned in the fiscal year 2009. It is noted that the Board of Directors will propose on the Annual General Assembly the non-distribution of dividend for the common shares' holders, due to losses that arose from the fiscal year 2010.
- An amount of 224,96 million euros was recognized as equity in the line of "Share Capital", which is referred to the issuance of 60,8 million preference shares contributed by the Hellenic Republic under the article 1 of Law 3723/2008 "The enhancement of liquidity of the economy in response to the impact of the international financial crisis". If the aforementioned preference shares were recognized as a financial liability, the consolidated and own loss after tax, for the fiscal year from January 1st, 2010 to December 31st, 2010 would be increased by 17.404,29 thousand euros. There is a comprehensive reference in note 37 of the Financial Statements.
- The Bank, in accordance to article 3 of the Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis" has raised a bilateral agreement for the borrowing of Greek Public Securities with nominal value equal to 329 million euros. The purpose of the aforementioned agreement is the reinforcement of the Available for Sale pledged securities; in the case of additional needed liquidity.
- On January 28th, 2011 the Extraordinary General Meeting of Bank's Shareholders decided the lump sum or partial repurchase up to the total number of Bank's preference shares i.e. 60,8 million shares, with total amount equal to 224.960.000 euros, which are held by the Greek Public, in accordance with: a) the No 2/24004/0025/31.03.2009 (Gazette B 652/9.04.2009) decision of the Financial Minister (after the relevant suggestion by the Bank of Greece Administrator) and b) the "Stock purchase agreement" between the Bank and the Greek Public, which was signed on May 14th, 2009. The aforementioned repurchase will take place by cash payment after the necessary approval by the relevant authorities.

Athens, March 30th 2011

BOARD OF DIRECTORS
CHAIRMAN
KLEANTHIS PAPADOPOULOS
I.D. NUM. AH582918

BOARD OF DIRECTORS
VICE-CHAIRMAN
SPYROS PANTELIAS
I.D. NUM. AB578796

CHIEF FINANCIAL
OFFICER
GEORGE XIFARAS
I.D. NUM. T125995 - P.E.R.N. 26575

DEPUTY CHIEF FINANCIAL
OFFICER
APOSTOLOS KONSTANTINIDIS
I.D. NUM X152481 - P.E.R.N. 27182

DIRECTOR OF
FINANCIAL SERVICES
ATHANASIOS DIONAS
I.D. NUM. M584387 - P.E.R.N. 41345



H E L L E N I C

POSTBANK

TAXYΔΡΟΜΙΚΟ ΤΑΜΙΕΥΤΗΡΙΟ