ATEbank
AGRICULTURAL BANK OF GREECE

Interim Consolidated Financial Statements as at 31 March 2011

In accordance with International Financial Reporting Standards (I.A.S. 34)

The attached interim consolidated financial statements were approved by the BoD of the Agricultural Bank of Greece on 25 May 2011 and are available on the web address **www.atebank.gr**

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Consolidated statement of financial position
As at 31 March 2011
(Amounts in thousands of Euro)

	Note	31/3/2011	31/12/2010
Assets			
Cash and balances with the Central Bank	13	1.306.244	873.905
Loans and advances to banks		954.171	1.042.668
Trading securities		197.926	209.542
Derivative financial instruments		17.150	20.953
Loans and advances to customers	14	19.049.096	21.202.815
Investment portfolio	15	4.978.586	5.389.146
Investments in associates		176.601	174.341
Investment property		227.806	229.240
Property, plant and equipment		475.728	479.804
Intangible assets		13.786	14.102
Deferred tax asset		429.770	441.920
Other assets		1.091.094	1.142.217
Total assets		**28.917.958**	**31.220.653**
Liabilities			
Deposits from banks		7.851.589	9.246.982
Deposits from customers	16	18.863.558	19.682.635
Liabilities at fair value through profit or loss		0	53.414
Derivative financial instruments		97.246	145.276
Provision for employee benefits		37.518	37.531
Other liabilities		383.896	402.687
Subordinated loans		249.297	249.196
Insurance reserves		653.518	653.522
Total liabilities		**28.136.622**	**30.471.243**
Equity			
Share capital	17	1.326.920	1.326.920
Treasury shares		(8.282)	(8.282)
Share premium		92.671	92.678
Reserves		(136.203)	(194.631)
Accumulated surplus / (deficit)		(547.265)	(517.616)
Equity attributable to the Bank's equity holders		**727.841**	**699.069**
Minority interests		53.495	50.341
Total equity		**781.336**	**749.410**
Total equity and liabilities		**28.917.958**	**31.220.653**

The accompanying notes (pages from 6 to 18) are an integral part of these interim consolidated financial statements.

Consolidated income statement

For the period ended 31 March 2011
(Amounts in thousands of Euro)

(Amounts in thousands of Euro)	**Note**	**31/3/2011**	**31/3/2010**
Interest and similar income		289.712	278.178
Interest expense and similar charges		(113.868)	(93.687)
Net interest income	**8**	**175.844**	**184.491**
Fee and commission income		18.681	27.266
Fee and commission expense		(7.315)	(9.104)
Net fee and commission income	**9**	**11.366**	**18.162**
Net trading income	**10**	(2.890)	(20.398)
Net investment income		(277)	744
Dividend income		4	17
Other operating income		29.752	12.442
Other income		**26.589**	**(7.195)**
Operating income		**213.799**	**195.458**
Staff cost		(96.642)	(106.772)
Other		(27.953)	(30.435)
Depreciation		(9.764)	(10.882)
Impairment losses		(105.930)	(95.949)
Operating profit/(loss)		**(26.490)**	**(48.580)**
Share of profit of associates		(1.061)	3.116
Profit/(loss) before tax		**(27.551)**	**(45.464)**
Tax	**11**	166	7.854
Profit/(loss) after tax		**(27.385)**	**(37.610)**
Attributable to:			
Equity holders of the Bank		(29.537)	(37.413)
Minority interests		2.152	(197)
Profit/(loss)		**(27.385)**	**(37.610)**
Basic and diluted earnings/(losses) per share (expressed in Euro per share)	**12**	(0,0474)	(0,0551)

The accompanying notes (pages from 6 to 18) are an integral part of these interim consolidated financial statements.

Consolidated statement of comprehensive income

For the period ended 31 March 2011

(Amounts in thousands of Euro)

	31/3/2011	31/3/2010
Profit/(loss) after tax	**(27.385)**	**(37.610)**
Other comprehensive income		
Exchange rate differences	7.215	(4.240)
Revaluation reserve available-for-sale investments:		
- Valuation for the period	52.456	(102.706)
- (Gain)/Loss transferred to income statement on disposal of available-for-sale securities	13.455	2.087
- Tax related	(13.696)	20.076
Share of other comprehensive income of associates	(112)	0
Other comprehensive income net of tax	**59.318**	**(84.783)**
Total comprehensive income net of tax	**31.933**	**(122.393)**
Attributable to:		
Equity holders of the Bank	28.779	(119.545)
Minority interests	3.154	(2.848)

The accompanying notes (pages from 6 to 18) are an integral part of these interim consolidated financial statements.

Consolidated statement of changes in equity

For the period ended 31 March 2011

(Amounts in thousands of Euro)

	Share capital	Treasury shares	Share premium	Available for sale securities Reserve	Foreign Currency Reserve	Other Reserves	Accumulated surplus/(deficit)	Total	Minority interests	Total Equity
Balance at 1 January 2010*	**1.326.920**	**(8.338)**	**92.711**	**(169.833)**	**(50.568)**	**133.794**	**(72.110)**	**1.252.576**	**58.498**	**1.311.074**
Total comprehensive income:										
Profit/(loss) for the period 1/1 - 31/03/2010	0	0	0	0	0	0	(37.413)	(37.413)	(197)	(37.610)
Other comprehensive income net of tax	0	0	0	(78.080)	(4.052)	0	0	(82.132)	(2.651)	(84.783)
Total comprehensive income net of tax	0	0	0	(78.080)	(4.052)	0	(37.413)	(119.545)	(2.848)	(122.393)
Transactions with the shareholders recognized directly to equity										
Transfer to reserves due to distribution	0	0	0	0	0	8	(8)	0	0	0
Deferred tax on entries recognized directly to equity	0	0	(8)	0	0	0	0	(8)	0	(8)
Total transaction with Shareholders	0	0	(8)	0	0	8	(8)	(8)	0	(8)
Balance at 31 March 2010	**1.326.920**	**(8.338)**	**92.703**	**(247.913)**	**(54.620)**	**133.802**	**(109.531)**	**1.133.023**	**55.650**	**1.188.673**
Balance at 1 January 2011	**1.326.920**	**(8.282)**	**92.678**	**(260.276)**	**(68.160)**	**133.805**	**(517.616)**	**699.069**	**50.341**	**749.410**
Total comprehensive income:										
Profit/(loss) for the period 1/1 - 31/03/2011	0	0	0	0	0	0	(29.537)	(29.537)	2.152	(27.385)
Other comprehensive income net of tax	0	0	0	52.215	6.213	0	(112)	58.316	1.002	59.318
Total comprehensive income net of tax	0	0	0	52.215	6.213	0	(29.649)	28.779	3.154	31.933
Transactions with the shareholders recognized directly to equity										
Deferred tax on entries recognized directly to equity	0	0	(7)	0	0	0	0	(7)	0	(7)
Total transaction with Shareholders	0	0	(7)	0	0	0	0	(7)	0	(7)
Balance at 31 March 2011	**1.326.920**	**(8.282)**	**92.671**	**(208.061)**	**(61.947)**	**133.805**	**(547.265)**	**727.841**	**53.495**	**781.336**

** as restated balances (Note 20)*

The accompanying notes (pages from 6 to 18) are an integral part of these interim consolidated financial statements.

Interim consolidated statement of cash flows

For the period ended 31 March 2011
(Amounts in thousands of Euro)

	Note	31/3/2011	31/3/2010
Operating activities			
Profit / (Loss) before tax		(27.551)	(45.464)
Adjustment for:			
Depreciation and amortization		9.764	10.882
Impairment losses	**14.2**	105.930	95.949
Changes in provisions		(2.454)	(56.468)
Change in fair value of trading investments		(266)	64.835
(Gain)/loss on the sale of investments, property and equipment		538	(17.184)
Changes in operating assets and liabilities			
Net (increase)/decrease in loans and advances to banks		59.198	(295.574)
Net (increase)/decrease in trading securities		11.527	58.155
Net (increase)/decrease in loans and advances to customers		2.013.724	(1.215.187)
Net (increase)/decrease in other assets		73.430	105.158
Net increase/(decrease) in deposits from banks		(1.403.852)	1.754.117
Net increase/(decrease) in deposits from customers		(823.511)	(723.880)
Net increase/(decrease) in other liabilities		(92.769)	(100.644)
Cash flows from operating activities		**(76.292)**	**(365.305)**
Investing activities			
Acquisition of intangible assets, property and equipment		(4.005)	(14.056)
Proceeds from the sale of intangible assets, property and equipment		2.225	6.299
(Purchases)/Proceeds of held to maturity portfolio		11.100	(5.031)
(Purchases)/Sales of available for sale portfolio		466.427	(516.053)
Dividends received		2	0
Cash flows from investing activities		**475.749**	**(528.841)**
Financing activities			
Cash flows from financing activities		**0**	**0**
Effect of exchange rate changes on cash and cash equivalents		3.347	(746)
Net increase/(decrease) in cash flows		**402.804**	**(894.892)**
Cash and cash equivalents at 1 January		1.579.911	2.980.609
Cash and cash equivalents at 31 March	**13**	**1.982.715**	**2.085.717**

The accompanying notes (pages from 6 to 18) are an integral part of these interim consolidated financial statements.

1. General Information

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

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

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

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

Name of Subsidiary / Associate	Activity	Registration Offices	Percentage of Participation	
			31/03/2011	31/12/2010
Financial Sector				
FIRST BUSINESS BANK	Bank	Athens	39,09%	39,09%
A.T.E. LEASING A.E.	Leasing	Athens	100,00%	100,00%
A.T.E. CARDS A.E.	Credit Cards Management	Athens	100,00%	100,00%
A.T.E. A.X.E.P.E.Y.	Brokerage Services	Athens	100,00%	100,00%
A.T.E. AEDAK	Mutual Funds Management	Athens	100,00%	100,00%
ATE TECHNIKI PLIROFORIKI	Real Estate	Athens	93,07%	93,07%
A.B.G. FINANCE INTERNATIONAL P.L.C.	Finance	London	100.00%	100.00%
ATEbank ROMANIA S.A.	Bank	Bucharest	74,13%	74,13%
AIK BANKA	Bank	Nis	20,83%	20,83%
Non-Financial Sector				
ATE INSURANCE S.A.	Insurance	Athens	100,00%	100,00%
ATE INSURANCE S.A. ROMANIA	Insurance	Bucharest	100,00%	100,00%
HELLENIC SUGAR COMPANY*	Sugar Production	Thessaloniki	82,33%	82,33%
SEKAP	Cigarette Production	Xanthi	44,33%	44,33%
DODONI	Dairy Production	Ioannina	67,77%	67,77%
ZO.DO S.A.	Feedstuff Production and Trading	Ioannina	67,77%	67,77%
ELVIZ	Feedstuff Production	Plati	99,98%	99,98%
ATExcelixi	Educational services	Athens	100,00%	100,00%

* The Group of Hellenic Sugar Company, which includes the subsidiaries CRVENKA, SAJKASKA and Hellenic Sugar Company Cypros LTD, is consolidated

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

ALFA ALFA ENERGY S.A. is not included in ATEbank's consolidated financial statements, due to its insignificant impact on Group's financial position.

The Group has a network of 483 branches in Greece and 31 abroad, 30 of which in Romania (ATEbank Romania) and 1 in Germany, which offer to the customers a wide range of banking activities. The Group also has 927 ATMs (Automatic Teller Machines) in Greece and 44 in Romania. Approximately 45% of the branches are privately owned.

The Group has 8.454 employees, of which 6.599 are in the banking and finance sector.

The Group's financial statements for the period ended 31 March 2011 are available upon request from the Bank's offices (Panepistimiou 23 str, Athens) or from the web address www.atebank.gr

2. BASIS OF PREPARATION

The interim consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, applicable to Interim Financial Reporting (IAS 34). The interim financial statements do not provide all the information required in the preparation of the annual financial statements and thus they should be examined in conjuction with the Group's annual consolidated financial statements for the year ended 31 December 2010.

The financial statements in standalone and consolidated basis were approved by the Board of Directors on 25 May 2011 and are available on the web address www.atebank.gr

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies that have been applied by the Group for the preparation of the interim consolidated financial statements of 31 March 2011 are the same as those presented in the published consolidated financial statements as of 31 December 2010.

4. USE OF ESTIMATION AND JUDGEMENT

The preparation of financial statements according to I.F.R.S. requires management to make judgements, estimations and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimations.

For the preparation of those Interim Financial Statements the Group made the same estimations and assumptions concerning the adoption of the accounting policies as those made for the preparation of the financial statements as at 31 December 2010.

5. COMPARATIVE ITEMS

In those circumstances whenever considered necessary, comparative items of the previous year are restated in order to render these items uniform and comparable with the respective items of the current period. For current interim financial statements preparation purposes, the Bank realized a reclassification between previous year's "interest income" and "net trading income" concerning derivatives interest for which hedge accounting is applied. Moreover, "retained losses" are restated as at 1st January 2010 in order to depict fair value hedge accounting policy that the Bank applies, correctly. The impact of these restatements are further explained in Note 20.

6. NEW STANDARDS

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. Unless otherwise stated the following amendments do not have a material impact on the Group's financial statements.

Standards and Interpretations effective for the current financial year

IAS 24 (Revised) "Related Party Disclosures"
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. This revision will affect the Group's financial statements.

IAS 32 (Amendment) "Financial Instruments: Presentation"
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 relevant to the Group.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"

IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"

<u>Amendments to standards that form part of the IASB's 2010 annual improvements project</u>

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB's annual improvements project. Unless otherwise stated the following amendments do not have a material impact on the Group's financial statements.

IFRS 3 "Business Combinations"

IFRS 7 "Financial Instruments: Disclosures"

IAS 1 "Presentation of Financial Statements"

IAS 27 "Consolidated and Separate Financial Statements"

IAS 34 "Interim Financial Reporting"

IFRIC 13 "Customer Loyalty Programmes"

<u>Standards and Interpretations effective from periods beginning on or after 1 January 2012</u>

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

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

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

IFRS 13 "Fair Value Measurement" (Effective for annual periods beginning on or after 1 January 2013)

Group of standards on consolidation and joint arrangements <u>(effective for annual periods beginning on or after 1 January 2013)</u>

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements.

7. SEGMENT REPORTING

7.1 BUSINESS SECTORS

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

The segments are briefly described below:

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

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

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

Segment reporting for the period ended 31/03/2011 is as follows:

(Amounts in thousand Euro)		**31/3/2011**		
	Financial sector	**Insurance sector**	**Commercial and industrial sector**	**Total**
As at 31 March 2011				
Third party Income				
-Net interest income	172.610	4.707	(1.473)	175.844
-Net fee and comission income	11.364	0	2	11.366
-Net trading income	(3.095)	205	0	(2.890)
-Net income from other financial instruments	(2.420)	2.147	0	(273)
-Other operating income	2.162	10.340	17.250	29.752
Total Income	**180.621**	**17.399**	**15.779**	**213.799**
Other non-cash items				
Impairment losses	(105.930)	0	0	(105.930)
Profit/(loss) per sector	(43.139)	4.595	11.159	(27.385)
As at 31 March 2011				
Total assets per sector	27.867.188	664.284	386.486	28.917.958
Total liabilities per sector	28.156.138	717.677	44.143	28.917.958

(Amounts in thousand Euro)		**31/3/2010**		
	Financial sector	**Insurance sector**	**Commercial and industrial sector**	**Total**
As at 31 March 2010				
Third party Income				
-Net interest income	181.836	3.761	(1.106)	184.491
-Net fee and comission income	18.107	51	4	18.162
-Net trading income	(19.773)	(625)	0	(20.398)
-Net income from other financial instruments	496	267	(2)	761
-Other operating income	2.385	5.682	4.375	12.442
Total Income	**183.051**	**9.136**	**3.271**	**195.458**
Other non-cash items				
Impairment losses	(95.949)	0	0	(95.949)
Profit/(loss) per sector	(32.719)	(2.856)	(2.035)	(37.610)
As at 31 December 2010				
Total assets per sector	30.160.441	654.050	406.162	31.220.653
Total liabilities per sector	30.443.822	710.875	65.956	31.220.653

7.2 GEOGRAPHIC SECTORS

The table below shows the geographic allocation (secondary segment sectors) of non – current assets and income from third parties. The allocation is based on the country the subsidiaries keep their headquarters.

(Amounts in thousand Euro)

2011	Greece	Other European countries	Total
As at 31 March 2011			
Third Party Income	202.373	11.426	213.799
As at 31 March 2011			
-Non current assets	666.335	50.985	717.320

(Amounts in thousand Euro)

2010	Greece	Other European countries	Total
As at 31 March 2010			
Third Party Income	187.605	7.853	195.458
As at 31 December 2010			
-Non current assets	668.308	54.838	723.146

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

8. NET INTEREST INCOME

(Amounts in thousand Euro)

	31/3/2011	31/3/2010
Interest and similar income:		
Loans and advances to customers	241.462	235.746
Loans to banks	4.358	6.818
Finance leases	1.683	2.263
Debt instruments	42.209	33.351
	289.712	**278.178**
Interest expense and similar charges:		
Customer deposits	(68.600)	(60.479)
Bank deposits	(43.002)	(31.145)
Subordinated loans	(2.266)	(2.063)
	(113.868)	**(93.687)**
Net interest income	**175.844**	**184.491**

9. NET FEE AND COMMISSION INCOME

(Amounts in thousand Euro)

	31/3/2011	31/3/2010
Fee and commission income		
Loans and advances to customers	8.698	14.368
Money transfers	2.486	3.030
Mutual funds	851	962
Letters of guarantee	1.184	1.467
Equity brokerage	743	908
Credit cards	899	1.143
Import-exports	226	210
Other	3.594	5.178
	18.681	**27.266**
Fee and commission expenses		
Contribution to Savings Guarantee Fund	(3.281)	(3.750)
Other	(4.034)	(5.354)
	(7.315)	**(9.104)**
Net fee and commission income	**11.366**	**18.162**

10. NET TRADING INCOME

(Amounts in thousand Euro)

	31/3/2011	31/3/2010
Trading portfolio		
Gain minus Losses		
Derivative financial instruments	2.213	(7.989)
Foreign exchange differences	(4.883)	3.884
Sales		
Equity instruments	133	(9)
Debt instruments	(619)	13.274
Valuation		
Equity instruments	180	(499)
Debt instruments	217	(20.040)
Derivative financial instruments	(131)	(9.019)
	(2.890)	**(20.398)**

11. TAX

(Amounts in thousand Euro)

	31/3/2011	31/3/2010
Current tax	(880)	(1.489)
Tax provision for unaudited financial years	(500)	(514)
Deferred tax	1.546	9.857
	166	**7.854**

According to current Greek Tax Law, companies will apply a 20% tax ratio for the fiscal year 2011 (24% for 2010).

The fiscal years that the Bank and its subsidiaries have not been audited by the tax authorities are as follows:

A.T.E. BANK	2009 – 2010
A.T.E. INSURANCE	2008 – 2010
A.T.E. LEASING	2008 – 2010
A.T.E. CARDS	2009 - 2010
A.T.E. A.X.E.P.E.Y.	2010
A.T.E. AEDAK	2010
ATE TECHNIKI PLIROFORIKI	2010
HELLENIC SUGAR COMPANY	2005 – 2010
DODONI	2008 – 2010
ELVIZ	2005 – 2010
ATExcelixi	2010
ATEBank ROMANIA	2005 – 2010
ATE INSURANCE S.A. ROMANIA	2007 – 2010

Because of the method under which the tax obligations are ultimately concluded in Greece, the Group remains contingently liable for additional taxes and penalties for its open tax years.

Against this contingency the Group using historical data from previous tax audits, has recorded a relevant provision for the unaudited tax years which amounts to EUR 8,09 mil. as at 31/03/2011.

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

	31/3/2011	31/3/2010
Earnings/(losses) after tax (in thousands of euro)	(29.537)	(37.413)
Minus : accrued dividend to preference shareholders (in thousands of euro)	(13.315)	(12.344)
Earnings/(losses) after tax attributable to the holders of common stocks (in thousands of euro)	(42.852)	(49.757)
Weighted average of number of shares in issue	903.337.152	903.323.619
Basic and diluted earnings/(losses) per share (expressed in euro)	**(0,0474)**	**(0,0551)**

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

Diluted EPS is determined by adjusting the weighted average number of ordinary shares in issue during the year to dilutive potential ordinary shares. The latter are the preference shares issued to the Greek Government (Note 17).

The conversion of the preference shares into ordinary ones as at 31/03/2011 was made based on article 1 of 54201/B 2884/26.11.2008 decision of the Ministry of Economy and Finance.

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

13. CASH AND BALANCES WITH CENTRAL BANK

(Amounts in thousand Euro)

	31/3/2011	31/12/2010
Cash in hand	387.707	356.743
Balances with Central Bank	918.537	517.162
	1.306.244	**873.905**

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

(Amounts in thousand Euro)

	31/3/2011	31/3/2010
Cash and balances with Central bank	1.306.244	509.864
Purchase and resale agreements of trading securities	220.000	1.085.626
Short-term placements with other banks	456.471	490.227
	1.982.715	**2.085.717**

14. LOANS AND ADVANCES TO CUSTOMERS

(Amounts in thousand Euro)

14.1. Loans per sector	31/3/2011	31/12/2010
Credit cards	550.814	554.624
Consumer loans	1.336.051	1.384.456
Mortgages	6.722.958	6.826.071
Loans to private individuals	**8.609.823**	**8.765.151**
Loans to the agricultural sector	2.077.131	2.073.973
Corporate loans	3.847.248	3.702.507
Small and medium sized firms	2.312.734	2.412.540
Loans to corporate entities	**8.237.113**	**8.189.020**
Finance leasing	407.489	414.776
Loans to the public sector	3.608.334	5.542.848
	20.862.759	**22.911.795**
Less: allowance for uncollectibility	(1.813.663)	(1.708.980)
	19.049.096	**21.202.815**

14.2 Movement in the allowance for uncollectibility	2011	2010
Balance at 1 January	**1.708.979**	**1.250.827**
Provision for impairment	105.930	95.949
Recoveries	(904)	(848)
Loans written-off	(628)	(1.139)
Exchange rate differences	286	62
Balance at 31 March	**1.813.663**	**1.344.851**
Balance at 1 April		**1.344.851**
Provision for impairment		372.653
Recoveries		(4.283)
Loans written-off		(4.049)
Exchange rate differences		(192)
Balance at 31 December		**1.708.979**

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

15. INVESTMENT PORTFOLIO

(Amounts in thousand Euro)

	31/3/2011	31/12/2010
Available-for-sale securities	1.626.260	2.032.140
Held to maturity securities	3.352.326	3.357.006
	4.978.586	**5.389.146**

15.1 AVAILABLE-FOR-SALE SECURITIES

(Amounts in thousand Euro)

	31/3/2011	31/12/2010
Debt securities:		
Greek Government bonds	563.971	959.020
Corporate bonds	576.198	633.284
	1.140.169	1.592.304
Equity securities:		
Listed	275.925	235.573
Unlisted	118.773	118.748
Equity funds	26.507	23.594
	421.205	377.915
Mutual fund units	64.886	61.921
	1.626.260	**2.032.140**

All available-for-sale securities are carried at fair value, except, for the unlisted equity securities of EUR 118.773 thousand, (31/12/2010: EUR 118.748 thousand) which are carried at cost (minus impairment) because fair value can not be easily determined.

15.2 HELD TO MATURITY SECURITIES

(Amounts in thousand Euro)

	31/3/2011	31/12/2010
Greek Government bonds	3.311.947	3.316.976
Foreign Government bonds	30.379	30.030
Corporate bonds	10.000	10.000
	3.352.326	**3.357.006**

Greek Government Bonds, that are held by the Group from the issue date, the Group intends to hold them until their maturity. The fair value of the above mentioned bonds as of 31/03/2011 is EUR

2.756.622 thousand (31/12/2010: EUR 2.775.634 thousand).

Held to maturity securities portfolio includes Greek Government bonds of € 675 mil. which the Bank received from the Greek State during its share capital increase through the issuance of preference shares (Note 17).

The Group as at 01/04/2010, transferred to the above mentioned portfolio from the portfolio "Available-for-sale securities", Greek Government Bonds with fair value Euro 2.196 mil. The difference between fair value and cost value of those securities which had been recognized in "Available-for-sale reserve" until 31/03/2010, will be gradually amortized until their maturity date. The Group has the intention and ability to maintain the above securities in the near future.

16. DEPOSITS FROM CUSTOMERS

(Amounts in thousand Euro)

	31/3/2011	31/12/2010
Retail customers:		
Current accounts	122.845	162.250
Saving accounts	10.007.019	11.042.938
Term deposits	6.322.347	6.443.455
	16.452.211	**17.648.643**
Private sector entities:		
Current accounts	374.145	560.473
Term deposits	378.195	346.941
	752.340	**907.414**
Public sector entities		
Current accounts	1.561.097	1.082.526
Term deposits	97.910	44.052
	1.659.007	**1.126.578**
	18.863.558	**19.682.635**

17. SHARE CAPITAL

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

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

Following the above, as at 31 March 2011 the share capital of the Bank is EUR 1.326.919.999,69 and consists of 905.444.444 authorized and issued common shares of nominal value of EUR 0,72 per share and 937.500.000 preference shares of nominal value of Euro 0,72 per share, fully paid.

According to the above-mentioned law (L.3723/2008), the preference shares provide a fixed return of 10% over the contributed capital and must compulsory be repurchased by the Bank at the issue price after a 5-year period or optionally prior to the end of this period. In case the Bank cannot repurchase the preference shares due to capital adequacy, then the preference shares are converted into common shares.

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

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

As at 31/03/2011, the net of tax dividend attributable to preference shareholders amounted to EUR 13,3 mil.

The Bank, through the imminent Share capital increase of an amount up to € 1,26 bil. which was decided at the Annual General Shareholders Meeting on 29.04.2011, will strengthen its capital adequacy and, given necessary official approval, will dispose € 675 mil. from the net proceeds of the public offering, for the redemption of the preference shares held by the Greek State.

Furthermore, in the aforementioned meeting, the increase of nominal value of each common share with voting right was agreed along with the reduction of the number of common shares with voting rights (reverse split) with a proportion of ten (10) old to one (1) new, reducing thus the total number of common shares from 905.444.444 to 90.544.444 and, the Share Capital decrease by € 597.593.333,28, in order to create an equal special reserve, according to article 4 par.4a of L.2190/1920, through the reduction of common share nominal value to € 0,60 per share was also agreed.

18. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Litigation

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. Against this contingency, a provision has been formed, in case the Bank suffers a loss, of a final amount of EUR 22,3 mil. (2010: EUR 22,3 mil.). In the opinion of management, after consultation, with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Group after considering the above provision.

(b) Letters of guarantee and letters of credit

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

(Amounts in thousand Euro)

Letters of Guarantee / Letters of credit	31/3/2011	31/12/2010
Letters of guarantee	281.901	284.126
Letters of credit	264	163
	282.165	**284.289**

(c) Assets pledged

(Amounts in thousand Euro)

	31/3/2011	31/12/2010
Loans to customers	3.037.698	4.272.327
Trading bonds	52.150	121.006
Available-for-sale bonds	442.896	1.301.955
Held to maturity bonds	2.295.243	3.038.925
Loans to customers according to Law 3723/2008	1.847.763	1.741.013
	7.675.750	**10.475.226**

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

The Group has pledged bonds as collaterals into Repo agreements with third party financial institutions of a total value of EUR 265,5 mil.

Furthermore, the Bank, in accordance with the article 3 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", entered into a loan facility of EUR 1,4 bil. which is kept by the European Central Bank as a collateral for the liquidity reinforcement. According to the above, the Bank has pledged customer receivables of EUR 1,8 bil. as a collateral to the Greek State.

Also, the Bank, in accordance with the article 2 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", has issued a bond guaranteed by the Greek State of EUR 3,2 bil.

19. RELATED PARTY TRANSACTIONS

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

Related parties include a) BoD Members and members of the key management personnel, b) close members of the family and financial dependants of the above, c) associate companies of the Group and d) Public companies and entities that the State holds interest.

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

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

(Amounts in thousand Euro)

	31/3/2011	31/12/2010
Loans	3.370	4.213
Deposits	9.673	10.675
Letters of guarantee	10	0

Key Management Personnel Fees	31/3/2011	31/12/2010
Fees	(717)	(758)
Other	(153)	(170)

b) With its associates

(Amounts in thousand Euro)

ASSETS	31/3/2011	31/12/2010
Loans and advances to customers	36.591	36.120
Total assets	**36.591**	**36.120**

LIABILITIES		
Deposits from customers	1562	1973
Total liabilities	**1.562**	**1.973**

INCOME STATEMENT	31/3/2011	31/12/2010
Income		
Interest and similar income	731	473
Total income	**731**	**473**

Letters of Guarrantee	31/3/2011	31/12/2010
Letters of Guarrantee	48.711	0

c) Public companies and entities that the State holds interest

(Amounts in thousand Euro)

ASSETS	**31/3/2011**	**31/12/2010**
Loans and advances to customers	4.623.329	6.573.896
Total assets	**4.623.329**	**6.573.896**

LIABILITIES	**31/3/2011**	**31/12/2010**
Deposits from customers	2.041.930	1.509.886
Total liabilities	**2.041.930**	**1.509.886**

INCOME STATEMENT	**31/3/2011**	**31/3/2010**
Income		
Interest and similar income	37.449	44.278
Total income	**37.449**	**44.278**
Expenses		
Interest and similar expenses	(5.793)	(4.332)
Total expenses	**(5.793)**	**(4.332)**

20. PREVIOUS YEAR's ITEMS RESTATEMENT

In the consolidated financial statement of the year 2010, the Bank restated certain items in the comparative financial position and income statement of the year that ended at 31 December 2009 in relation to the respective published consolidated financial statements of 2009, with the intention to depict correctly the fair value hedge accounting that the Group applies regarding fixed rate loan portfolio of an amount at about € 1,9 bil.

The above restatement has an effect on equity as at 1st January 2010, as it is reported in Consolidated Statement of changes in Equity. The restatement impact on initially published items is analyzed in the following table:

(Amounts in thousand Euro)

	Publication as at 31 December 2009	**Restatement effect**	**Restated as at 31 December 2009**
	Increase / (Decrease)	Increase / (Decrease)	Increase / (Decrease)
Retained Earnings /(losses) as at 1 January 2010	(21.925)	(50.185)	(72.110)
Total Equity before minority as at 1 January 2010	1.302.761	(50.185)	1.252.576
Total Equity and minority as at 1 January 2010	1.361.259	(50.185)	1.311.074

21. SUBSEQUENT EVENTS

1. The regular General Meeting that took place on 29 April 2011 :

   a. approved the Bank's share capital increase with cash in order to raise funds up to €1.259,5 mil. These funds, excluding expenses, will be disposed for the redemption of the preference shares held by the Greek State of € 675 mil. according to L.3723/2008 and also will be disposed for strengthening Bank's capital adequacy. Alpha Bank, EFG Eurobank Ergasias, National Bank of Greece, Pireus Bank and Marfin Popular Bank will undertake the issue guarranteing up to a maximum amount of € 115,0 mil.

b. approved the increase of nominal value of each common share with voting rights from € 0,72 to € 7,20 per share along with the reduction of the number of common shares with voting rights (reverse split) with a proportion of ten (10) old to one (1) new, reducing thus the total number of common shares from 905.444.444 to 90.544.444

c. approved the Share Capital decrease by € 597.593.333,28, in order to create an equal special reserve, according to article 4 par.4a of L.2190/1920, through the reduction of common share nominal value from € 7,20 το € 0,60 per share.

d. approved the increase of the amount of the EMTN issue program up to € 5 bil.

2. Subsidiary ATE Techniki Pliroforiki S.A.'s regular General Meeting, approved at its meeting on April 2011 the termination and liquidation of the company.

3. As at 22 May 2011, the international credit rating agency Fitch downgraded Greece's creditwothiness from BB+ to B+, with negative outlook. Also, at 23 May 2011, the agency revised five greek bank's longterm credit rating, inclunding ATEbank, from BB+ to B+.

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

Athens, 25 May 2011

THE GOVERNOR	THE VICE CHAIRMAN	THE HEAD OF FINANCE DEPARTMENT
THEODOROS PANTALAKIS	ADAMANTINI LAZARI	SPYRIDON KOLIATSAS