GENIKI Bank

ANNUAL FINANCIAL REPORT
(According to Law 3556/2007)
DECEMBER 2009

Table of Contents

Declaration

(According to the article 4, par. 2 of the Law 3556/2007)

According to the article 4, par. 2 of the Law 3556/2007 we declare that to the best of our knowledge, the annual financial statements for the year 2009 that have been prepared in accordance with the applicable accounting standards, give a fair and true view of the assets, liabilities, equity and Statement of Comprehensive Income of Geniki Bank S.A. and the group of companies included in the consolidated accounts. In addition, the Board of Directors annual report for 2009 gives a fair and true view of the evolution performance and position of Geniki Bank S.A. and the group of companies included in the consolidated accounts, including the description of the main risks and uncertainties that they have to deal with.

Athens, 23 March 2010

Tryfon J. Koutalidis	**Patrick Couste**	**Emmanuel Martin**
I.D.No. AB 043444	Pasp.No. 02YC58559	Pasp.No. 04FE42127
Chairman	Managing Director	Executive Director

GENIKI Bank

Report of the Directors

The Directors present their report together with the annual financial statements for the 12 months period ended 31 December 2009.

Activities

Geniki Bank Group provides financial services in the sectors of retail banking, corporate banking, investment banking and capital market services. The Group operates via branches, offices and subsidiary companies in Greece.

Financial results review

Operating income amounted to EUR 189.9m for the annual period to 31 December 2009, a 2.1% decrease in comparison with 2008. However, on a like-for-like basis the operating income increased by 4.9%, after excluding the effect of the one-off event of the property sale performed in 2008. This 4.9% increase is the combined effect of a 5.8% increase in net interest income and a 3.2% decrease in commissions income.

Operating expenses (excluding provisions) amounted to EUR 156.8m, a 4.2% decrease over the previous year. The Group maintains a strict control over its costs. It should be noted that the 4.2% cost reduction (2009 over 2008) is higher than the ratio disclosed last year, where the cost reduction of 2008 over 2007 reached 3.1%.

Operating results before provisions amounted to EUR 33m, a 9.1% improvement over the previous year. On a like-for-like basis the improvement is further enhanced and is arriving at x1.9 or 90%.

The significant deterioration of the economic environment had a negative effect on the quality of our loan portfolio and as a consequence the **provisions** for the year amounted to EUR 139.6m, representing an increase of 165.4% over the previous year.

The Group arrived at a **net loss** position amounting to EUR 109.5m, in comparison with a net loss of EUR 37.5m in the previous year. This deterioration is attributable solely to the increase of provisions.

As at 31 December 2009, net loans and advances amounted to EUR 4.0 billions a 3.5% decrease over December 2008.

As at 31 December 2009, customer deposits and repos amounted to EUR 2.7 billions a 4.9% increase over December 2008.

The number of the branches of the Bank is 139.

Capital adequacy

Capital adequacy ratio under Basel II (Standardised methodology for credit risk, advanced management approach for operational risk) stands at 9.73% in comparison with 8.51% for 2008.

Liquidity – Capital adequacy – Share capital increase

The gap between loans and deposits is supported by our parent entity within the framework of SG Group's asset liability management policy.

Business outlook and risks

The Greek economic outlook will be dominated by the consequences of the Greek government efforts to deal with the budget deficit. The fiscal consolidation measures that have been taken should be implemented rigorously and must be combined with measures to foster economic growth.

In this harsh environment our Bank and Group have the positive intention and will utilize the support of their parent entity to continue to serve their client base. As a result, relationship with clients will be reinforced.

Related party transactions

All transactions with related parties are entered into the normal course of business and conducted on an arm's length basis. The major transactions comprise interbank lending with the parent company Société Générale. For a detailed presentation the user of the financial statements can refer to note 44 of the financial statements.

Financial risk management

The main risks incurred on banking activities are the following:

(a) credit risk: risk of loss arising from a counterparty's inability to meet its financial commitments;
(b) market risk: risk of loss resulting from changes in market prices and interest rates, in correlations between these elements and their volatility;
(c) structural risk: risk of loss in the bank's balance sheet arising from variations in interest or exchange rates;
(d) liquidity risk: the risk of the Group not being able to meet its commitments at their maturities.

Risk management issues are presented in detail in notes 38, 40 to 42 of the financial statements.

Financial derivatives and hedge accounting

All financial derivatives are recognised at fair value in the Statement of financial position as financial assets or financial liabilities. Changes in the fair value of financial derivatives, except those designated as cash-flow hedges (see below), are recognised in the comprehensive income statement for the period.
Derivatives are divided into two categories:

(i) Trading financial derivatives
Derivative instruments are considered to be trading financial derivatives by default, unless they are designated as hedging instruments for accounting purposes. They are booked in the Statement of financial position. Changes in fair value are recorded in the comprehensive income statement. Derivatives used for economic hedges are included in this category (e.g. cases for which hedging accounting is not necessary for reducing income statement volatility because gains and losses arising on the hedging and hedged positions are recognised consistently in the comprehensive income statement).

(ii) Derivative hedging instruments
To designate an instrument as a derivative hedging instrument (i.e. for implementing hedging accounting rules) the Group must document the hedging relationship at the

be hedged, the effectiveness of the hedge. The derivative designated as a hedging instrument must be highly effective in offsetting the variation in fair value or cash flows arising from the hedged risk, both when the hedge is first set up and throughout its life.

Other information

Share capital amounts to € 255 599 041.68 and is divided into 354 998 669 ordinary nominal shares with a par value of € 0.72, listed on the Athens Stock Exchange and there are no restrictions to their transfer.

In accordance with the provisions of Presidential Decree 51/92, the most important participations in the Bank's Share Capital are:

- SOCIETE GENERALE - Shares 191 585 017 - 53.97%
- MARFIN INVESTMENT GROUP HOLDINGS SA - Shares 16 834 307 - 4.74%

The Bank, to its best knowledge, is not aware of any special audit rights to shareholders or shares or restrictions to voting rights and agreements among shareholders resulting in restrictions in the transfer of shares or the exercising of voting rights.

The rules for appointing and replacing Members of the Board of Directors are in accordance with the provisions of Article 18 (3) of Codified Law 2190/1920; more specifically Article 17§(1) pas. (1) of the Bank's Articles of Incorporation, stipulates the right of the Army Pension Fund (APF) to appoint three members in the Bank's Board of Directors, provided the APF are shareholders of the Bank.

The rules regarding amendments to the Articles of Incorporation and the authority of the Board of Directors to issue new shares or acquire treasury shares are in accordance with the provisions of Codified Law 2190/1920, as amended and currently in force.

There are no agreements that are triggered, modified or expiring in case of changes in the controlling structure of the Bank resulting from a public share acquisition bids.

There are no agreements between the Bank and members of its Board of Directors or its personnel providing for the indemnities payable in case of resignation or dismissal on no serious grounds or termination of term or employment as a result of a public share acquisition bid.-

Annual Consolidated & Single Financial Statements

of Geniki Bank for the year ended 31 December 2009

according to IFRS

GENIKI Bank

Index to the Financial Statements (Group & Bank)

Hadjipavlou Sofianos & Cambanis S.A.

Assurance & Advisory Services

250 - 254 Kifissias Ave.
GR - 152 31 Halandri
Athens, Greece

Tel.: +30 (210) 6781.100
Fax: +30 (210) 6776.221-2
www.deloitte.gr

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of GENERAL BANK OF GREECE S.A.

Report on the Stand alone and Consolidated Financial Statement

We have audited the accompanying stand alone and consolidated financial statements of "GENERAL BANK OF GREECE S.A." and its subsidiaries, which comprise the stand alone and consolidated statement of financial position as at December 31, 2009, and the stand alone and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Stand alone and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these stand alone and consolidated financial statements in accordance with International Financial Reporting Standards as these have been adopted by the European Union, as well as for the internal controls that management considers necessary for the preparation of stand alone 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 stand alone and consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the stand alone 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 stand alone and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the stand alone and consolidated financial statements, whether due to fraud or error. In making this risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the stand alone 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 stand alone 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 accompanying stand alone and consolidated financial statements present fairly, in all material respects, the financial position of the company and its subsidiaries as at December 31, 2009, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as these were adopted by the European Union.

Report on Other Legal Requirements

We have agreed and confirmed the content and consistency of the Directors' Report to the accompanying stand alone and consolidated financial statements according to the provisions of the article 43a, 107 and 37 of the Codified Law 2190/1920.

Athens, March 24, 2010

The Certified Public Accountant

Michalis E. Karavas
RN SOEL: 13371
Deloitte.
Hadjipavlou Sofianos & Cambanis S.A.
Assurance & Advisory Services
250-254 Kifissias Ave.
152 31 Halandri
Reg. No. SOEL: E 120

GENIKI Bank

Statement of comprehensive income

	Note	Group 31-Dec-09 €' 000	Group 31-Dec-08 €' 000	Bank 31-Dec-09 €' 000	Bank 31-Dec-08 €' 000
Interest and similar income		238,549	288,055	237,595	286,481
Interest expense and similar charges		(87,567)	(145,330)	(87,597)	(145,416)
Net interest income	6	**150,982**	**142,725**	**149,998**	**141,065**
Fee income		35,300	41,336	35,762	41,899
Fee income		(2,408)	(7,345)	(2,313)	(7,397)
Net fee and commission income	7	**32,892**	**33,991**	**33,449**	**34,502**
Dividend income		137	825	137	1,164
Financial operations results	8	132	(863)	132	(861)
Other operating income	9	5,723	17,311	2,624	14,403
Gross operating income		**189,866**	**193,989**	**186,340**	**190,273**
Cost of risk	38	(137,426)	(51,125)	(135,454)	(49,390)
Cost of other risks	10	(2,126)	(1,451)	(1,471)	1,700
Staff costs and related expenses	13	(89,739)	(95,486)	(85,947)	(90,078)
Administration expenses	11	(53,908)	(53,406)	(55,514)	(56,562)
Depreciation, amortization and impairment	12,23,24	(13,174)	(14,812)	(12,836)	(14,435)
Operating expenses		**(296,373)**	**(216,280)**	**(291,222)**	**(208,765)**
(Loss) before income tax		**(106,507)**	**(22,291)**	**(104,882)**	**(18,492)**
Income tax expense	14	(2,945)	(15,171)	(2,703)	(15,084)
(Loss) after income tax		**(109,452)**	**(37,462)**	**(107,585)**	**(33,576)**

The notes on pages 7 to 80 are an integral part of these Group & Bank Financial Statements

GENIKI Bank

Statement of comprehensive income (continued)

	Note	Group		Bank	
		31-Dec-09 *€' 000*	31-Dec-08 *€' 000*	31-Dec-09 *€' 000*	31-Dec-08 *€' 000*
Other comprehensive Income					
Fair value reserve (available -for-sale financial assets)					
Net change in fair value		(20,855)	(36,287)	(20,854)	(36,287)
Profit / Loss from sale of investment securities		-	(269)	-	(269)
Total other comprehensive Income / (expenses)		**(20,855)**	**(36,556)**	**(20,854)**	**(36,556)**
Total comprehensive income / (expenses) for the period after tax		**(130,307)**	**(74,018)**	**(128,439)**	**(70,132)**
(Loss) attributable to shareholders after tax		(109,452)	(37,462)	(107,585)	(33,576)
Total comprehensive income / (expenses) for the period attributable to shareholders		(130,307)	(74,018)	(128,439)	(70,132)
(Losses) per share (in euro)		**€**	**€**	**€**	**€**
- Basic and diluted	15	(0.4125)	(0.3377)	(0.4055)	(0.3027)

The notes on pages 7 to 80 are an integral part of these Group & Bank Financial Statements

GENIKI Bank

Statement of financial position

	Note	Group 31-Dec-09 €' 000	Group 31-Dec-08 €' 000	Bank 31-Dec-09 €' 000	Bank 31-Dec-08 €' 000
Assets					
Cash and balances with central bank	16	106,573	104,054	106,570	104,051
Due from banks	18	116,742	69,560	116,742	69,485
Derivative financial instruments	19	9,061	8,996	9,061	8,996
Loans and advances to customers (after provisions)	38 B1	3,964,664	4,108,968	4,006,165	4,148,707
Investment securities - available for sale	20	377,479	413,269	377,479	413,269
Investment in subsidiaries undertakings	21	-	-	12,424	12,444
Investment in associate undertakings	22	743	743	990	990
Intangible assets	23	7,941	9,696	7,910	9,598
Property, plant and equipment	24	97,467	103,706	96,443	102,428
Deferred income tax assets	32	46,284	46,284	44,099	44,099
Other assets	25	102,939	101,873	63,488	58,920
Total assets		**4,829,893**	**4,967,149**	**4,841,371**	**4,972,987**
Liabilities					
Due to banks	26	1,697,652	1,999,849	1,697,652	1,999,849
Due to customers	27	2,659,463	2,534,806	2,666,170	2,538,289
Derivative financial instruments	19	7,136	9,480	7,136	9,480
Subordinated debt	28	125,201	125,201	125,201	125,201
Provisions for staff benefits	30	20,125	20,043	19,827	19,738
Risks & charges provisions	29	5,135	3,305	4,398	2,927
Other liabilities	31	46,046	48,325	43,952	45,331
Total liabilities		**4,560,758**	**4,741,009**	**4,564,336**	**4,740,815**
Equity					
Share capital	33	255,599	118,703	255,599	118,703
Share premium	33	212,855	215,317	212,855	215,317
Other reserves and retained earnings		(199,319)	(107,880)	(191,419)	(101,848)
Total equity		**269,135**	**226,140**	**277,035**	**232,172**
Total equity and liabilities		**4,829,893**	**4,967,149**	**4,841,371**	**4,972,987**

The notes on pages 7 to 80 are an integral part of these Group & Bank Financial Statements

GENIKI Bank

Consolidated statement of changes in equity
For the year ended 31 December 2008

	Note	Share capital € '000	Share premium € '000	Fair value reserves € '000	Statutory Reserves € '000	Non - Taxed reserves € '000	Retained earnings € '000	Treasury shares € '000	Total equity € '000
		Attributable to shareholders							
Balance 01.01.2008		118,703	215,320	3,108	5,880	438	(43,371)	-	300,078
Revaluation of AFS securities	20	-	-	(36,287)	-	-	-	-	(36,287)
Gain/Loss of bonds disposal	20	-	-	(269)	-	-	-	-	(269)
(Loss) for the year after tax		-	-	-	-	-	(37,462)	-	(37,462)
Total income/(expense) for the year after tax		-	-	**(36,556)**	-	-	**(37,462)**	-	**(74,018)**
Other		-	(3)	-	-	-	-	-	(3)
Employee shares purchase plan		-	-	-	-	-	83	-	83
Transfer		-	-	-	(403)	-	403	-	-
Balance 31.12.2008		**118,703**	**215,317**	**(33,448)**	**5,477**	**438**	**(80,347)**	**-**	**226,140**

For the year ended 31 December 2009

	Note	Share capital € '000	Share premium € ' 000	Fair value reserves €'000	Statutory Reserves €' 000	Non - Taxed reserves €' 000	Retained earnings €' 000	Treasury shares €' 000	Total equity €' 000
Balance 01.01.2009		118,703	215,317	(33,448)	5,477	438	(80,347)	-	226,140
Revaluation of AFS securities	20	-	-	(20,855)	-	-	-	-	(20,855)
(Loss) for the year after tax		-	-	-	-	-	(109,452)		(109,452)
Total income/(expense) for the year after tax		-	-	**(20,855)**	**-**	**-**	**(109,452)**	**-**	**(130,307)**
Share capital increase		175,724	(2,462)	-	-	-	-	-	173,262
Offset of prior year losses with decrease in par value of share capital		(38,828)	-	-	-	-	38,828	-	-
Employee shares purchase plan		-	-	-	-	-	40	-	40
Transfer		-	-	-	19	-	(19)		-
Balance 31.12.2009		**255,599**	**212,855**	**(54,303)**	**5,496**	**438**	**(150,950)**	**-**	**269,135**

GENIKI Bank

Statement of changes in equity (Bank)

For the year ended 31 December 2008

	Note	Share capital € '000	Share premium € '000	Fair value reserves € '000	Statutory Reserves € '000	Non - Taxed reserves € '000	Retained earnings € '000	Treasury shares € '000	Total equity € '000
		Attributable to shareholders							
Balance 01.01.2008		118,703	215,320	3,107	5,477	4	(40,387)	-	302,224
Revaluation of AFS securities	20	-	-	(36,287)	-	-	-	-	(36,287)
Gain/Loss from bonds disposal	20	-	-	(269)	-	-	-	-	(269)
('Loss) for the year		-	-	-	-	-	(33,576)	-	(33,576)
Total income/(expense) for the year after tax		-	-	**(36,556)**	-	-	**(33,576)**	-	**(70,132)**
Other		-	(3)	-	-	-	-	-	(3)
Employee shares purchase plan		-	-	-	-	-	83	-	83
Balance 31.12.2008		**118,703**	**215,317**	**(33,449)**	**5,477**	**4**	**(73,880)**	**-**	**232,172**

For the year ended 31 December 2009

	Note	Share capital € '000	Share premium € ' 000	Fair value reserves €'000	Statutory Reserves €' 000	Non - Taxed reserves €' 000	Retained earnings €' 000	Treasury shares €' 000	Total equity €' 000
Balance 01.01.2009		118,703	215,317	(33,449)	5,477	4	(73,880)	-	232,172
Revaluation of AFS securities	20	-	-	(20,854)	-	-	-	-	(20,854)
(Loss) for the year		-	-	-	-	-	(107,585)	-	(107,585)
Total income/(expense) for the year after tax		-	-	**(20,854)**	**-**	**-**	**(107,585)**	**-**	**(128,439)**
Capital increase		175,724	(2,462)	-	-	-	-	-	173,262
Offset of prior year losses with decrease in par value of share capital		(38,828)	-	-	-	-	38,828	-	-
Employee shares purchase plan		-	-	-	-	-	40	-	40
Transfer		-	-	-	-	-	-	-	-
Balance 31.12.2009		**255,599**	**212,855**	**(54,303)**	**5,477**	**4**	**(142,597)**	**-**	**277,035**

GENIKI Bank

Statement of cash flow

		Group		Bank	
		For the year ended 31 December		For the year ended 31 December	
		2009	2008	2009	2008
Cash flow from operating activities	Note	€' 000	€' 000	€' 000	€' 000
Profit / (loss) after income tax		(109,452)	(37,462)	(107,585)	(33,576)
Adjustment for:					
Depreciaton of property, plant and equipment	12	10,218	11,595	9,962	11,323
Amortization of intangible assets	12	2,956	3,217	2,874	3,112
Impairment of loans and advances to customers	38	137,426	51,125	135,454	49,390
Adjustment to Interest income		-	419	-	419
Provisions for staff benefits	30	82	(623)	89	(693)
Cost of other risks	29	1,830	(1,721)	1,471	(1,875)
Impairment of repossesed items	25	296	3,173	-	175
Deferred income tax	32	-	11,938	-	12,307
Subsidiary liquidation expenses		11	-	-	-
Dividend income from subsidiaries		-	-	-	(339)
Dividends from investment securities - available for sale		(137)	(547)	(137)	(547)
Employees shares purchase plan		40	83	40	83
Income from renewal of assets lease		(1,725)		-	
Fees & Commission expenses		-	1,324	-	1,324
(Profit) / Loss from financial operations results		199	615	199	615
(Gain) / Loss from sale of property, plant and equipment		(1)	(13,513)	(1)	(13,514)
Loss from write - off of property, plant and equipment		-	1,678	-	1,678
Income from insurance compensation of property, plant and equipment		-	(1,607)	-	(1,607)
Foreign exchange profit / (loss) on cash and cash equivalents		(26)	(22)	(26)	(22)
		41,717	**29,672**	**42,340**	**28,253**
Net (increase) / decrease of assets relating to operating activities					
Due from banks & central bank		7,045	7,284	7,000	7,330
Derivatives financial instruments		(2,409)	13,666	(2,409)	13,666
Loans and advances to customers (after provisions)		8,650	(910,679)	7,088	(907,908)
Other assets		(1,417)	(12,616)	(4,564)	(15,727)
Net increase / (decrease) of liabilities relating to operating activities					
Due to banks		(302,197)	930,652	(302,197)	930,652
Due to customers		124,657	(218,764)	127,881	(219,562)
Other liabilities		663	(8,202)	1,323	(6,310)
Income tax paid		(2,945)	(3,242)	(2,703)	(2,778)
Net cash flow from operating activities after taxes		**(126,236)**	**(172,229)**	**(126,241)**	**(172,384)**
Cash flow from investing activities					
Purchase of investment securities - available for sale		(244,170)	(188,119)	(244,170)	(188,119)
Purchase of property, plant and equipment		(4,000)	(4,317)	(3,996)	(4,244)
Purchase of intangible assets		(1,200)	(1,474)	(1,186)	(1,434)
Proceeds from dividends from subsidiaries		-	-	-	339
Investments in subsidiaries and associates undertakings		-	-	20	(75)
Proceeds from dividends from investment securities		137	547	137	547
Proceeds from sale of investment securities - available for sale		258,905	70,901	258,905	70,901
Proceeds from sale of property, plant & equipment		21	26,400	20	26,241
Net cash flow from investing activities		**9,693**	**(96,062)**	**9,730**	**(95,844)**
Cash flow from financing activities					
Share capital increase	33	175,724	-	175,724	-
Capital increase expenses	33	(2,462)	(3)	(2,462)	(3)
Net Cash flow from financing activities		**173,262**	**(3)**	**173,262**	**(3)**
Foreign exchange profit / (loss) on cash and cash equivalents		26	22	26	22
Net increase (decrease) in cash and cash equivalents		**56,745**	**(268,272)**	**56,777**	**(268,209)**
Cash and cash equivalents at the beginning of the year	17	**94,706**	**362,978**	**94,671**	**362,880**
Cash and cash equivalents at the end of the year	17	**151,451**	**94,706**	**151,448**	**94,671**

The notes on pages 7 to 80 are an integral part of these Group & Bank Financial Statements

Notes to the Financial Statements (Group & Bank)

1. General Information

Geniki Bank S.A. (the "Bank") and its subsidiaries (the "Group") are active in retail and corporate banking, insurance brokerage services, finance leasing and other services. The Bank is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Group operates in Greece. Its registered office is located in Greece (109 - 111 Messogion Avenue 115 10 Athens, Societe Anonyme Registration Number: 6073/06/B/86/12). These financial statements (Group & Bank) were approved by the Board of Directors on 23 March 2010. The consolidated financial statements of the Group are included in the consolidated financial statements of SOCIETE GENERALE GROUP, which is the ultimate parent entity that has a holding of 53,97% in the share capital of the Bank.

2. Principal accounting policies

The principal accounting policies applied in the preparation of the financial statements (Group and Bank) are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a. Basis of preparation

The financial statements (Group & Bank) have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted from EU. The financial statements (Group & Bank) are prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets and of financial assets and financial liabilities (including derivative instruments) at fair value through the Statement of Comprehensive Income.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements (Group & Bank) are disclosed in Note 5.

The presentation currency is the Euro (€) being the functional currency of Bank. All figures are presented in thousand Euros, unless otherwise stated.

Adoption of International Financial Reporting Standards (IFRS)

New standards, amendments and interpretations to existing standards applied from 1 January 2009 and are relevant.

IAS 1 "Presentation of Financial Statements" (Revised) (effective from 1 January 2009). It requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The Bank and the Group has applied IAS 1 (Revised) in 2009.

IFRS 7 "Financial Instruments: Disclosures" (Amendment March 2009) (effective for annual periods beginning on or after 1 January 2009). The amendments introduce a three-level hierarchy for fair value measurement disclosures and require entities to provide additional disclosures about the relative reliability of fair value measurements. In addition, the amendments clarify and enhance the existing requirements for the disclosure of liquidity risk. The Bank and the Group provides the additional and enhanced disclosures required by this amendment in these annual Consolidated and Bank financial statements.

IAS 39 "Financial Instruments: Recognition and Measurement" and IFRIC 9 "Reassessment of Embedded Derivatives" (Amendment March 2009) (effective for annual periods ending on or after 30 June 2009). These amendments clarify that on reclassification of a financial asset out of the "at fair value through profit or loss" category all embedded derivatives have to be assessed and, if necessary, separately accounted for in financial statements. This amendment did not have an impact on the Consolidated and Bank financial statements.

IAS 23, "Borrowing costs" (Revised) (effective from 1 January 2009). It requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs is removed. This amendment did not have an impact on the Consolidated and Bank financial statements.

IFRS 2 "Share-based Payment" (Amendment) (effective from 1 January 2009). The amendment deals with two matters. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. This amendment did not have an impact on the Consolidated and Bank financial statements.

IAS 32 "Financial Instruments: Presentation" and **IAS 1 "Presentation of Financial Statements"** (Amendment) (effective from 1 January 2009). This amendment requires entities to classify the following types of financial instruments as equity, provided they have particular features and meet specific conditions:

- puttable financial instruments (for example, some shares issued by co-operative entities)
- instruments, or components of instruments, that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation (for example, some partnership interests and some shares issued by limited life entities).

This amendment did not have an impact on the Consolidated and Bank financial statements.

IFRS 1 "First-time Adoption of International Financial Reporting Standards" and **IAS 27 "Consolidated and Separate Financial Statements"** (Amendment) (effective from 1 January 2009). The amendments:

- allow first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements; and
- remove the definition of the cost method from IAS 27 and replace it with a requirement to present dividends as income in the separate financial statements of the investor.

Regarding the initial measurement of cost in the separate financial statements of a new parent formed as the result of a specific type of reorganisation, the amendments to IAS 27 also require the new parent to measure the cost of its investment in the previous parent at the carrying amount of its share of the equity items of the previous parent at the date of the reorganisation.

This amendment did not have an impact on the Consolidated and Bank financial statements.

IFRIC 13, "Customer Loyalty Programmes" (effective for annual periods beginning on or after 1 July 2008). IFRIC 13 addresses the accounting treatment by the entity that grants award credits to its customers as part of a sale transaction(s).

This amendment did not have an impact on the Consolidated and Bank financial statements

Improvements to IFRSs, May 2008 (effective for annual periods beginning on or after 1 January 2009, except amendments to IFRS 5 that are effective for periods beginning on or after 1 July 2009). These improvements include amendments considered to be necessary, but non-urgent, and that will not be included as part of another major project.

This amendment did not have an impact on the Consolidated and Bank financial statements

Improvements to IFRSs, April 2009 (effective for annual periods beginning on or after 1 July 2009 or later, except amendments to IAS 18 that are effective for 2009). The amendment relating to IAS 18 did not have an impact on the Consolidated and Bank financial statements.

IFRIC 15, "Agreements for the Construction of Real Estate" (effective for annual periods beginning on or after 1 January 2009).

IFRIC 16, "Hedges of a Net Investment in a Foreign Operation" (effective for annual periods beginning on or after 1 October 2008).

IFRIC 18, "Transfers of Assets from Customers" (effective for transfers received on or after 1 July 2009).

These interpretations did not have an impact on the Consolidated and Bank financial statements.

New standards, amendments and interpretations to existing standards effective after 2009 and are relevant.

IFRS 3 "Business Combinations" and **IAS 27 "Consolidated and Separate Financial Statements"** (Amendment) (effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). The main changes are:

- Partial acquisitions. Non-controlling interests are measured either as their proportionate interest in the net identifiable assets (which is the original IFRS 3 requirement) or at fair value.
- Step acquisitions: The requirement to measure at fair value every asset and liability at each step for the purposes of calculating a portion of goodwill has been removed. Instead, goodwill is measured as the difference at acquisition date between the sum of the fair value of any investment in the business held before the acquisition and the consideration transferred, and the net assets acquired.
- Acquisition-related costs. Acquisition-related costs are generally recognised as expenses (rather than included in goodwill).
- Contingent consideration. Contingent consideration must be recognised and measured at fair value at the acquisition date. Subsequent changes in fair value are recognised in accordance with other IFRSs, usually in profit or loss (rather than by adjusting goodwill).
- Transactions with non-controlling interests . Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for as equity transactions.

These amendments will affect the Consolidated and Bank financial statements in relation to business combinations effected on or after 1 January 2010.

IAS 39 "Financial Instruments: Recognition and Measurement" (Amendment "Eligible Hedged Items") (effective for annual periods beginning on or after 1 July 2009). The amendment clarifies how the existing principles underlying hedge accounting should be applied in the designation of:

(a) a one-sided risk in a hedged item, and

(b) inflation in a financial hedged item.

The Bank and the Group will apply this amendment for the annual period beginning on 1 January 2010, and does not expect that it will have any impact on the Consolidated and Bank financial statements.

IFRIC 17, "Distributions of Non-cash Assets to Owners" (effective for annual periods beginning on or after 1 July 2009). The Interpretation clarifies that:

GENIKI Bank

- a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity,
- an entity should measure the dividend payable at the fair value of the net assets to be distributed,
- an entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss.

The Interpretation also requires an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation.

IFRIC 17 applies to pro rata distributions of non-cash assets except for common control transactions.

The Bank and the Group will apply this Interpretation for the annual period beginning on 1 January 2010, and does not expect that it will have any impact on the Consolidated and Bank financial statements.

IFRS 9 "Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2013). IFRS 9 specifies how an entity should classify and measure financial assets, including some hybrid contracts. They require all financial assets to be:

(a) classified on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(b) initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs.

(c) subsequently measured at amortised cost or fair value.

The Bank and the Group has not applied this Standard and is currently evaluating the impact of IFRS 9 on the Consolidated and Bank financial statements.

Improvements to IFRSs, April 2009 (effective for annual periods beginning on or after 1 July 2009 or later, except amendments to IAS 18 that are effective for 2009, see above). The Bank and the Group will apply these amendments for the annual period beginning on 1 January 2010, except the amendment to IAS 18 that was effective in 2009 and did not have an impact on the Consolidated and Bank financial statements.

IFRS 2 "Share-based Payment" (Amendment) (effective from 1 January 2010). The amendments clarify:

- the scope of IFRS 2. An entity that receives goods or services in a share-based payment arrangement must account for those goods or services no matter which entity in the group settles the transaction, and no matter whether the transaction is settled in shares or cash.
- the interaction of IFRS 2 and other standards. The Board clarified that in IFRS 2 a 'group' has the same meaning as in IAS 27 "Consolidated and Separate Financial Statements", that is, it includes only a parent and its subsidiaries.

- the accounting for some group and treasury share-based payment transactions. An entity must measure the goods or services it received as either an equity-settled or a cash-settled share-based payment transaction assessed from its own perspective, which may not always be the same as the amount recognised by the consolidated group.

  This amendment is not expected to have an impact on the Consolidated and Bank financial statements

IFRS 1 "First-time Adoption of International Financial Reporting Standards" (Amendment) (effective from 1 January 2010). The amendments address the retrospective application of IFRSs to particular situations. This amendment will not have an impact on the Consolidated and Bank financial statements.

IFRIC 14 "IAS 19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction." (Amendment "Prepayments of a Minimum Funding Requirement" November 2009) (effective for annual periods beginning on or after 1 January 2011). This amendment will not have an impact on the Consolidated and Bank financial statements.

IFRIC 19, "Extinguishing Financial Liabilities with Equity Instruments" (effective for annual periods beginning on or after 1 July 2010). This amendment will not have an impact on the Consolidated and Bank financial statements.

IAS 32 "Financial Instruments: Presentation" and **IAS 1 "Presentation of Financial Statements"** (Amendment) (effective for annual periods beginning on or after 1 February 2010). The amendment addresses the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated. This amendment will not have an impact on the Consolidated and Bank financial statements.

IAS 24 "Related parties" (Revised) (effective from 1 January 2011). The revised standard provides a partial exemption for government-related entities and a revised definition of a related party. This amendment will not have an impact on the Consolidated and Bank financial statements.

b. Consolidation Methods

i) *Full Consolidation*

This method is applied to entities over which Geniki Bank exercises sole control. Sole control over a subsidiary is defined as the power to govern the financial and operating policies of the subsidiary so as to obtain benefits from its activities. It is exercised: (a) either by directly or indirectly holding the majority of voting rights in the subsidiary; (b) or by holding the power to appoint or remove the majority of the members of the subsidiary's governing, management or supervisory bodies, or to command the majority of the voting rights at meetings of these bodies; (c) or by the power to exert a controlling influence over the subsidiary through an agreement or provisions in the company's charter or by laws.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated; unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group. A listing of the Bank's subsidiaries is set out in note 21.

ii) *Equity Method*

Companies over which the Group exercises significant influence are accounted for under the equity method. Significant influence is the power to influence the financial and operating policies of a subsidiary without exercising control over the said subsidiary. In particular, significant influence can result from Geniki Bank being represented on the board of directors or supervisory board, from involvement in strategic decisions, from the existence of significant intercompany transactions, from the exchange of management staff, or from the company's dependency on Geniki Bank. The Group is assumed to exercise significant influence over the financial and operating policies of a subsidiary when it holds directly or indirectly at least 20% of the voting rights in this subsidiary.

c. Transactions denominated in foreign currencies

At year end, monetary assets and liabilities denominated in foreign currencies are converted into euros (the Group's & Bank's functional currency) at the prevailing spot exchange rate. Realized or unrealized foreign exchange losses or gains are recognized in the Statement of Comprehensive Income under the line "Financial operations results".

Forward foreign exchange transactions are recognized at fair value based on the forward exchange rate for the remaining maturity. Spot foreign exchange positions are revalued using official spot rates applying at the end of the period. Unrealized gains and losses are recognized in the Statement of Comprehensive Income under the line "Financial operations results".

Non-monetary assets denominated in foreign currencies, including shares and other variable income securities that are not part of the financial assets estimated in fair value, are converted into euros at the exchange rate applying at year end. Currency differences arising on these assets are only recognized in the Statement of Comprehensive Income under the line "Financial operations results" when sold or impaired or where the currency risk is fair value hedged.

d. Determining the fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments traded in active markets is determined from quoted prices. If the instrument is not traded in an active market, fair value is determined using valuation techniques.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When the financial instrument is traded in several markets to which the Group & Bank has immediate access, the fair value is the price at which a transaction would occur in the most advantageous active market. Where no price is quoted for a particular instrument but its components are quoted, the fair value is the sum of the various quoted components incorporating bid or asking prices for the net position as appropriate.

If the market for a financial instrument is not active, its fair value is established using a valuation technique (in-house valuation models). Depending on the instrument under consideration, these valuation models may use data derived from recent transactions, from the fair value of substantially similar instruments, from discounted cash flow or option pricing models. Where necessary, these valuations are adjusted to take certain factors into account, depending on the instruments in question and the associated risks, particularly the bid or asking price of the net position and the modelling risk in the case of complex products.

If the valuation parameters used are observable market data the fair value is taken as the market price, and any difference between the transaction price and the price given by the in-house valuation model, i.e. the sales margin, is immediately recognized in the Statement of Comprehensive Income. However, if valuation parameters are not observable or the valuation models are not recognized by the market, the fair value of the financial instrument at the time of the transaction is deemed to be the transaction price and the sales margin is then generally recognized in the Statement of Comprehensive Income over the lifetime of the instrument, except for some complex financial instruments for which it is recognized at maturity or in the event of early sale. 'IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources ; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy :

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities. 'This level includes listed equity securities and debt instruments on exchanges (for example, London Stock Exchange, Frankfurt Stock Exchange, New York Stock Exchange) and exchanges traded derivatives like futures (for example, Nasdaq, S&P 500).

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes the majority of the OTC derivative contracts, traded loans and issued structured debt. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.

Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible. 'The above hierarchy model demands the use of objective data when available. The Group and the Bank use objective data for the evaluations when this is attainable (see note 39).

e. Financial assets and liabilities

Purchases and sales of non-derivative financial assets at fair value through the Statement of Comprehensive Income, financial assets held to maturity and available-for-sale financial assets (see below) are recognized in the statement of financial position on the settlement date while derivatives are recognized on the trade date. Changes in fair value between the trade and settlement dates are booked in the Statement of Comprehensive Income or to shareholders' equity depending on the relevant accounting category. Loan and advances to customers are recorded in the statement of financial position on the date they are paid.

When initially recognized, financial assets and liabilities are measured at fair value including relevant cost (except for financial instruments recognized at fair value through Statement of Comprehensive Income) and are classified under one of the following categories:

ASSETS

i) *Loans and advances to customers and Due from Banks*

Loans and advances neither held for trading purposes nor intended for sale from the time they are originated are recognized in the statement of financial position under Due from banks or Loans and advances to customers and they are carried at their amortized cost. An impairment loss may be recorded if appropriate.

ii) ***Financial assets and liabilities at fair value through Statement of Comprehensive Income***

These are financial assets and liabilities held for trading purposes. They are booked at fair value at the reporting date and recognized in the statement of financial position under Derivative financial instruments. Changes in fair value are recorded in the Statement of Comprehensive Income for the period under financial operations results.

This category also includes non-derivative financial assets and liabilities designated by the Group upon initial recognition to be carried at fair value through Statement of Comprehensive Income in accordance with the option available under IAS 39. The Group's & Bank's aim in using the fair value option is:

● first to eliminate or significantly reduce discrepancies in the accounting treatment of certain financial assets and liabilities

● second, to book certain compound financial instruments at fair value so avoiding the need to separate out embedded derivatives that would otherwise have to be booked separately.

iii) ***Held-to-maturity financial assets***

These are non-derivative fixed income assets with a fixed maturity, which the Group & Bank has the intention and the ability to hold until maturity. They are valued after acquisition at their amortized cost and may be subject to impairment, if appropriate. The amortized cost includes premiums and discounts as well as transaction costs and they are recognized in the Statement of Financial Position under Held-to-maturity financial assets.

iv) ***Investment securities - Available for sale***

These are non-derivative financial assets held for an indefinite period which the Group & Bank may sell at any time. By default, these are any assets that do not fall into one of the above three categories. These financial assets are recognized in the Statement of Financial Position under Investment securities - Available for sale and measured at their fair value at the reporting date. Interest accrued or paid on fixed-income securities is recognized in the Statement of Comprehensive Income using the effective interest rate method under Interest and similar income. Changes in fair value other than income are recorded in shareholders' equity under Fair value reserves. The Group & the Bank records these changes in fair value in the Statement of Comprehensive Income when the asset is sold or impaired, in which case they are reported as Financial operations results. Dividends on variable income securities classified as available for sale are recognised in cash basis and recorded in the Statement of Comprehensive Income under Dividend income.

LIABILITIES

Group & Bank borrowings that are not classified as financial liabilities recognized through Statement of Comprehensive Income are initially recognized at cost, measured as the fair value of the amount borrowed net of transaction fees. These liabilities are valued at year end, at amortized cost and are recognized in the Statement of Financial Position as due to banks or due to customers.

i) ***Due to banks and due to customers***

Amounts due to banks and due to customers are classified according to their initial maturity and type into: demand (demand deposits and current accounts) and time deposits and borrowings in the case of banks; and into savings accounts and other deposits in the case of customers. They also include securities sold to banks and customers under repurchase agreements.

ii) *Securitized debt payables*

These liabilities are classified by each type of security: loan notes, interbank market certificates, negotiable debt instruments, bonds and other debt securities; with the exemption of subordinated notes which are classified under Subordinated debt.

Bond issuance and redemption premiums are amortized at the effective interest rate over the life of the related borrowings. The resulting charge is recognized under Interest expense and similar charges in the Statement of Comprehensive Income.

iii) *Subordinated debt*

This item includes all dated or undated borrowings, whether or not in the form of securitized debt, which in the case of liquidation of the borrowing company may only be redeemed after all other creditors have been paid.

iv) *Derecognition of financial assets and liabilities*

The Group & Bank derecognizes all or part of a financial asset (or of similar assets) when the contractual rights to the cash flows on the asset expire or when the Group or Bank has transferred the contractual rights to receive the cash flows and substantially all of the risks and rewards of ownership of the asset.

Where the Group or the Bank has transferred the cash flows of a financial asset but has neither transferred nor retained substantially all the risks and rewards of its ownership and has not retained control of the financial asset, the Group or the Bank derecognizes it and recognizes separately as asset or liability any rights and obligations created or retained as a result of the asset's transfer. If the Group or the Bank has retained control of the asset, it continues to recognize it in the Statement of Financial Position to the extent of its continuing involvement in that asset.

When a financial asset is totally derecognized, a gain or loss on disposal is recorded in the Statement of Comprehensive Income for the difference between the carrying value of the asset and the proceeds received for it, adjusted where necessary for any unrealized profit or loss previously recognized directly in equity. The Group & the Bank only derecognizes all or part of a financial liability when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

f. Derivative financial instruments and hedge accounting

All derivative financial instruments are recognized at fair value in the Statement of Financial Position as financial assets or financial liabilities. Changes in the fair value of derivative financial instruments, except those designated as cash-flow hedges (see below), are recognized in the Statement of Comprehensive Income for the period.

Derivative financial instruments are divided into two categories:

i) *Trading derivative financial instruments*

Derivative financial instruments are classified by default as trading, unless they are designated as hedging instruments for accounting purposes. They are booked in the Statement of Financial Position under Derivative financial instruments. Changes in fair value are recorded in the Statement of Comprehensive Income under financial operation results. Derivatives used for economic hedges are included in this category (e.g. cases for which hedging accounting is not necessary for reducing volatility in the Statement of Comprehensive Income because gains and losses arising on the hedging and hedged positions are recognised consistently in the Statement of Comprehensive Income).

ii) *Derivative hedging instruments*

To designate an instrument as a derivative hedging instrument (i.e. for implementing hedging accounting rules) the Group & Bank must document the hedging relationship at the inception of the hedge, specifying the asset, liability, or future transaction hedged, the risk to be hedged, the type of financial derivative used and the valuation method applied to measure the effectiveness of the hedge. The derivative designated as a hedging instrument must be highly effective in offsetting the variation in fair value or cash flows arising from the hedged risk, both when the hedge is first set up and throughout its life. Derivative hedging instruments are recognized in the Statement of Financial Position under Derivative financial instruments.

- Fair Value Hedge

In a fair value hedge, the book value of the hedged item is adjusted for gains or losses attributable to the hedged risk which are reported under Financial operations results. As the hedging is highly effective, changes in the fair value of the hedged item are faithfully reflected in the fair value of the derivative hedging instrument. Accrued interest income or expenses on hedging derivatives are booked to the Statement of Comprehensive Income under Interest and similar income and interest expense simultaneously with the interest income or expense related to the hedged item.

If it becomes apparent that the derivative has ceased to meet the effectiveness criteria for hedge accounting or is sold, hedge accounting is prospectively discontinued. Thereafter, the carrying amount of the hedged asset or liability ceases to be adjusted for changes in fair value and the cumulative adjustments previously recognized under the hedge accounting are amortized over its remaining life. Hedge accounting is discontinued automatically if the hedged item is sold before maturity.

- Cash Flow Hedge

In a cash flow hedge, the effective portion of the changes in fair value of the hedging derivative instrument is recognized in a specific equity account, while the ineffective portion is recognized in the Statement of Comprehensive Income under financial operation results. When the hedge is effective, the change in the fair value of the hedged item corresponds to the change in the fair value of the derivative financial instrument. Accrued interest income or expense on hedging derivatives is booked to the Statement of Comprehensive Income under Interest income and expense at the same time as the interest income or expense related to the hedged item.
Whenever the hedging ceases to meet the effectiveness criteria for hedge accounting or is terminated or sold, hedge accounting is prospectively discontinued. Amounts previously recognized directly in equity are amortized over the periods where the interest margin is affected by cash flows arising from the hedged item. If the hedged item is sold earlier than expected or if the forecast transaction hedged ceases to be highly probable, unrealized gains and losses booked to equity are immediately reclassified in the Statement of Comprehensive Income.

- Macro Fair Value Hedge

In this type of hedge, financial derivatives are used to hedge on an overall basis structural interest rate risks usually arising from Retail Banking activities. In accounting for these transactions, the Group & Bank applies the IAS 39 "carve-out" standard as adopted by the European Union, which facilitates: (a) the application of fair value hedge accounting to macro hedges used for asset-liability management including customer demand deposits in the fixed-rate positions being hedged; (b) the carrying out of effectiveness tests required by the standard.

The accounting treatment for financial derivatives designated as a macro fair value hedge is similar to that for other fair value hedging instruments. Changes in fair value of the portfolio of macro-hedged instruments are reported in the Statement of Financial Position under Derivative financial instruments.

- Embedded Derivatives

An embedded derivative is a component of a hybrid instrument. If this hybrid instrument is not valued at fair value through Statement of Comprehensive Income, the Group & Bank separates the embedded derivative from its host contract if, at the inception of the operation, the economic characteristics and risks of the derivative are not closely related to the economic characteristics and risk profile of the host contract and it would separately meet the definition of a derivative. Once separated out, the derivative is recognized at its fair value in the Statement of Financial Position under derivative financial instruments and accounted for as above. There are no such cases in the financial statements for 2009.

g. Impairment of financial assets

i) *Financial assets valued at amortized cost*

At each reporting date, the Group & the Bank assesses whether there is objective evidence that any financial asset or group of financial assets has been impaired as a result of one or more events occurring since they were initially recognized (a "loss event") and whether that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Group & the Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Group or the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

If there is objective evidence that loans or other receivables, or financial assets classified as held-to-maturity financial assets are impaired, an impairment loss is booked for the difference between the carrying amount and the net present value of estimated future recoverable cash flows, taking into account any guarantees, discounted at the financial assets' original effective interest rate. This loss is booked to Cost of risk in the Statement of Comprehensive Income and the value of the financial asset is reduced accordingly through the use of allowances accounts. Allocations to and reversals of impairments are recorded under Cost of risk. The impaired loans and advances are debited with interest reflecting the unwinding of their discounting to present value, which is recorded under Interest income in the Statement of Comprehensive Income.

As soon as a credit risk is incurred in a homogenous portfolio / group of financial instruments, impairment loss is recognized without waiting for the risk to individually affect one or more receivables. The amount of impairment is determined on the basis of historical loss experience for assets with credit risk characteristics similar to those in the portfolio, or, if necessary, ad-hoc studies, adjusted to reflect any relevant current economic conditions.

Where a loan is restructured, the Group & the Bank books a loss in Cost of risk representing the change in terms of the loan if the present value of expected recoverable future cash flows, discounted at the loan's original effective interest rate, is less than the amortized cost of the loan.

ii) *Investment securities available for sale*

Where there is objective evidence of long-term impairment to a financial asset available for sale, an impairment loss is recognized through Statement of Comprehensive Income. When a decline in the fair value of an available-for-sale financial asset has been recognized directly in the shareholders' equity account under Fair Value Reserves and subsequent objective evidence of impairment emerges, the Group & the Bank recognizes the total accumulated unrealized loss previously booked to shareholders' equity in the Statement of Comprehensive Income – under Financial Operation Results.

This cumulative loss is measured as the difference between acquisition cost (net of any repayments of principal and amortization) and the current fair value, less any loss of value on the financial asset that has already been booked through Statement of Comprehensive Income.

Impairment losses recognized through Statement of Comprehensive Income on an equity instrument classified as available for sale are only reversed through Statement of Comprehensive Income when the instrument is sold. Once a shareholders' equity instrument has been recognized as impaired, any further loss of value is booked as an additional impairment loss. For debt instruments, however, an impairment loss is reversed through Statement of Comprehensive Income if they subsequently recover in value.

iii) Impairment of investment in subsidiaries-affiliates of the Group

Investments in subsidiaries and affiliates of the Group are recognized in the financial statements of the Bank at the acquisition cost minus possible impairment provision. If there are indications of impairment, the Bank accesses the recoverable amount of the investment. When the book value of an investment exceeds the recoverable amount, the book value is impaired to the recoverable amount. The difference is recognized in the Statement of Comprehensive Income under the line "Financial operations results".

h. Lease financing and similar agreements

Leases are classified as finance leases if they transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. Otherwise they are classified as operating leases.

Finance lease receivables are recognized in the Statement of Financial Position under loans and advances to customers and represent the Group's net investment in the lease, calculated as the present value of the minimum payments to be received from the lessee, plus any unguaranteed residual value, discounted at the interest rate implicit in the lease.

Interest included in the lease payments is booked under Interest and similar income in the Statement of Comprehensive Income such that the lease generates a constant periodic rate of return on the lessor's net investment. If there has been a reduction in the estimated unguaranteed residual value used to calculate the lessor's gross investment in the finance lease, an expense is recorded to adjust the financial income already recorded.

Fixed-assets arising from operating lease activities that the Bank is the lessor are presented in the Statement of Financial Position under Property, Plant and Equipment and Intangible assets. In the case of buildings, they are booked under

Investment Property. Lease payments are recognized in the Statement of Comprehensive Income on a straight-line basis over the life of the lease under Other operating income. The Bank does not hold such operating leases as lessor.

i. Property, Plant and Equipment fixed assets

Property, plant and equipment

Property, Plant and Equipment are booked in the Statement of Financial Position at cost. Investment subsidies received are deducted from the cost of the relevant assets.

As soon as they are fit for use, Property, Plant and Equipment are depreciated over their useful life. Any residual value of the asset is deducted from its depreciable amount.

Where one or several components of a fixed asset are used for different purposes or to generate economic benefits over a different time period from the combined (whole) asset, these components are depreciated over their individual useful lives, through the Statement of Comprehensive Income under depreciation, amortization and impairment.

The Group & the Bank applied this approach to its operating and investment property, breaking down its assets into at least the following components with their corresponding depreciation periods:

a) Infrastructure

Major structures	*50 years*
Doors and windows, roofing	*20 years*
Façades	*30 years*

b) Technical installations

Elevators	
Electrical installations	
Electricity generators	
Air conditioning, extractors	*10 - 30 years*
Technical wiring	
Security and surveillance installations	
Plumbing	

c) Fixtures and fittings

Finishing, surroundings	*10 years*

Depreciation periods for tangible and intangible assets other than buildings depend on their useful life, usually estimated in the following ranges:

Plant and equipment	*5 years*
Transport	*5 – 7 years*
Furniture	*10 – 20 years*
Office equipment	*5 – 10 years*
IT equipment	*3 – 5 years*
Software, developed or acquired	*3 – 5 years*
Concessions, patents, licenses, etc.	*5 – 20 years*

Fixed assets are tested for impairment at least annually and whenever there is any indication that their value might have been diminished. Evidence of a loss in value is assessed at every reporting date. Where a loss is established, an impairment loss is booked to the Statement of Comprehensive Income under Depreciation and amortization. This impairment loss will reduce the depreciable amount of the asset and so also affect its future depreciation schedule.

Realized capital gains or losses on operating fixed assets are recognized under Net income on other assets, while profits or losses on investment real estate are booked as Net Banking Income under Other operating income .

Intangible assets

Software developed in-house is booked as an asset in the Statement of Financial Position at its direct cost of development, calculated as spending on external supplies and services and personnel costs directly attributable to producing the asset and making it ready for use.

Acquired software licenses, when substantially affect future economic benefits, are capitalized as intangible assets, on the basis of the cost incurred to acquire and to bring in use the specific software. These costs are amortised on the basis of the expected useful lives (3 to 5 years).

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

j. Other assets

Auction items

Land and buildings repossessed through an auction process to recover impaired loans are included in "Other assets". Assets acquired from an auction process are held temporarily for liquidation and are valued at the lower of cost and net realisable value. Any gains or losses on liquidation are included in "Other operating income".

k. Risk and charges provisions

Provisions, other than those for credit risk or employee benefits, represent liabilities whose timing or amount cannot be accurately determined. Provisions may be booked where, by virtue of a commitment to a third-party, the Group & Bank will probably or certainly incur an outflow of resources to this third-party without receiving at least equivalent value in exchange.

The expected outflows are then discounted to present value to determine the amount of the provision, where this discounting has a significant impact. Allocations to and reversals of provisions are booked through Statement of Comprehensive Income under Cost of other risk.

l. Loan commitments

The Group & the Bank initially recognizes loan commitments that are not considered as financial derivatives, at fair value. Thereafter, these commitments are provisioned, as necessary, in accordance with the accounting principles and methods for Credit risk provisions.

m. Distinction between debt and equity

Financial instruments issued by the Group & Bank are classified in whole or in part to debt or to equity depending on whether or not they contractually oblige the issuer to remunerate the holders of the security in cash. The Group & the Bank analyze the substance of these instruments considering the implicit obligation to reimburse the holders.

n. Net Interest income

Interest and similar income and interest expense and similar charges are booked to the Statement of Comprehensive Income for all financial instruments valued at amortized cost using the effective interest rate method. The effective interest rate is taken to be the rate that discounts the future cash inflows and outflows over the expected life of the instrument to the book value of the financial asset or liability. To calculate the effective interest rate the Group & Bank estimates future cash flows as the product of all the contractual provisions of the financial instrument without taking account of possible future loan losses. This calculation includes commissions paid or received between the parties where these are interest related, transaction costs and all types of premiums and discounts.

When a financial asset or group of similar financial assets have been impaired following an impairment of value, subsequent interest income is booked through Statement of Comprehensive Income under Interest and similar income using the same interest rate that was used to discount the future cash flows when measuring the loss of value.

o. Net fee and commission income

The Group & the Bank recognizes fee and commission income and fee and commission expense for services provided and received in different ways depending on the type of service.

Fees for recurring services, such as some payment services, custody fees, or telephone subscriptions are booked as income over the period the service is rendered. Fees for one-off services, such as fund transfers, finder's fees received, arbitrage fees, or penalties following payment incidents are booked to Statement of Comprehensive Income when the service is provided.

In syndication deals, underwriting fees and participation fees proportional to the share of the issue placed are recognised as income at the end of the syndication period, provided that the effective interest rate for the share of the issue retained on the Group's & Bank's Statement of Financial Position is comparable to that applying to the other members of the syndicate. Arrangement fees are recognized as income when the placement is legally complete.

p. Staff costs and related expenses

Staff costs and related expenses include all expenses related to personnel, notably the cost of the legal employee profit sharing and incentive plans for the year as well as the costs of the various Group & Bank pension and retirement schemes and expenses arising from the application of IFRS 2 "Share-based payments".

q. Employee benefits – post employment benefits

Defined contribution plans limit the Group's & Bank's liability to the contributions paid into the plan but do not commit the Group & Bank to a specific level of future benefits. Contributions paid are booked as an expense.

Defined benefit plans commit the Group & Bank, either formally or constructively, to pay a certain amount or level of future benefits, and the company therefore bears the medium or long-term risk.

Provisions are booked to cover these retirement obligations. This is assessed regularly by independent actuaries using the projected unit credit method. This valuation technique incorporates assumptions about demographics, early retirement, salary rises and discount and inflation rates.

When these plans are financed from external funds these are classified as plan assets and their fair value is subtracted from the provision to cover the obligations.

Differences arising from changes in the calculation assumptions (early retirements, discount rates, etc.) or from differences between actuarial assumptions and realized performance (return on plan assets) are booked as actuarial gains or losses. They are amortized in the Statement of Comprehensive Income according to the "corridor" method: i.e. over the expected average remaining working lives of the employees participating in the plan, as soon as they exceed the greater of: (a) 10% of the present value of the defined benefit obligation (before deducting plan assets) ; (b) 10% of the fair value of the assets at the end of the previous financial year.

Where a new or amended plan comes into force the cost of past services is spread over the remaining period until vesting.

An annual charge is booked under Personnel expenses for defined benefit plans, consisting of: (a) additional entitlements vested by each employee (current service cost); (b) the financial expense resulting from the discount rate; (c) expected return on plan assets (gross return); (d) amortization of actuarial gains and losses and past service cost; (e) settlement or curtailment of plans.

r. Risks and charges provisions

Provisions that are booked in the Statement of Financial Position under Risks and charges provisions, except for those related to employee benefits generate interest expense for accounting purposes. This expense is calculated using the same interest rate used to discount to present value the expected outflow of resources that gave rise to the provision.

s. Cost of risk

The Cost of risk account is limited to allocations, net of reversals, to impairment charge for counterparty risks and provisions for legal disputes.

t. Deferred Tax

Deferred taxes are recognized whenever the Group & Bank identifies a temporary difference between the book value and tax value of the assets and liabilities in Statement of Financial Position that will affect future tax payments. Deferred tax assets and liabilities are measured based on the tax rate enacted or substantively enacted which is expected to apply when the asset is realized or the liability settled. The impact of changes to tax rates is booked in the Statement of Comprehensive Income under income tax expense. Deferred tax assets are not recognised unless it is probable that the deferred tax asset will be used. For 2008 and following years, the tax rate applied for the deferred tax calculation is 20%. Deferred taxes are not discounted to present value.

3. Methods & Valuation techniques for calculation of fair value of financial instruments

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

For financial instruments recognized at fair value through Statement of Comprehensive Income, fair value is determined, wherever possible, after prices quoted on an actively-traded market, adjusted if no price is available at the reporting date. However, for certain financial instruments held or issued by the group & bank no actively traded market exists. In these cases, fair value is determined through valuation techniques (in-house valuation models) using valuation parameters that reflect market conditions at the reporting date and which are heavily influenced by assumptions on issues such as the amount and timing of estimated future cash flows, discount rates, volatility or credit risk. The Group's & Bank's in-house valuation models are based on current valuation techniques used by market participants to value financial instruments, such as discounted future cash flows for swaps or Black & Scholes valuation for some options.

For financial instruments that are not recognized at fair value in the Statement of Financial Position, the amounts disclosed in the notes of financial statements should not be taken as an estimate of the amount that would be realized if all such financial instruments were to be settled immediately. The fair values of financial instruments include, if applicable, any accrued interest.

a. Loans and advances to customers

The fair value of loans and advances to customers is determined, in the absence of an actively traded market for these loans, by discounting the related future cash flows to present value at market rates in force at the reporting date for each type of loan and each maturity. For all floating-rate loans and lease financing receivables and fixed-rate loans with an initial maturity of less than one year, fair value is assumed to be the same as book value.

b. Shares

For listed shares, fair value is taken to be the quoted price at the reporting date.

c. Debt (fixed & variable income) instruments held in portfolio measured at fair value and derivatives financial instruments

The fair value of all these financial instruments is determined based on the quoted price at the reporting date or prices provided by brokers at the same date, where available. For unlisted financial instruments, fair value is determined using valuation techniques (in-house valuation models) as described in note 2 on Principal accounting policies.

d. Customers deposits

For floating-rate deposits, demand deposits and borrowings with an initial maturity of less than one year, fair value is assumed to be the same as book value.

e. Other debt and subordinated debt

For listed financial instruments, fair value is taken as their quoted price at the reporting date. For unlisted financial instruments, fair value is determined by discounting future cash flows to present value at market rates.

4. Financial risk management

The Group's & Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Group's & Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's & Bank's financial performance.

The Group's & Bank's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up to date information systems. The Group & the Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by Risk Management Unit under policies approved by the Board of Directors. In addition, internal audit is responsible for the independent review of risk management and the control environment. The most important types of risk are credit risk, liquidity risk, market risk and operational risk. Market risk includes currency risk, interest rate and other price risk. This note describes the main risks linked to financial instruments and the way in which they are managed by the Group & the Bank.

The main risks incurred on banking activities are the following: credit risks: (a) risk of loss arising from a counterparty's inability to meet its financial commitments; (b) market risks: risk of loss resulting from changes in market prices and interest rates, in correlations between these elements and their volatility; (c) structural risks: risk of loss in the bank's Statement of Financial Position arising from variations in interest or exchange rates; (d) liquidity risk: the risk of the Group & the Bank not being able to meet its commitments at their maturities.

a. Organization procedures and methods

Risks are inherent to all banking activities and must therefore to be taken into account from the inception of a transaction through its completion. As such, responsibility for risk management lies first with the operating divisions.

Geniki Bank's Risk Division is responsible for: (a) defining and validating the methods used to analyze, assess, approve and monitor risks; (b) the critical review of sales strategies for high-risk areas; (c) contributing to the independent assessment of credit risks by reviewing transactions proposed by sales units and monitoring them from start to finish; (d) identifying all Group & Bank risks and monitoring the adequacy and consistency of risk management information systems. A systematic review of the bank's key risk management issues is carried out during the quarterly Risk Committee meetings, which bring together the members of the Executive Committee and Risk Division managers.

This Committee reviews all core strategic issues: risk-taking policies, measuring methods, material and human resources, analysis of portfolios and the cost of risk, market and credit concentration limits.

All new products and activities or products under development must be submitted to the New Product Committee. This New Product Committee aims to ensure that, prior to the launch of a new activity or product, all associated risks are fully understood, measured, approved and subject to adequate procedures and controls, using the appropriate information systems and processing chains.

b. Market risks linked to trading activities

The organization of market risk management has been continually adjusted with a view to harmonizing existing procedures within the Group & the Bank and guaranteeing that risk management team remain independent from the operating divisions. At the proposal of this department, the Bank's Risk Committee sets the levels of authorized risk by type of activity and takes the main decisions concerning Group & Bank risk management.

c. Structural interest rate and exchange rate risks

Structural interest rate and exchange rate risks are incurred in commercial and proprietary activities (transactions involving shareholders' equity, investments, bond issues). The general principle is to concentrate structural interest rate and exchange rate risks for monitoring and controlling using market risk methods, and to reduce structural interest rate and exchange rate as much as possible.

Wherever possible, commercial transactions are hedged against interest rate and exchange rate risks, either through micro hedging (individual hedging of each commercial transaction) or macro-hedging techniques (hedging of portfolios of similar commercial transactions within the treasury department).

Interest rate and exchange rate risks on proprietary transactions are hedged to the extend possible. Consequently, structural interest rate and exchange rate risks are only born on the residual positions remaining after this hedging.

a. *organization of the management of structural interest rate and exchange rate risks*

The responsibility for managing structural risks lies with the Asset Liabilities Committee (ALCO), which is supported by the Asset and Liability Management Department (ALM Department). The Group's ALCO Committee, chaired by the General Management and attended by members of the Executive Committee and Finance Department: validates the basic principles for the organization and management of the Group's structural risks; sets the limits; examines the reports on these risks provided by the ALM Department; validates the hedging programs implemented by Treasury.

b. *structural interest rate risks*

Structural interest rate risk arises from residual gaps in fixed-rate positions with future maturities.

- Objective of the Group & Bank

The Group's & Bank's principal aim is to reduce each entity's exposure to interest rate risk as much as possible. Any residual structural interest rate risk exposure must comply with the sensitivity limits set by the ALCO. This sensitivity defines the variation in the net present value of future residual fixed-rate positions (surplus or deficits on assets and liabilities) for a 1% parallel shift in the yield curve (i.e. this sensitivity does not relate to the sensitivity of annual net interest income). The limit for the overall Group is set at € 15 million.

- Measurement and monitoring of structural interest rate risk

In order to quantify its exposure to structural interest rate risks, the Group & the Bank analyzes all fixed-rate assets and liabilities with future maturities to identify any gaps.

Assets and liabilities are generally analyzed independently, without any prior matching. Maturities on outstanding positions are determined on the basis of the contractual terms governing transactions, assumptions of client behaviour patterns (savings and sight accounts, early repayments etc.), as well as conventional assumptions relating to certain aggregates (principally shareholders' equity).

Once the Group and the Bank have identified the gaps in its fixed rate positions (surplus or deficit), it calculates their sensitivity (as defined above) to variations in interest rates. The current sensitivity used considers an immediate parallel shift of 1% in the yield curve.

c. *structural exchange rate risks*

Structural exchange rate risks essentially arise from investments made in a currency other than the base currency of the Group & the Bank (€).

- Measurement and monitoring of structural interest rate risk

The Group & the Bank quantifies its exposure to structural exchange rate risk by analyzing all assets and liabilities denominated in foreign currencies, arising from commercial and proprietary transactions. As commercial transactions are hedged against exchange rate risk, the Group's and the Bank's residual exposure results primarily from proprietary transactions. The Group's and the Bank's Finance Department monitors structural exchange rate positions.

d. Hedging interest rate and exchange rate risk

In order to hedge certain market risks, the Group & the Bank has set up hedges which, in accounting terms, are referred to as fair value hedges or cash flow hedges depending on the risks and/or financial instruments hedged.

In order to qualify these transactions as hedges for IFRS accounting purposes, the Group & the Bank documents such hedge transactions in detail, specifying the risk covered, the risk management strategy and the method used to measure the effectiveness of the hedge from its inception. This effectiveness is verified when changes in the fair value or cash flow of the hedged instrument are almost entirely offset by changes in the fair value or cash flow of the hedging instrument– the expected ratio between the two changes in fair value being within the range 80%-125%. Effectiveness is measured each quarter on a prospective and retrospective basis. Where the effectiveness falls outside the range specified above, hedge accounting is discontinued. However, economic hedges may continue to be in place, irrespective to the IFRS accounting treatment.

i) *fair value hedge*

Within the framework of its activities and in order to hedge its fixed-rate financial assets and liabilities against variations in long interest rates (essentially loans/borrowings, securities issues and fixed-rate securities), the Group & the Bank uses fair value hedges primarily in the form of interest rate swaps and interest rate options.

Prospective effectiveness is assessed via a sensitivity analysis based on probable market trends between certain components of the hedged and hedging instruments.

Retrospective effectiveness is assessed by comparing any changes in the fair value of the hedging instrument with any changes in the fair value of the hedged instrument.

ii) *cash flow hedge*

Cash flow hedges on interest rates are used to hedge against the risk that the future cash flow of a floating rate financial instrument fluctuate in line with market interest rates. The aim of such a hedge is to protect against unfavourable changes in future cash flow that are liable to impact on the Statement of Comprehensive Income.

e. Liquidity risk

Liquidity risk management covers all areas of Geniki Bank's business, from market transactions to structural transactions (commercial or proprietary transactions). The Group & the Bank manages this exposure using a system designed to manage liquidity risk under normal day-to-day conditions.

i) *organization of the management of liquidity risk*

The ALM Department manages liquidity for the overall Group , in conjunction with the treasury department. The Group's ALCO, chaired by the General Management and attended by members of the Executive Committee and Finance Department : (a) validates the basic principles for the organization and management of the Group's liquidity risk; (b) examines the reports on liquidity risk provided by the ALM Department; (c) considers liquidity crisis scenarios; (d) validates the Group's financing programs.

The ALM Department, which is part of the Group Finance Sector : (a) defines the standards for the management of liquidity risks; (b) centralizes, consolidates and reports on liquidity risk exposure; (c) defines the Group's financing programs.

- Objective of the Group & Bank

The Group's & Bank's objective is to finance its activities at the best possible rate under normal conditions of operation, and to ensure it can meet its obligations in the event of a crisis.

The main principles of the Group's liquidity management are as follows: (a) central management of liquidity to the extent possible ; (b) diversification of sources of funding, both in terms of geographical regions and sectors of activity ; (c) management of short-term liquidity in accordance with the regulatory framework; issuance of financial instruments to achieve the target adequacy capital ratio.

- Measurement and monitoring of liquidity risk

The Group's liquidity management system assess the Group's financing requirements on the basis of budget forecasts in order to plan appropriate funding solutions. The risk analysis is conducted with reports for on and items out of Statement of Financial Position per currency and residual maturity. Maturities on outstanding assets and liabilities are determined on the basis of the contractual terms of the transactions, assumptions for client behaviour patterns (savings and sight accounts, early repayments, etc.), as well as conventional assumptions relating to certain aggregates (principally shareholders' equity).

f. Credit risk (Group & Bank credit risk analysis in Note 38)

The Group & the Bank take on exposure to credit risk, which is the risk that counterparty will cause a financial loss for the Group and the Bank by failing to discharge an obligation. Credit risk is the most important risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in lending activities that lead to loans and advances, and investment activities that bring debt securities and other bills into the Group's & Bank's asset portfolio. There is also credit risk in financial instruments out of Statement of Financial Position, such as loan commitments. Credit risk management reports directly to both local Management and Group Risk Management.

The counterparty credit risk is defined as the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows. An economic loss would occur if the transactions or portfolio of transactions with the counterparty has a positive economic value at the time of default. Unlike a firm's exposure to credit risk through a loan, where the exposures to credit risk is unilateral and only the lending bank faces the risk of loss, the counterparty credit risk creates a bilateral risk of loss: the market value of the transaction can be positive or negative to either counterparty to the transaction. The market value is uncertain and can vary over time with the movement of underlying market factors.

i) *Credit risk measurement*

The Group and the Bank assess the probability of default of individual counterparties using internal rating tools. They have been developed internally and combine statistical analysis with credit officer judgment and are validated, where appropriate, by comparison with externally available data. The Group's and Bank's rating scale, which is shown below, reflects the range of default probabilities defined for each rating class. This means that, in principle, exposures migrate between classes as the assessment of their probability of default changes. The rating tools are regularly reviewed and enhanced as necessary. The Group and the Bank regularly validates the effectiveness of the rating scales and their predictive power with regard to default events.

Table 1 : Group's internal rating and corresponding external ratings equivalent (Standard & Poor's) :

Group rating scale	S&P rating scale	Group rating scale	S&P rating scale
1	AAA	5	BB
2 +	AA+	5 -	BB-
2	AA	6 +	B+
2 -	AA-	6	B
3 +	A+	6 -	B-
3	A	7 +	CCC+
3 -	A-	7	CCC
4 +	BBB+	7 -	CCC-
4	BBB	8	D
4 -	BBB-	9	D
5+	BB+	10	D

ii) *Risk limit control & mitigation policies*

The Group manages limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and groups, and to industries and countries. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to a review when considered necessary.

Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

Some other specific control and mitigation measures are outlined below:

GENIKI Bank

a. Collateral

The Group and the Bank employ a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties;
- Charges over business assets such as premises, inventory and accounts receivable;
- Charges over financial instruments such as debt securities and equities.

Long-term finance and lending to corporate entities are generally secured while revolving individual credit facilities are generally unsecured. In addition, in order to minimise the credit loss the Group and the Bank will seek additional collateral from the counterparty as soon as impairment indicators are noticed.

b. Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Bank on behalf of a customer authorising a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions – are collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan. Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group and the Bank are potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards.

iii) *Impairment and provisioning policies*

The internal and external rating systems described in Note 4.f.i. focus more on credit-quality mapping from the inception of the lending activities. In contrast, impairment provisions are recognised for financial reporting purposes only for losses that have been incurred at the reporting date based on objective evidence of impairment. Due to the different methodologies applied, the amount of incurred credit losses provided for the financial statements are usually lower than those obtained based on the application of rules provided by the banking supervisor.

The majority of the impairment provision shown in the Statement of Financial Position at year-end is derived from the bottom part of table1 and more precisely grades 8, 9 and 10. An impairment provision is also calculated for the middle part of the table (part of 5, 6 and 7) on the basis of expert judgement, as reflected in the qualitative rating grid of retail banking reporting line of the Societe Generale Group in which the Bank reports.

The internal rating tool assists management to determine whether objective evidence of impairment exists under IAS 39, based on the following criteria set out by the Group of Societe Generale:

- Delinquency in contractual payments of principal or interest;
- Cash flow difficulties experienced by the borrower (eg equity ratio, net income percentage of sales);
- Breach of loan covenants or conditions;
- Initiation of bankruptcy proceedings;
- Deterioration of the borrower's competitive position;
- Deterioration in the value of collateral; and
- Downgrading below investment grade level.

The Group's and the Bank's policy requires the assessment of individual financial assets that are above materiality thresholds at least annually or more regularly when individual circumstances require. Impairment allowances on individually assessed accounts are determined by an evaluation of the incurred loss at reporting date on a case-by-case basis, and are applied to all individually significant accounts.

The assessment normally encompasses collateral held (including re-confirmation of its enforceability) and the anticipated receipts for that individual account.

Collectively assessed impairment allowances are provided for portfolios of corporate assets that are individually below materiality thresholds and under the assumption of PD of 100% and LGD of 50%, based primarily on expert judgement.

Finally, the impairment of retail exposures (consumer lending & mortgage loans) is calculated using a methodology which follows the general principles of the 2442/99 Act of the Governor of BoG (minimum required amount of provisions for regulatory purposes), using as policy the balances of previous month.

5. Estimations and judgements

The Group & the Bank makes estimates and assumptions that affect the reported amounts recognised in the financial statements. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that appear to be reasonable under the circumstances.

a. Impairment of loans and advances to customers

The Group & the Bank reviews its loan portfolio to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recognised in the Statement of Comprehensive Income, the Group and the Bank make judgements as to whether there is any observable data indicating that there is a decrease in the estimated future cash flows from outstanding loans and advances.

The individual provisions relate to loans and advances separately examined for impairment and their calculation is based on the best possible estimation of the present value of the related recoverable future cash flows. For estimating the cash flows, the management estimates the financial position of each customer and the recoverable amount from the foreclosure of assets with fixed charges (e.g. pre-notation of property) or guarantees. Each case is evaluated separately, whereas the followed methodology and the estimation of recoverable cash flows are reviewed by independent parties.

Provisions for losses on aggregated positions take into consideration factors such as credit quality, portfolio size etc. For estimating the required provisions, assumptions are made in respect of models and parameters, adjusted for past experience and prevailing financial conditions.

Accuracy of provisions is dependent on the quality of the estimation of expected cash flows, at individual and aggregate level. Although the above estimations involve subjective judgments, the management believes that recognized provisions are adequately and sufficiently justified.

b. Fair value of derivatives (including embedded derivatives)

The fair value of financial instruments not quoted in active markets are determined by using valuation techniques. To the extend practical models use only observable data.

c. Income tax

The Group & the Bank is subject to income tax according to the Greek Tax Legislation. The calculation of income tax expense requires the exercise of significant subjective judgment. In the context of the normal operations of the Bank and the Group, there are many transactions and calculations for which the final tax assessment is not certain. The management of the Group and the Bank estimate upon an annual basis the possibility of a fair-value estimation of income tax expense that may arise from a future tax audit. In case the final level of income tax that will be assessed, differs from the estimates, the difference may affect the income tax in the period of assessment or it may reduce the amount of the contingent asset relating to the tax losses carried forward.

6. Net interest income

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
(a) Interest and similar income				
Banks	1,190	8,392	1,262	8,512
Customers	218,498	242,607	222,170	251,551
Financial instruments				
Available for sale	10,470	20,379	10,470	20,379
Hedging instruments	3,693	6,039	3,693	6,039
Financial Leases	4,698	10,638	-	-
Total	**238,549**	**288,055**	**237,595**	**286,481**
(b) Interest expense and similar charges				
Banks	(35,191)	(61,803)	(35,191)	(61,803)
Customers	(46,801)	(77,952)	(46,831)	(78,038)
Financial instruments				
Subordinated Debt	(5,575)	(5,575)	(5,575)	(5,575)
Total	**(87,567)**	**(145,330)**	**(87,597)**	**(145,416)**
Net interest income	**150,982**	**142,725**	**149,998**	**141,065**

7. Net fee income and commission income

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
(a) Fee and commission income				
Customer transactions	8,926	15,416	8,926	15,415
Securities transactions	1,530	1,901	1,530	1,901
Investment and guarantees	8,319	7,107	8,319	7,107
Credit cards and cheques	6,123	7,621	6,123	7,621
Other service fee income	10,402	9,291	10,864	9,855
Total	**35,300**	**41,336**	**35,762**	**41,899**
(b) Fee and commission expenses				
Credit institutions transactions	(367)	(329)	(365)	(328)
Financial instruments operations	(91)	(91)	(91)	(91)
Financial services	(520)	(1,664)	(516)	(1,662)
Other service fee expenses	(1,430)	(5,261)	(1,341)	(5,316)
Total	**(2,408)**	**(7,345)**	**(2,313)**	**(7,397)**
Net fee and commission income	**(32,892)**	**(33,991)**	**(33,449)**	**(34,502)**

GENIKI Bank

8. Financial operations results

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Derivative financial instruments	(546)	(1,179)	(546)	(1,179)
Available for sale financial instruments	(199)	(614)	(199)	(614)
Foreign exchange transactions	877	930	877	932
Total	**132**	**(863)**	**132**	**(861)**

9. Other operating income

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Other income	4,995	4,598	2,668	1,420
Other expense	(605)	(682)	(484)	(613)
Other banking operating income/expence	93	94	93	94
Gains/(losses) from disposals fixed assets	838	12,718	1	12,902
Gains/(losses) from auction item	94	391	94	391
Income From Operating Leases - Real Estate	308	192	252	209
Total	**5,723**	**17,311**	**2,624**	**14,403**

10. Cost of other risks

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Allowances & reversals for litigation cases & others	(1,386)	2,050	(1,251)	2,204
Allowances & reversals for other risk provisions	(444)	(329)	(220)	(329)
Allowances & expenses for impairment of auction assets	(296)	(3,173)	-	(175)
Total	**(2,126)**	**(1,451)**	**(1,471)**	**1,700**

11. Administrative expenses

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Taxes	515	1,857	280	1,708
Advertising expenses & other administrative expenses	22,746	23,270	22,398	23,107
Computer equipment & software maintenance	12,727	11,445	15,869	16,033
Consulting and other legal expenses	1,759	1,668	1,364	1,113
Building rental and maintenance	16,161	15,166	15,603	14,601
Total administrative expenses	**53,908**	**53,406**	**55,514**	**56,562**

*During the financial year 2009 the expense to the statutory auditor was :

	Group	Bank
	31-Dec-09 €' 000	31-Dec-09 €' 000
Statutory audit of annual accounts	524	429
Other auditing services	97	97
Other non-auditing services	-	-
Tax consulting services	-	-
Total	**621**	**526**

12. Depreciation

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Depreciation of property plant and equipment	10,218	11,595	9,962	11,323
Amortisation of software and other intangible assets	2,956	3,216	2,874	3,112
Total	**13,174**	**14,812**	**12,836**	**14,435**

13. Staff costs and related expenses

	Group		Bank	
	31-Dec-09 €' 000	**31-Dec-08 €' 000**	**31-Dec-09 €' 000**	**31-Dec-08 €' 000**
Wages, salaries and other similar costs	85,370	91,845	81,762	86,622
Defined contribution plans	4,076	3,768	4,033	3,714
Defined benefit plans (note 30)	293	(127)	152	(258)
Total	**89,739**	**95,486**	**85,947**	**90,078**

The number of employees of the Bank and Group as at 31 December 2009 was 1,752 and 1,849 respectively (for 2008 was 1,784 and 1,917 respectively) .

Share-based payments

The employees of the Group & Bank are entitled to participate in a Societe Generale (SG) supported share-based payment scheme. The scheme is presented in summary below :

- Employees are eligible to buy SG shares at a discount of 20% on the price of the share prevailing at the announcement date
- Employees should hold the shares for a period of 5 years. However, they are entitled to sell them in certrain occasions such as marriage, resignation, purchase of new home etc.

As part of the SG Group employee shareholding policy, Société Générale offered on the 23/04/09 to employees of the SG Group to subscribe to a reserved capital increase at a share price of € 27.09 with a discount of 20% on the average price of Societe Generale share over the last 20 days.

Number of shares subscribed has been 7.886, representing a 2009 expense of € 40.3 thousand for the Bank and the Group taking into account the qualified five-year holding period. The valuation model used, compares the gain the employee would have obtained if he had been able to sell the shares immediately and the notional cost that the five-year holding period represents to the employee.

14. Income tax expense

	Group		Bank	
	31-Dec-09 €' 000	**31-Dec-08 €' 000**	**31-Dec-09 €' 000**	**31-Dec-08 €' 000**
Current income taxes	(2,945)	(3,233)	(2,703)	(2,778)
Deferred taxes	-	(11,938)	-	(12,306)
Total	**(2,945)**	**(15,171)**	**(2,703)**	**(15,084)**

Further information about deferred income tax is presented in note 32. The effective tax charge on the Bank's & Group's Statement of Comprehensive Income differs from the amount that would arise using the basic tax rate as follows:

	Group		Bank	
	31-Dec-09 €' 000	**31-Dec-08 €' 000**	**31-Dec-09 €' 000**	**31-Dec-08 €' 000**
Profit / (Loss) before income tax	(106,507)	(22,291)	(104,882)	(18,492)
Tax calculated at a statutory tax rate of 25% (2008 25%)	26,626	5,573	26,220	4,623
Income not subject to tax (permanent difference)	34	61	34	114
Expenses not deductible for tax purposes (permanent difference)	(677)	(324)	(678)	(232)
Effect in accumulated asset due to change of statutory tax rate from 25 % to 20 %	-	(11,560)	-	(11,025)
Tax withheld on bond interest-not recoverable	(2,703)	(2,778)	(2,703)	(2,778)
Not recognised deferred tax asset	(21,284)	(4,045)	(20,525)	(3,890)
Loss for the year due to the use of 20% rate instead of 25%	(4,941)	(2,098)	(5,051)	(1,896)
Income tax expense	**(2,945)**	**(15,171)**	**(2,703)**	**(15,084)**

Geniki Bank has been audited by the tax authorities up to year 2004.
Group entities have been audited by the tax authorities as presented below :

- General Finance SA up to 2006 (included)
- General Information SA up to 2006 (included)
- General Insurance Agency up to 2006 (included)
- General Leasing SA up to 2002 (included)

§ General Securities (AXEPEY), merged in 2004 with the Bank, has been tax audited up to the year 2004 (included)
§ Geognomon SA which has been liquidated, has been tax audited up to 2001 (included)
§ Genap SA which is under liquidation, has been tax audited up to 2002 (included)

Due to the fact that a tax audit may disallow some expenses, it is possible that additional taxes may be assessed.It is estimated that these taxes are not going to have a significant impact on the financial position of the Bank and Group.

15. Earnings / (Losses) per share

Basic earnings / (losses) per share are calculated by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

	Measurement unit	Group 31-Dec-09 €' 000	Group 31-Dec-08 €' 000	Group 31-Dec-08 * €' 000
Net profit / (loss) for the year attributable to ordinary shareholders	€' 000	(109,452)	(37,462)	(37,462)
Weighted average number of ordinary shares in issue	Number of shares	265,326,517	176,144,378	110,937,084
Basic earnings per share	€	(0.4125)	(0.2127)	(0.3377)

** as originally reported in prior year financial statements*

	Measurement unit	Bank 31-Dec-09 €' 000	Bank 31-Dec-08 €' 000	Bank 31-Dec-08 * €' 000
Net profit / (loss) for the year attributable to ordinary shareholders	€' 000	(107,585)	(33,576)	(33,576)
Weighted average number of ordinary shares in issue	Number of shares	265,326,517	176,144,378	110,937,084
Basic earnings / losses per share	€	(0.4055)	(0.1906)	(0.3027)

** as originally reported in prior year financial statements*

16. Cash and balances with central bank

	Group 31-Dec-09 €' 000	Group 31-Dec-08 €' 000	Bank 31-Dec-09 €' 000	Bank 31-Dec-08 €' 000
Cash in hand	49,680	38,534	49,677	38,531
Balances with central bank	56,893	65,520	56,893	65,520
Total	**106,573**	**104,054**	**106,570**	**104,051**
Included in cash and cash equivalents (note 17)	54,338	55,147	54,335	55,144
Compulsory deposits & mandatory reserves in Bank of Greece*	52,235	48,907	52,235	48,907
Total	**106,573**	**104,054**	**106,570**	**104,051**

* Mandatory reserves in Central Bank of Greece, represent the minimum level of average monthly deposits, which the Bank is required to maintain. Balances with central bank can be withdrawn at any time provided the required average monthly minimum deposits are maintained.

GENIKI Bank

17. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with an original maturity of 90 days or less :

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Cash and balances with central bank (mandatory reserves not included) (note 16)	54,338	55,147	54,335	55,144
Due from banks (note 18)	97,113	39,557	97,113	39,528
Total	**151,451**	**94,704**	**151,448**	**94,672**

18. Due from banks

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Items in course of collection from other banks	82,659	10,058	82,659	9,984
Placements with banks	34,083	59,502	34,083	59,501
Total	**116,742**	**69,560**	**116,742**	**69,485**
Included in cash and cash equivalents (note 17)				
Due from banks	97,113	39,557	97,113	39,528

19. Derivative financial instruments (incl. economic hedging)

	Group and Bank					
		Fair values			Fair values	
		Assets	Liabilities		Assets	Liabilities
		31-Dec-09 €' 000	31-Dec-09 €' 000		31-Dec-08 €' 000	31-Dec-08 €' 000
	Contract amount			*Contract amount*		
(a) Derivatives held for trading						
(i) Foreign exchange derivatives						
Currency swaps	98,739	1,870	(793)	96,228	696	(4,354)
Total foreign exchange derivatives		***1,870***	***(793)***		***696***	***(4,354)***
(ii) Interest rate derivatives						
Interest rate swaps	51,917	330	(794)	86,125	488	(1,739)
Total interest rate derivatives		***330***	***(794)***		***488***	***(1,739)***
Total recognized derivative held for trading		**2,200**	**(1,587)**		**1,184**	**(6,093)**
(b) Derivatives held for accounting hedging						
(i) Derivatives designated as fair value hedge						
Interest rate swaps	195,300	46	(5,549)	128,700	11	(3,387)
Interest rate options	468,450	6,815	-	488,600	7,801	-
Total derivatives designated as fair value hedge		***6,861***	***(5,549)***		***7,812***	***(3,387)***
Total recognized derivative held for accounting hedging		**6,861**	**(5,549)**		**7,812**	**(3,387)**
Total recognized derivative (assets/liabilities)		**9,061**	**(7,136)**		**8,996**	**(9,480)**

20. Investment securities-available for sale

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Debt securities-at fair value				
-listed	371,602	408,045	371,602	408,045
-unlisted	-	-	-	-
Equity securities-at fair value				
-listed	2,022	1,624	2,022	1,624
-unlisted	3,855	3,600	3,855	3,600
Total	**377,479**	**413,269**	**377,479**	**413,269**
Of which pledged for liquidity purposes from Bank of Greece	319,417	337,566	319,417	337,566
Of which used for repo collaterals	20,447	25,416	20,447	25,416

The movement of available for sale investment securities is summarised as follows:

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Balance 1 January	413,269	332,865	413,269	332,865
Additions	244,169	192,273	244,168	192,273
Disposals	(258,900)	(74,399)	(258,900)	(74,399)
Revaluation adjustments	(20,855)	(36,287)	(20,854)	(36,287)
Recyclement to statement of comprehensive income	-	(269)	-	(269)
Impairment	(204)	(886)	(204)	(886)
Exchange rate fluctuation	-	(28)	-	(28)
Balance 31 December	**377,479**	**413,269**	**377,479**	**413,269**

21. Investment in subsidiaries undertakings

	Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000
Balance 1 January	12,444	12,369
Increase of acquisition cost	-	75
Disposals / Write-offs	(20)	-
Balance 31 December	**12,424**	**12,444**

21. Investment in subsidiaries undertakings (continue)

The subsidiaries of the Bank as at 31 December 2009 are listed below :

	31-Dec-09		31-Dec-08	
	Direct holding	Indirect holding	Direct holding	Indirect holding
General Information SA [2]	100%		100%	
General Finance S.A.	100%		100%	
General Insurance Agency S.A.	80%	20%	80%	20%
General Leasing S.A.	100%		100%	
GBG Finance Plc [1]	-	-	99%	1%

(1) On the 4th of June 2009 GBG Finance Plc was liquidated without bringing significant effect at the Group's Equity.

(2) Since 19/10/2009 the name of the company "GENERAL CARDS & FINANCIAL SERVICES S.A." changed in to "GENERAL INFORMATION S.A." with main activity the customers' information.'During October 2009 a capital increase took place at the amount of € 275 thousand with capitalization of reserves.

22. Investment in associate undertakings

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Balance 1 January	743	743	990	990
Additions	-	-	-	-
Disposals	-	-	-	-
Balance 31 December	**743**	**743**	**990**	**990**

Group has a direct holding of 100 % of Genap S.A.

Genap S.A. has been consolidated with the net equity method and has been presented under the caption Investment in associate undertakings in the Statement of Financial Position because the figures are immaterial, there is no commercial activity of any kind and the entity is under liquidation.

23. a) Consolidated intangible assets

	Computer Software €' 000	Other €' 000	Total intangible assets €' 000
Cost			
Balance at 1 January 2008	33,289	11,168	44,457
Transfers	-	-	-
Additions	1,473	1	1,474
Disposals and write - offs	-	-	-
Balance at 31 December 2008	**34,762**	**11,169**	**45,931**
Accumulated amortization			
Balance at 1 January 2008	29,520	3,498	33,018
Transfers	-	-	-
Additions	-	-	-
Disposals and write - offs	-	-	-
Charge of the year	2,122	1,095	3,217
Balance at 31 December 2008	**31,642**	**4,593**	**36,235**
Net book value at 31 December 2008	**3,120**	**6,576**	**9,696**
Cost			
Balance at 1 January 2009	34,762	11,169	45,931
Transfers	-	-	-
Additions	1,194	7	1,201
Disposals and write - offs	-	-	-
Balance at 31 December 2009	**35,956**	**11,176**	**47,132**
Accumulated amortization			
Balance at 1 January 2009	31,642	4,593	36,235
Transfers	-	-	-
Additions	-	-	-
Disposals and write - offs	-	-	-
Charge of the year	1,859	1,097	2,956
Balance at 31 December 2009	**33,501**	**5,690**	**39,191**
Net book value at 31 December 2009	**2,455**	**5,486**	**7,941**

23. b) Bank intangible assets

	Computer Software €' 000	Other €' 000	Total intangible assets €' 000
Cost			
Balance at 1 January 2008	32,356	10,957	43,313
Transfers	-	-	-
Additions	1,434	-	1,434
Disposals and write - offs	-	-	-
Balance at 31 December 2008	**33,790**	**10,957**	**44,747**
Accumulated amortization			
Balance at 1 January 2008	28,748	3,287	32,035
Transfers	-	-	-
Additions	-	-	-
Disposals and write - offs	-	-	-
Charge of the year	2,018	1,096	3,114
Balance at 31 December 2008	**30,766**	**4,383**	**35,149**
Net book value at 31 December 2008	**3,024**	**6,574**	**9,598**
Cost			
Balance at 1 January 2009	33,790	10,957	44,747
Transfers	-	-	-
Additions	1,183	3	1,186
Disposals and write - offs	-	-	-
Balance at 31 December 2009	**34,973**	**10,960**	**45,933**
Accumulated amortization			
Balance at 1 January 2009	30,766	4,383	35,149
Transfers	-	-	-
Additions	-	-	-
Disposals and write - offs	-	-	-
Charge of the year	1,779	1,096	2,874
Balance at 31 December 2009	**32,545**	**5,479**	**38,023**
Net book value at 31 December 2009	**2,428**	**5,481**	**7,910**

GENIKI Bank

24. a) Consolidated property, plant & equipment

	Land, buildings, leasehold improvements	Leasehold land & buildings	Furniture, equipment, motor vehicles	Computer hardware	Under construction	Total
	€ ' 000	€ ' 000	€ ' 000	€ ' 000	€ ' 000	€ ' 000
Cost						
Balance at 1 January 2008	139,296	7,555	21,205	29,224	6,010	203,290
Transfers	12,988	(7,555)	637	134	(6,204)	-
Additions	599	-	790	1,462	1,527	4,378
Disposals and write - offs	(16,823)	-	(737)	(1,536)	(14)	(19,110)
Balance at 31 December 2008	**136,060**	**-**	**21,895**	**29,284**	**1,319**	**188,558**
Accumulated depreciation						
Balance at 1 January 2008	40,463	766	14,095	22,417	-	77,741
Transfers	766	(766)	-	-	-	-
Additions	-	-	-	-	-	-
Disposals and write - offs	(2,707)	-	(377)	(1,401)	-	(4,485)
Charge of the year	7,548	-	1,801	2,247	-	11,596
Balance at 31 December 2008	**46,070**	**-**	**15,519**	**23,263**	**-**	**84,852**
Net book value at 31 December 2008	**89,990**	**-**	**6,376**	**6,021**	**1,319**	**103,706**
Cost						
Balance at 1 January 2009	136,060	-	21,895	29,284	1,319	188,558
Transfers	-	-	-	-	-	-
Additions	2,609	-	472	918	-	4,000
Disposals and write - offs	-	-	(62)	(875)	-	(937)
Balance at 31 December 2009	**138,669**	**-**	**22,305**	**29,327**	**1,319**	**191,620**
Accumulated depreciation						
Balance at 1 January 2009	46,070	-	15,519	23,263	-	84,852
Transfers	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals and write - offs	-	-	(43)	(874)	-	(917)
Charge of the year	6,414	-	1,774	2,031	-	10,219
Balance at 31 December 2009	**52,484**	**-**	**17,250**	**24,420**	**-**	**94,154**
Net book value at 31 December 2009	**86,185**	**-**	**5,055**	**4,908**	**1,319**	**97,467**

24. b) Bank property, plant & equipment

	Land, buildings, leasehold improvements	Leasehold land & buildings	Furniture, equipment, motor vehicles	Computer hardware	Under construction	Total
	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000
Cost						
Balance at 1 January 2008	138,247	7,555	20,618	28,711	6,010	201,141
Transfers	13,012	(7,555)	613	134	(6,204)	-
Additions	591	-	759	1,367	1,527	4,244
Disposals and write - offs	(16,823)	-	(723)	(1,528)	(14)	(19,088)
Balance at 31 December 2008	**135,027**	**-**	**21,267**	**28,684**	**1,319**	**186,297**
Accumulated depreciation						
Balance at 1 January 2008	40,322	766	14,031	22,109	-	77,228
Transfers	766	(766)	-	-	-	-
Additions	-	-	-	-	-	-
Disposals and write - offs	(2,674)	-	(552)	(1,456)	-	(4,682)
Charge of the year	7,444	-	1,709	2,170	-	11,323
Balance at 31 December 2008	**45,858**	**-**	**15,188**	**22,823**	**-**	**83,869**
Net book value at 31 December 2008	**89,169**	**-**	**6,079**	**5,861**	**1,319**	**102,428**
Cost						
Balance at 1 January 2009	135,027	-	21,267	28,684	1,319	186,297
Transfers	-	-	-	-	-	-
Additions	2,609	-	470	917	-	3,996
Disposals and write - offs	-	-	(62)	(873)	-	(935)
Balance at 31 December 2009	**137,636**	**-**	**21,675**	**28,728**	**1,319**	**189,358**
Accumulated depreciation						
Balance at 1 January 2009	45,858	-	15,188	22,823	-	83,869
Transfers	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals and write - offs	-	-	(43)	(873)	-	(916)
Charge of the year	6,310	-	1,684	1,967	-	9,962
Balance at 31 December 2009	**52,168**	**-**	**16,829**	**23,917**	**-**	**92,915**
Net book value at 31 December 2009	**85,467**	**-**	**4,846**	**4,811**	**1,319**	**96,443**

25. Other assets

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Prepaid expenses and accrued income	3,723	4,296	3,610	4,166
Net auction (repossessed) items	50,916	51,083	13,324	10,999
Other assets *	37,165	32,222	35,419	29,483
Cheques clearing account	11,135	14,272	11,135	14,272
Total	**102,939**	**101,873**	**63,488**	**58,920**

* Other assets (Group & Bank) as at 31 December 2009, also include additional recoverable contributions to the Hellenic Deposit Guarantee & Investment Fund amounting € 24,157 thousand (according to the provision of Law 3746/09) and € 11,758 thousand for the year 2008.

Auction (repossessed) items

Auction (repossessed) items are accounted as inventory in accordance with IAS 2 and there is an active program for their disposal.

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Balance at 1st January	51,083	10,377	10,999	10,377
Additions	6,272	46,002	2,792	1,832
Impairment	(296)	(3,173)	-	(175)
Disposals and write - offs	(2,618)	(2,123)	(467)	(1,035)
Re-finance of items	(3,525)	-	-	-
Balance 31 December	**50,916**	**51,083**	**13,324**	**10,999**

26. Due to banks

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Items in course of payment	400,508	104,465	400,508	104,465
Deposits from other banks	1,297,144	1,895,384	1,297,144	1,895,384
Total	**1,697,652**	**1,999,849**	**1,697,652**	**1,999,849**
Included in the balance of Due to banks are amounts due to:				
- Parent, fellow subsidiary and affiliate undertakings	1,118,162	1,695,285	1,118,162	1,695,285

27. Due to customers

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Savings and current accounts	1,299,117	1,258,004	1,303,750	1,259,972
Term deposits and repurchase agreements	1,360,346	1,276,802	1,362,420	1,278,317
Total	**2,659,463**	**2,534,806**	**2,666,170**	**2,538,289**

28. Subordinated debts

The Bank issued on 18 December 2006 a subordinated (bonded) loan amounting to € 125 million. The (bonded) loan has been wholly placed to Societe Generale. The tenor of the loan is 10 years with fixed interest rate of 4,46% for the first five years and floating rate for the remaining years. The loan is callable after 2011.

29. Risk and charges provisions

a) Provisions for litigations cases (personnel)

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Balance at 1st January	1,750	1,421	1,670	1,341
Additions	847	978	623	978
Reversals-Utilisations during the year	(403)	(617)	(403)	(617)
Write - offs	-	(32)	-	(32)
Balance 31 December	**2,194**	**1,750**	**1,890**	**1,670**

b) Provisions for other legal actions

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Balance at 1st January	1,555	3,605	1,257	3,461
Additions	2,043	189	1,754	35
Reversals-Utilisations during the year	(657)	(2,239)	(503)	(2,239)
Write - offs	-	-	-	-
Balance 31 December	**2,941**	**1,555**	**2,508**	**1,257**

Total of Risks and charges provisions	**5,135**	**3,305**	**4,398**	**2,927**

30. Provisions for staff benefits

	Group		Bank	
	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08
	€' 000	€' 000	€' 000	€' 000
Balance at 1st January	20,043	20,666	19,738	20,431
Current cost in the statement of comprehensive income	1,048	1,302	1,007	1,190
Interest cost in the statement of comprehensive income	1,463	1,458	1,449	1,442
Recognised actuarial losses in the statement of comprehensive income	178	213	181	213
Used provisions for exited employees in the statement of comprehensive income	(2,607)	(3,596)	(2,548)	(3,538)
Balance at 31st December	**20,125**	**20,043**	**19,827**	**19,738**

The amounts recognised in the consolidated Statement of Financial Position are determined as follows:

	31-Dec-09	31-Dec-08	31-Dec-07	31-Dec-06	31-Dec-05
	€' 000	€' 000	€' 000	€' 000	€' 000
Present value of unfunded obligations (without funding)	29,046	25,669	26,505	28,098	24,490
Unrecognised actuarial losses	(8,921)	(5,626)	(5,839)	(7,541)	(3,731)
Liability (in the Statement of Financial Position)	**20,125**	**20,043**	**20,666**	**20,557**	**20,759**

The amounts recognised in the Statement of Financial Position of the bank are determined as follows:

	31-Dec-09	31-Dec-08	31-Dec-07	31-Dec-06	31-Dec-05
	€' 000	€' 000	€' 000	€' 000	€' 000
Present value of unfunded obligations (without funding)	28,820	25,361	26,267	27,897	24,334
Unrecognised actuarial losses	(8,993)	(5,623)	(5,836)	(7,506)	(3,738)
Liability (in the Statement of Financial Position)	**19,827**	**19,738**	**20,431**	**20,391**	**20,596**

Provisions for staff benefits are calculated in accordance with the stipulations of law 2112/20. The Bank considers all benefits of employees with over than 15 years of service as vested.

30. Provisions for staff benefits (continued)

Demographic and financial assumptions	2009		2008	
	Bank	Subsidiaries	Bank	Subsidiaries
Long term inflation rate	3.26%	2.78%	2.90%	2.54%
Employee turnover	1.50%	1.50%	1.50%	1.50%
Discount rate	4.79%	5.78%	6.21%	6.65%

31. Other liabilities

	Group		Bank	
	31-Dec-09	**31-Dec-08**	**31-Dec-09**	**31-Dec-08**
	€' 000	**€' 000**	**€' 000**	**€' 000**
Current tax liabilities	58	335	-	-
Deferred income and accrued expenses	15,405	14,988	15,411	14,941
Other	30,583	33,002	28,541	30,390
Total	**46,046**	**48,325**	**43,952**	**45,331**

In order to improve the presentation of Deferred income and accrued expenses a transfer was made for an amount of € 7,435 thousand and € 7,350 thousand for Bank from Other liabilities for the year 2009 and 2008 respectively. For the Group the amount transfered was € 7,435 thousand and € 7,350 thousand for the year 2009 and 2008 respectively.

GENIKI Bank

32. Deferred income tax assets

Deferred income taxes are calculated on all temporary differences under the liability method using effective tax rate of 20%.

Because of a series of years with tax losses the Group and the Bank have stopped the recognition of additional deferred tax asset and because of this, the Bank and the Group have a contigent asset (see below analysis).

The carrying amount of deferred tax asset has been tested for impairment. In accordance with the impairment test performed it is expected that the carrying amount will be recovered in future years during which, on the basis of the current budget future taxable profits are expected.

The movement on the deferred income tax account is as follows:

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Balance at 1st January	46,284	58,223	44,099	56,406
Income tax expense	-	(11,939)	-	(12,307)
Balance 31 December	**46,284**	**46,284**	**44,099**	**44,099**

Deferred income tax assets and liabilities are attributable to the following items:

Deferred income tax assets

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Tax loss carried forward		-		-
Differences in loans & advances to customers	45,306	45,306	43,167	43,167
Defined benefits obligations	3,948	3,948	3,948	3,948
Risks & charges provisions	631	631	585	585
Derivative financial instruments	283	283	283	283
Fixed assets	(4,666)	(4,666)	(4,666)	(4,666)
Other differences	782	781	782	781
Total	**46,284**	**46,284**	**44,099**	**44,099**

The Group and the Bank have a contigent asset amounting as at 31 December 2009 to € 5,366 thousand and € 4,944 thousand respectively.For the year ended 31 December 2008 the contigent asset was amounting to € 10,406 thousand and € 10,251 thousand respectively. This figure represents the ceiling of this contigent asset.

Tax Loss Year	2009	2008	2009	2008
Carried Forward until	2014	2013	2014	2013
Tax Loss carried forward	12,977	39,056	12,199	39,056
Tax Loss for the year	13,855	12,977	12,518	12,199
Cummulative tax loss	**26,832**	**52,033**	**24,717**	**51,255**
Deferred tax asset corresponding to the tax loss carried forward	2,595	7,811	2,440	7,811
Deferred tax asset corresponding to the tax loss for the year	2,771	2,595	2,504	2,440
Deferred tax asset recognised	-	-	-	-
Contigent deferred tax asset	**5,366**	**10,406**	**4,944**	**10,251**

33. Share capital and share premium

a) Share capital

	31-Dec-09		31-Dec-08	
	Number of shares *	€' 000	Number of shares *	€' 000
Balance at 1st January	110,937,084	118,703	110,937,084	118,703
Capital stock decrease with par value share decrease from € 1.07 to € 0.72 & set off prior year losses.	-	(38,828)	-	-
Capital stock increase with right issue 31/07 & cash paid (par value per share € 0.72).	244,061,585	175,724	-	-
Balance at 31 December	**354,998,669**	**255,599**	**110,937,084**	**118,703**

* Number of shares issued & fully paid

b) Share premium

	31-Dec-09		31-Dec-08	
	Number of shares *	€' 000	Number of shares *	€' 000
Balance at 1st January	110,937,084	215,317	110,937,084	215,320
Capital stock increase with right issue 31/07 & cash paid (par value per share € 0.72).	244,061,585	-	-	-
Less: Rights issue expenses completed at 31/07/2009	-	(2,462)	-	-
Other	-	-	-	(3)
Balance at 31 December	**354,998,669**	**212,855**	**110,937,084**	**215,317**

* Number of shares issued & fully paid

34. Geographical concentration of assets and liabilities

As geographical concentration risk is concerned, the Group is mainly active in Greece. For management & information purposes Greece as a whole is considered as one geographical region.

35. Operating lease commitments

The obligations of the Group (as lessee) from leases relate to the occupancy of premises and vehicles used for its operations. The duration of leases for premises varies from 9 to 12 years with an option to renew or extend their duration at the agreement of both counterparties. Lease payments are usually adjusted annually on the basis of the consumer inflation index. Bank policy is to renew such contracts.

The future minimum lease payments (Group) for operating leases are as follows:

	Land and buildings	**Furniture equipment vehicles**	**Land and buildings**	**Furniture equipment vehicles**
	31-Dec-09	**31-Dec-09**	**31-Dec-08**	**31-Dec-08**
	€' 000	**€' 000**	**€' 000**	**€' 000**
- not later than 1 year	8,692	315	9,259	292
- later than one year and not later than 5 years	25,976	392	24,009	425
- later than 5 years	11,008		13,734	-
Total	**45,676**	**707**	**47,002**	**717**

The total lease expenses of the Group for premises for 2009 amount to € 9,906 (2008: € 9,808) thousand and are included in administration expenses.

The future minimum lease payments (Bank) for operating leases are as follows:

	Land and buildings	**Furniture equipment vehicles**	**Land and buildings**	**Furniture equipment vehicles**
	31-Dec-09	**31-Dec-09**	**31-Dec-08**	**31-Dec-08**
	€' 000	**€' 000**	**€' 000**	**€' 000**
- not later than 1 year	8,218	303	8,871	292
- later than one year and not later than 5 years	24,107	370	22,458	425
- later than 5 years	10,980		13,346	-
Total	**43,305**	**673**	**44,675**	**717**

The total lease expenses of the Bank for premises for 2009 amount to € 9,525 (2008: € 9,446) thousand and are included in administration expenses.

36. Contigent liabilities and commitments

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Contingent liabilities :				
Guarantees				
- guarantees and standby letters of credit	482,634	431,944	482,634	431,944
- other guarantees low and medium risk	548,361	524,909	548,361	524,909
Documentary credits	3,242	7,049	2,193	5,776
Total	**1,034,237**	**963,902**	**1,033,189**	**962,629**
Commitments :				
Capital expenditure	1,000	15,267	1,000	15,267

Legal cases

Pending litigation cases against the Group and the Bank are not expected to have a significant impact on its financial position and future operation. In addition, litigation claims against the Bank and the Group (except for the issue mentioned below), are not expected to be succeeded and as a result no provision is made. These claims have not significantly changed, as compared to those reported in the annual financial statements of the Bank and the Group for the year 2008.

A claim against the Group's subsidiary "General Leasing S.A." amounting to € 155,032 thousand is pending. Considering the related documentation and according to the opinion of a Law professor of the University of Athens, the claim is not expected to be succeded. Athens First Instance Court has already issued the decisions on dismissing the requests of the company for restraining orders. It judged that there is no insurable right for the plaintiff company against the Group subsidiary "Geniki Leasing SA".

Tax issues

See note 14 on income tax and note 5 "Estimations and judgments".

Social security issues

The employees of Geniki Bank are socially secured in IKA – ETAM (main pension) and as a result the stipulations of Law 3371/2005 relating to the transfer of employees to IKA-ETAM do not have any effect to the Bank.

The employees of the Bank have set-up without any participation of the Bank in the set-up, management and administration, a supplementary fund (ΤΑΠΓΤΕ) for supplementary pension and lump-sum payments at retirement.

The persons insured in the supplementary fund decided to apply for the integration of their fund to ETAT. The Bank has been called by ETAT and filed substantiated objections. ETAT taking into consideration the position of the Bank refrained from taking a decision, although duly responsible, and transferred the issue to the Ministry of Employment and Social Protection and to the Ministry of Economy and Finance. The Ministry of Economy and Finance has assigned the preparation of the related economic study to a company. The assignment of the study is independent of the decision to integrate the fund to ETAT.

It is noted that in accordance with the court decisions:

1. It has been decided in courts of law, at an ultimate degree, that the insurance of Geniki Bank employees to the ΤΑΠΓΤΕ is not compulsory.

2.It has been decided by two different first instance courts that ΤΑΠΓΤΕ is a self-managed association that has been established without the participation of Geniki Bank and that the Bank has not undertaken any obligation to the fund and in particular has not undertaken the maintenance of its actuarial base.

As a result of the above no provision has been booked in the accounts of the bank

Contigent liabilities and remote liabilities

The amount of pending litigation cases and other legal actions against the Bank & the Group amounts to € 204.6 mil. and € 308.6 respectively, for which no provision has been recorded because it expected that the claims will not be succeeded.

37. Consolidated business segmentation

Segmented reporting

Segment information is presented in respect of the Group's business segments. Business segments are based on the group's management and internal reporting structure. Geniki Bank only activates into Greek Market so, there is no information about geographic areas (countries, according to paragraph 105 IFRS 8).

Operating segments meeting the quantitative thresholds set by IFRS 8 have not been aggregated. Other segments below the thresholds have been presented on an aggregated basis. Management primarily relies on net interest revenue, not the gross revenue and expenses amounts, in managing the Group's business segments. Therefore, as per IFRS 8.13 & 8.23, only the net amount is disclosed. Business segments pay and receive interest to and from the Central Treasury on an arm's length basis to reflect the allocation of capital and funding costs. Cost sharing is based on the allocation of common overhead costs to business segments on a reasonable basis.

Business segments

The Group comprises the following six main business segments:

a) Corporate & Investment banking: Includes loans, deposits and other transactions with large enterprises and more specifically products like open account, business loans, working capital in euro or foreign currency, multi-optional loan for business' premises, fixed assets-financing in euro or foreign currency, letters of guarantee and letters of credit, import and export operations, sight accounts, time deposits, repos, and other investment programs.

b) Small & Medium Size Enterprises: Includes loans, deposits, and other transactions and balances with small and medium size enterprises. The products offered are almost the same as the ones offered to Corporate & Investment Banking segment, but the pricing, servicing of the customer and the way of promoting being totally different, it is considered and followed by the management in a different segment.

c) Retail Banking: Includes loans, deposits and other transactions with individuals, professionals and very small businesses. More specifically, the products offered are business loans and working capital for very small businesses and professionals, consumer loans, personal loans, open credits, loans for car's purchase, loans for stocks' buying, loans for buying of mutual funds' shares, fixed or floating mortgage loans, mortgage loans with protection, savings accounts in local and foreign currency, special saving accounts linked with ECB rate, time deposits, current deposits with or without overdraft, payroll accounts.

d) Custody: With individuals, mutual funds, securities and investment companies as customers, custody holds in safekeeping assets such as equities and bonds, arrange settlement of any purchases and sales of such securities, collect income from such assets (dividends in the case of equities and interest in the case of bonds), offers a wide variety of products such as time deposits, current accounts and repos, remittances, bonds of the Hellenic and Foreign Public etc.

e) Treasury: Undertakes the Group's funding and centralized market risk management activities through borrowings, issues of debt securities, use of derivatives for risk management purposes and investing in liquid assets such as short term placements and corporate and government debt securities.

f) All other segments: Includes bank's transactions which are not included in any of the previous mentioned segments (leasing, insurance brokerage, management of capital and other accounts etc.)

The method used for the analysis of Businness Segmentation is the same as the one used by the Group & the Bank during the preparation of annual financial stetements as at and for the year ended 31 December 2009.

37 Consolidated business segmentation (continue)

31-Dec-09	Corporate & Investment Banking € ' 000	Small & Medium Size Enterprises € ' 000	Retail Banking € ' 000	Treasury € ' 000	Custody € ' 000	All Other Segments € ' 000	Total € ' 000
Revenue from external customers							
Net interest income	8,410	19,165	88,201	22,502	108	12,596	**150,982**
Net fee and commission income	7,558	5,527	16,737	-	4,341	(1,271)	**32,892**
Other operating income	-	466	-	591	21	4,914	**5,992**
Total segmented revenue	**15,968**	**25,157**	**104,938**	**23,093**	**4,470**	**16,240**	**189,866**
Segmented result	(2,083)	(17,199)	(113,814)	21,108	1,787	3,695	**(106,507)**
Income tax expenses							**(2,945)**
Net Profit / (Loss) after tax							**(109,452)**
Reportable segment gross loans	1,428,524	650,328	1,927,224	-	-	366,484	**4,372,560**
Reportable segment deposits	308,757	180,147	2,173,228	-	-	(2,669)	**2,659,463**
Depreciation & amortization	(374)	(1,524)	(9,750)	(68)	(22)	(1,436)	**(13,174)**

31-Dec-08	Corporate & Investment Banking € ' 000	Small & Medium Size Enterprises € ' 000	Retail Banking € ' 000	Treasury € ' 000	Custody € ' 000	All Other Segments € ' 000	Total € ' 000
Revenue from external customers							
Net interest income	8,912	17,955	94,655	8,297	98	12,808	**142,725**
Net fee and commission income	7,164	5,966	18,602	-	4,369	(2,110)	**33,991**
Other operating income	-	104	-	638	22	16,509	**17,273**
Total segmented revenue	**16,076**	**24,025**	**113,257**	**8,935**	**4,489**	**27,207**	**193,989**
Segmented result	5,788	(5,101)	(53,391)	6,924	2,150	21,339	**(22,291)**
Income tax expenses							**(15,171)**
Net Profit / (Loss) after tax							**(37,462)**
Reportable segment gross loans	1,366,171	642,476	2,037,414	-	-	335,314	**4,381,375**
Reportable segment deposits	313,292	118,782	2,074,743	-	-	27,989	**2,534,806**
Depreciation & amortization	(433)	(1,728)	(11,157)	(85)	-	(1,409)	**(14,812)**

38. Credit risk

A. Maximum exposure to credit risk before collateral held or other credit enhancements

A1. Credit risk exposure relating to on Statement of Financial Position assets are as follows:

		Maximum exposure		Maximum exposure	
		Group		Bank	
		31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
A1.1	**Treasury bills and other eligible bills**	-	-	-	-
A1.2	**Due to banks**	**116,742**	**69,560**	**116,742**	**69,485**
A1.3	**Loans and advances to retail customers :**				
	Loans to individuals:				
	– Overdrafts	262	110	262	110
	– Credit cards	286,230	259,472	286,230	259,472
	– Term loans (Consumer loans)	465,094	468,371	465,094	468,371
	– Mortgages	1,120,197	1,162,989	1,120,197	1,162,989
	– Other retail	395,973	523,932	395,973	502,686
	Total loans and advances to retail customers	**2,267,756**	**2,414,874**	**2,267,756**	**2,393,628**
A1.4	**Loans to corporate entities :**				
	– Large corporate customers	1,097,539	894,178	1,214,394	1,011,732
	– Small and medium size enterprises (SMEs)	765,661	900,525	697,005	835,106
	– Other	241,604	171,798	224,084	171,798
	Total loans to corporate entities	**2,104,804**	**1,966,501**	**2,135,483**	**2,018,636**
A1.5	**Investment securities :**				
	– Debt securities	371,602	408,045	371,602	408,045
	Total Investment securities	**371,602**	**408,045**	**371,602**	**408,045**
	of which pledged	**319,417**	**337,566**	**319,417**	**337,566**
A1.6	**Other Assets**	**102,939**	**101,873**	**63,488**	**58,920**
A1.7	**Derivative financial instruments**				
	Total registrated derivatives	**9,061**	**8,996**	**9,061**	**8,996**

A2. Credit risk exposures relating to items out of Statement of Financial Position are as follows:

		Maximum exposure		Maximum exposure	
		Group		Bank	
		31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
A2.1	**Financial guarantees**	**1,030,995**	**956,853**	**1,030,995**	**956,853**
A2.2	**Documentary credits**	**3,242**	**7,049**	**2,193**	**5,776**

The Bank's and Group's exposure to market risk is insignificant.

38. Credit Risk (continue)

B. Loans and advances

B1. Loans and advances (Group) are summarised as follows:

	31-Dec-09	31-Dec-09	31-Dec-08	31-Dec-08
	€'000	€'000	€'000	€'000
	Loans and advances to customers	Due from banks	Loans and advances to customers	Due from banks
Neither past due nor impaired	2,986,442	116,742	3,341,172	69,560
Past due but not impaired	417,277		449,855	-
Impaired	968,841		590,348	-
Gross	**4,372,560**	**116,742**	**4,381,375**	**69,560**
Less: allowance for impairment	(406,295)	-	(271,009)	-
Less: allowance for losses on finance leases	(10,822)	-	(8,850)	-
Provisions for impairment	**(417,117)**	**-**	**(279,859)**	
Net	**3,955,443**	**116,742**	**4,101,516**	**69,560**
Revaluation of hedged items - macro-hedge	7,667	-	6,674	-
Revaluation of hedged items - micro-hedge	1,554	-	778	-
Total loans and advances, net	**3,964,664**	**116,742**	**4,108,968**	**69,560**

B2. Loans and advances (Bank) are summarised as follows:

	31-Dec-09	31-Dec-09	31-Dec-08	31-Dec-08
	€'000	€'000	€'000	€'000
	Loans and advances to customers	Due from banks	Loans and advances to customers	Due from banks
Neither past due nor impaired	3,083,579	116,742	3,444,142	69,485
Past due but not impaired	391,242		410,371	-
Impaired	928,418		557,751	-
Gross	**4,403,239**	**116,742**	**4,412,264**	**69,485**
Less: allowance for impairment	(406,295)	-	(271,009)	-
Net	**3,996,944**	**116,742**	**4,141,255**	**69,485**
Revaluation of hedged items - macro-hedge	7,667	-	6,674	-
Revaluation of hedged items - micro-hedge	1,554	-	778	-
Total loans and advances, net	**4,006,165**	**116,742**	**4,148,707**	**69,485**

Housing loans with embedded interest rate guarantees are macro-hedged (collar). The above mentioned amount has been reflected in the Statement of Comprehensive Income of the Bank and the Group under Financial operations results.
Individually impaired loans for the Bank & the Group as at 31 December 2009 amounted to € 193,025 thousand & € 201,721 thousand respectively (€ 152,315 and € 158,024 thousand respectively as at 31.12.2008).

38. Credit Risk (continue)

B. Loans and advances (continue)

B3. Allowance for losses on loans and advances to customers by class as follows :

	Group		Bank	
	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08
	€' 000	€' 000	€' 000	€' 000
(a) Retail Customers				
Balance at 1 January	156,137	119,390	156,137	119,390
Impairment losses on loans and advances charged in the year	85,819	36,747	85,819	36,747
Balance at 31 December	**241,956**	**156,137**	**241,956**	**156,137**
(b) Non - retail customers				
Balance at 1 January	123,722	167,071	114,872	159,956
Impairment losses on loans and advances charged in the year	57,674	27,209	54,921	23,011
Recoveries on allowances on doubtful loans	(6,235)	(11,038)	(5,454)	(8,575)
Loans written off during the year as uncollectible financial instruments	-	(59,520)	-	(59,520)
Balance at 31 December	**175,161**	**123,722**	**164,339**	**114,872**
Total Provisions on allowances & advances	**417,117**	**279,859**	**406,295**	**271,009**

Expense analysis of provisions for credit risk follows :

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Impairment losses on loans and advances charged in the year	143,494	63,956	140,741	59,758
Recoveries on allowances on doubtful loans	(6,235)	(11,038)	(5,454)	(8,575)
Loans written off & not covered by provisions - commercial risks	425	337	425	337
Recoveries of loans written - off commercial risks	(258)	(2,130)	(258)	(2,130)
Total	**137,426**	**51,125**	**135,454**	**49,390**

IFRS interest on the unwinding of the net present value of future cash flows for impaired loans is booked under Loans and advances to customers as per Bank's and Group's accounting policy and it amounts to € 11,149 thousand and € 11,812 thousand respectively, for the period 1/1/2009 to 31/12/2009 (€ 8,729 thousand and € 9,082 respectively, for the period 1/1/2008 to 31/12/2008).
The fair value of Loans with remaining maturity more than one year and a fixed interest rate is € 835,187 thousand for year 2009 with a carrying amount of € 961,617 thousand (2008 € 819,539 with a carrying amount of € 840,662 thousand).

38. Credit Risk (continue)

B. Loans and advances (continue)

B4. Analysis of loan portfolio neither past due nor impaired by reference to the standard rating

B4.1 Analysis of Group's loan portfolio neither past due nor impaired by reference to the standard rating of the Group

For the year ended 31 December 2009

	RETAIL				NON RETAIL			
	Credit Cards	Mortgages	Consumer	Other	Large clients	SME's	Other	TOTAL
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Grades								
1.Non rated	134,209	736,666	228,766	179,523	-	-	3,444	**1,282,608**
2.Investment grade	-	-	-	-	944,352	424,609	216,480	**1,585,441**
3.Sensitive (watchlist)	-	-	-	-	64,796	51,174	2,423	**118,393**
Total	**134,209**	**736,666**	**228,766**	**179,523**	**1,009,148**	**475,783**	**222,347**	**2,986,442**

For the year ended 31 December 2008

	RETAIL				NON RETAIL			
	Credit Cards	Mortgages	Consumer	Other	Large clients	SME's	Other	TOTAL
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Grades								
1.Non rated	148,162	863,135	274,594	338,842	-	-	-	**1,624,733**
2.Investment grade	-	-	-	-	853,879	658,332	171,059	**1,683,270**
3.Sensitive (watchlist)	-	-	-	-	9,895	22,535	739	**33,169**
Total	**148,162**	**863,135**	**274,594**	**338,842**	**863,774**	**680,867**	**171,798**	**3,341,172**

GENIKI Bank

38. Credit Risk (continue)

B. Loans and advances (continue)

B4. Analysis of loan portfolio neither past due nor impaired by reference to the standard rating (continue)

B4.2 Analysis of Bank's loan portfolio neither past due nor impaired by reference to the standard rating of the Bank

For the year ended 31 December 2009

	RETAIL				NON RETAIL			
	Credit Cards	Mortgages	Consumer	Other	Large clients	SME's	Other	TOTAL
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Grades								
1.Non rated	134,209	736,666	228,766	179,523	-	-	-	**1,279,164**
2.Investment grade	-	-	-	-	1,071,000	399,545	216,480	**1,687,025**
3.Sensitive (watchlist)	-	-	-	-	64,796	50,171	2,423	**117,390**
Total	**134,209**	**736,666**	**228,766**	**179,523**	**1,135,796**	**449,716**	**218,903**	**3,083,579**

For the year ended 31 December 2008

	RETAIL				NON RETAIL			
	Credit Cards	Mortgages	Consumer	Other	Large clients	SME's	Other	TOTAL
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Grades								
1.Non rated	148,162	863,135	274,594	332,726	-	-	-	**1,618,617**
2.Investment grade	-	-	-	-	987,285	634,012	171,059	**1,792,356**
3.Sensitive (watchlist)	-	-	-	-	9,895	22,535	739	**33,169**
Total	**148,162**	**863,135**	**274,594**	**332,726**	**997,180**	**656,547**	**171,798**	**3,444,142**

38. Credit Risk (continue)

B. Loans and advances (continue)

B5. Analysis of loan portfolio past due but not impaired

B5.1 Analysis of Group's loan portfolio past due but not impaired

For the year ended 31 December 2009

	RETAIL				NON RETAIL			
	Credit Cards	Mortgages	Consumer	Other	Large clients	SME's	Other	Total
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Past due up to 30 days	16,514	126,812	44,767	15,799	20,437	21,850	1,516	**247,695**
Past due 30 to 60 days	7,754	50,778	22,387	8,198	1,106	14,452	2,123	**106,798**
Past due 60 to 90 days	5,000	25,662	12,219	7,854	223	10,406	1,420	**62,784**
Total	**29,268**	**203,252**	**79,373**	**31,851**	**21,766**	**46,708**	**5,059**	**417,277**

For the year ended 31 December 2008

	RETAIL				NON RETAIL			
	Credit Cards	Mortgages	Consumer	Other	Large clients	SME's	Other	Total
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Past due up to 30 days	24,010	110,880	54,134	30,766	16,198	24,453	-	**260,441**
Past due 30 to 60 days	8,871	49,952	30,470	10,226	517	15,304	-	**115,340**
Past due 60 to 90 days	4,352	22,628	15,222	10,594	10,134	11,144	-	**74,074**
Total	**37,233**	**183,460**	**99,826**	**51,586**	**26,849**	**50,901**	**-**	**449,855**

38. Credit Risk (continue)

B. Loans and advances (continue)

B5. Analysis of loan portfolio past due but not impaired (continue)

B5.2 Analysis of Bank's loan portfolio past due but not impaired

For the year ended 31 December 2009

	RETAIL				NON RETAIL			
	Credit Cards	Mortgages	Consumer	Other	Large clients	SME's	Other	Total
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Past due up to 30 days	16,514	126,812	44,767	15,799	12,253	17,007	365	**233,517**
Past due 30 to 60 days	7,754	50,778	22,387	8,198	77	10,886	-	**100,080**
Past due 60 to 90 days	5,000	25,662	12,219	7,854	214	6,550	146	**57,645**
Total	**29,268**	**203,252**	**79,373**	**31,851**	**12,544**	**34,443**	**511**	**391,242**

For the year ended 31 December 2008

	RETAIL				NON RETAIL			
	Credit Cards	Mortgages	Consumer	Other	Large clients	SME's	Other	Total
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Past due up to 30 days	24,010	110,880	54,134	27,868	2,606	17,309	-	**236,807**
Past due 30 to 60 days	8,871	49,952	30,470	9,288	98	6,764	-	**105,443**
Past due 60 to 90 days	4,352	22,628	15,222	9,518	10,134	6,267	-	**68,121**
Total	**37,233**	**183,460**	**99,826**	**46,674**	**12,838**	**30,340**	**-**	**410,371**

38. Credit Risk (continue)

B6. Bank's and Group's debt securities, treasury bills and other eligible bills

	31-Dec-09		
	AFS Bonds €' 000	AFS Equity Shares €' 000	Total €' 000
External Rate *			
BBB	2,671	-	2,671
BBB+	365,747	-	365,747
BBB-	3,184	-	3,184
Unrated	-	5,877	5,877
Total	**371,602**	**5,877**	**377,479**

	31-Dec-08		
	AFS Bonds €' 000	AFS Equity Shares €' 000	Total €' 000
External Rate *			
A-	402,456	-	402,456
BBB	2,170	-	2,170
BBB+	3,419	-	3,419
Unrated	-	5,224	5,224
Total	**408,045**	**5,224**	**413,269**

** The external rate is based on Standard's and Poor's investment rating.*

GENIKI Bank

B. **Credit Risk (continue)**

B7. **Concentration of risks of financial assets with credit risk exposure**

B7.1 **The following table breaks down the Group's main credit exposure at their carrying amounts, as categorised by the industry sectors or our counterparties**

Credit risk exposure relating to on Statement of Financial Position assets are as follows:

	For the year ended 31 December 2009										
	Bank	**Greek Public Sector**	**Agriculture & Food Manufacturing**	**Capital goods**	**Intermediary goods & materials**	**Trade**	**Construction**	**Financial Services**	**Other**	**Individuals**	**Total**
	€ '000	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**
a) Treasury bills and other eligible bills	-	-	-	-	-	-	-	-	-	-	-
b) Due from banks	**116,742**	-	-	-	-	-	-				**116,742**
c) Loans and advances to retail customers :											
– Overdrafts	-	-	-	-	-	-	-	-	-	262	262
– Credit cards	-	-	-	-	-	-	-	-	-	286,230	286,230
– Term loans (Consumer loans)	-	-	-	-	-	-	-	-	-	465,094	465,094
– Mortgages	-	-	-	-	-	-	-	-	-	1,120,197	1,120,197
– Other retail	-	-	-	-	-	-		-	-	395,973	395,973
Total loans to individuals	-	-	-	-	-	-	-	-	-	**2,267,756**	**2,267,756**
d) Loans to corporate entities :											
– Large corporate customers	-	12,805	110,079	38,145	125,263	319,462	168,217	4,095	319,471	-	1,097,539
– Small and medium size enterprises (SMEs)	-	-	82,934	41,879	96,137	305,934	91,421	12,271	135,085	-	765,661
– Other	-	-	11,592	4,327	4,576	23,528	247	-	197,333	-	241,604
Total loans to corporate entities	-	**12,805**	**204,605**	**84,352**	**225,977**	**648,924**	**259,885**	**16,366**	**651,890**	-	**2,104,804**
e) Derivative financial instruments	**9,061**	-	-	-	-	-	-	-	-	-	**9,061**
f) Financial assets designated at fair value:											
– Debt securities	-	-	-	-	-	-	-	-	-	-	-
– Due from banks	-	-	-	-	-	-	-	-	-	-	-
– Loans and advances to customers	-	-	-	-	-	-	-	-	-	-	-
Total financial assets designated at fair value :	-	-	-	-	-	-	-	-	-	-	-
g) Investment securities - Debt securities	**5,855**	**365,747**	-	-	-	-	-	-	-	-	**371,602**
Of which pledged assets	2,588	316,829	-	-	-	-	-	-	-	-	319,417
h) Other assets	-		-	-	-	-	-	-	-	**102,939**	**102,939**
Total as at 31 December 2009	**131,658**	**378,552**	**204,605**	**84,352**	**225,977**	**648,924**	**259,885**	**16,366**	**651,890**	**2,370,695**	**4,972,904**
Total as at 31 December 2008	**84,291**	**414,735**	**137,980**	**133,029**	**312,726**	**529,634**	**208,248**	**5,876**	**626,583**	**2,516,747**	**4,969,849**

B. Credit Risk (continue)

B7. Concentration of risks of financial assets with credit risk exposure

B7.2 The following table breaks down the Bank's main credit exposure at their carrying amounts, as categorised by the industry sectors or our counterparties

Credit risk exposure relating to on Statement of Financial Position assets are as follows:

	For the year ended 31 December 2009										
	Bank	**Greek Public Sector**	**Agriculture & Food Manufacturing**	**Capital goods**	**Intermediary goods & materials**	**Trade**	**Construction**	**Financial Services**	**Other**	**Individuals**	**Total**
	€ '000	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**
a) Treasury bills and other eligible bills	-	-	-	-	-	-	-	-	-	-	-
b) Due from banks	**116,742**	-	-	-	-	-	-				**116,742**
c) Loans and advances to retail customers :											
– Overdrafts	-	-	-	-	-	-	-	-	-	262	262
– Credit cards	-	-	-	-	-	-	-	-	-	286,230	286,230
– Term loans (Consumer loans)	-	-	-	-	-	-	-	-	-	465,094	465,094
– Mortgages	-	-	-	-	-	-	-	-	-	1,120,197	1,120,197
– Other retail	-	-	-	-	-	-	-	-	-	395,973	395,973
Total loans to individuals	-	-	-	-	-	-	-	-	-	**2,267,756**	**2,267,756**
d) Loans to corporate entities :											
– Large corporate customers	-	12,805	110,080	38,145	92,923	301,861	167,613	171,499	319,467	-	1,214,394
– Small and medium size enterprises (SMEs)	-	-	75,881	38,840	76,083	276,018	83,585	12,271	134,327	-	697,005
– Other	-	-	11,592	4,327	4,576	23,528	247	-	179,814	-	224,084
Total loans to corporate entities	-	**12,805**	**197,553**	**81,313**	**173,583**	**601,407**	**251,445**	**183,770**	**633,608**	-	**2,135,483**
e) Derivative financial instruments	**9,061**	-	-	-	-	-	-	-	-	-	**9,061**
f) Financial assets designated at fair value:											
– Debt securities	-	-	-	-	-	-	-	-	-	-	-
– Due from banks	-	-	-	-	-	-	-	-	-	-	-
– Loans and advances to customers	-	-	-	-	-	-	-	-	-	-	-
Total financial assets designated at fair value :	-	-	-	-	-	-	-	-	-	-	-
g) Investment securities - Debt securities	**5,855**	**365,747**	-	-	-	-	-	-	-	-	**371,602**
of which pledged assets	2,588	316,829	-	-	-	-	-	-	-	-	319,417
h) Other assets	-		-	-	-	-	-	-	-	**63,488**	**63,488**
Total as at 31 December 2009	**131,658**	**378,552**	**197,553**	**81,313**	**173,583**	**601,407**	**251,445**	**183,770**	**633,608**	**2,331,244**	**4,964,133**
Total as at 31 December 2008	**84,216**	**414,735**	**131,789**	**129,847**	**264,762**	**474,807**	**201,598**	**176,516**	**626,892**	**2,452,548**	**4,957,710**

39. Assets and Liabilities measured at fair value

31 December 2009	Level 1	Level 2	Level 3	Total
Financial assets held for trading				
- Derivatives	-	2,200	-	2,200
Loans and advances to customers	-	368,805	-	368,805
Hedging derivatives	-	6,861	-	6,861
Available for sale financial assets				
- Debt securities at fair value	38,175	333,427	-	371,602
- Equity securities at fair value	2,023	-	3,854	5,877
Total assets	**40,198**	**711,293**	**3,854**	**755,345**
Financial assets held for trading				
- Derivatives	-	1,587	-	1,587
- Hedging derivatives	-	5,549	-	5,549
Total liabilities	**-**	**7,136**	**-**	**7,136**

40. a) Consolidated currency risk

The table below summarises the Group's exposure to foreign currency exchange rate risk at 31 December 2009 and 31 December 2008. Included in the table are the Group's assets and liabilities at carrying amounts, categorised by currency.

	31-Dec-09			
	EURO	**USD**	**OTHER**	**Total**
	€' 000	**€' 000**	**€' 000**	**€' 000**
Assets				
Cash and balances with central bank	106,315	124	134	106,573
Due from banks	80,766	32,733	3,243	116,742
Derivative financial instruments	8,960	72	29	9,061
Loans and advances to customers	3,919,565	40,929	4,170	3,964,664
Investment securities - available for sale	377,479	-	-	377,479
Investment in associate undertakings	743	-	-	743
Intangible assets	7,941	-	-	7,941
Property, plant and equipment	97,467	-	-	97,467
Deferred income tax assets	46,284	-	-	46,284
Other assets	102,535	333	71	102,939
Total	**4,748,055**	**74,191**	**7,647**	**4,829,893**
Liabilities				
Due to banks	1,648,018	47,868	1,766	1,697,652
Due to customers	2,559,364	71,498	28,601	2,659,463
Derivative financial instruments	7,121	8	7	7,136
Subordinated debt	125,201	-	-	125,201
Provisions for staff benefits	20,125	-	-	20,125
Risks & charges provisions	5,135	-	-	5,135
Other liabilities	46,038	-	8	46,046
Total	**4,411,002**	**119,374**	**30,382**	**4,560,758**
Net position on Statement of Financial Position	**337,053**	**(45,183)**	**(22,735)**	**269,135**
Net notional position out of Statement of Financial Position	(61,585)	45,000	23,115	6,530
Contingent liabilities and commitments (note 36)	862,287	131,386	40,564	1,034,237

	31-Dec-08			
	EURO	**USD**	**OTHER**	**Total**
	€' 000	**€' 000**	**€' 000**	**€' 000**
Net position on Statement of Financial Position	299,921	(32,929)	(40,852)	226,140
Net notional position out of Statement of Financial Position	261,149	40,292	41,309	342,750

The measurement of Currency Risk sensitivity of the Group items in Statement of Financial Position in respect to a parallel shift of 1 % in foreign currecncy rates showed no material effect on the net Asset position of the Group.

40. b) Bank currency risk

The table below summarises the Bank's exposure to foreign currency exchange rate risk at 31 December 2009 and 31 December 2008. Included in the table are the Bank's assets and liabilities at carrying amounts, categorised by currency.

	31-Dec-09			
	EURO €' 000	**USD €' 000**	**OTHER €' 000**	**Total €' 000**
Assets				
Cash and balances with central bank	106,312	124	134	106,570
Due from banks	80,766	32,733	3,243	116,742
Derivative financial instruments	8,960	72	29	9,061
Loans and advances to customers	3,961,065	40,929	4,171	4,006,165
Investment securities - available for sale	377,479	-	-	377,479
Investment in subsidiaries undertakings	12,424	-	-	12,424
Investment in associate undertakings	990	-	-	990
Intangible assets	7,910	-	-	7,910
Property, plant and equipment	96,443	-	-	96,443
Deferred income tax assets	44,099	-	-	44,099
Other assets	63,084	333	71	63,488
Total	**4,759,532**	**74,191**	**7,648**	**4,841,371**
Liabilities				
Due to banks	1,648,018	47,868	1,766	1,697,652
Due to customers	2,566,071	71,498	28,601	2,666,170
Derivative financial instruments	7,121	8	7	7,136
Subordinated debt	125,201	-	-	125,201
Provisions for staff benefits	19,827	-	-	19,827
Risks & charges provisions	4,398	-	-	4,398
Other liabilities	43,944	-	8	43,952
Total	**4,414,580**	**119,374**	**30,382**	**4,564,336**
Net position on Statement of Financial Position	**344,952**	**(45,183)**	**(22,734)**	**277,035**
Net notional position out of Statement of Financial Position	(61,585)	45,000	23,115	6,530
Contingent liabilities and commitments (note 36)	861,239	131,386	40,564	1,033,189

	31-Dec-08			
	EURO €' 000	**USD €' 000**	**OTHER €' 000**	**Total €' 000**
Net position on Statement of Financial Position	305,954	(32,929)	(40,853)	232,172
Net notional position out of Statement of Financial Position	261,149	40,292	41,309	342,750

The measurement of Currency Risk sensitivity of the Bank items in Statement of Financial Position in respect to a parallel shift of 1 % in foreign currecncy rates showed no material effect on the net Asset position of the Bank.

41. a) Consolidated Interest rate risk

The Group's Asset Liability Management Department quantifies the Group's exposure to interest rate risk by analyzing all fixed rate assets and liabilities in Euro and Foreign currencies with future maturities identifying any gaps in fixed rate position. The measurement of Interest Rate Risk is realized by the estimation of the Sensitivity of the Group's items in the Statement of Financial Position which is defined as the variation in the Net Present Value of fixed-rate position corresponding to a parallel shift of 1% in the yield curve.
As end of December 2009, Geniki Group's global sensitivity to interest rate risk reached 7,612 ths. € (2008:-2,162 ths. €). The increase of positive sensitivity is mainly explained by 1 year ECB borrowing and the capital increase of € 175 mil., realized in July 2009.
The following recapitulative tables present the indicators which explain the 2009 and 2008 Geniki Group Statement of Financial Position as well as the effect in the Statement of Comprehensive Income:

	31-Dec-09				
	Sensitivity (€' 000)	**Sensitivity (%)**	**Duration (in years)**	**Survey date outstanding amounts**	**Sensitivity / Total Statement of Financial Position (%)**
Net Sensitivity-all currencies	7,612	-	-	-	-
Liabilities	43,731	0.932%	0.988	4,829,895	0.16%
Assets	(36,119)	0.767%	0.858	(4,829,895)	-
Net Margin on Statement of Comprehensive Income in 1st year-all currencies	2,511	-	-	-	-

	31-Dec-08				
	Sensitivity (€' 000)	**Sensitivity (%)**	**Duration (in years)**	**Survey date outstanding amounts**	**Sensitivity / Total Statement of Financial Position (%)**
Net Sensitivity-all currencies	(2,162)	-	-	-	-
Liabilities	38,623	0.801%	0.854	4,967,147	-0.04%
Assets	(40,784)	0.853%	0.974	(4,967,147)	-
Net Margin on Statement of Comprehensive Income in 1st year-all currencies	(101)	-	-	-	-

The total net equity sensitivity of € 7.6 mil. (2008: € -2.2 mil.) expresses a sensitivity to a decrease of interest rates (2008 gap expresses a sensitivity to an increase of interest rates). Additionally, commenting on the duration indicators, assets' duration which is 0.858 year (2008:0.974 year) is smaller to the liabilities' which is 0.988 year (2008:0.854 year). The total effect on Statement of Comprehensive Income from a 1% parallel shift of the yield curve for the 1st year is € 2.5mil. (2008: € -0.1mil.).

41. b) Bank Interest rate risk

The Bank's Asset Liability Management Department quantifies the Bank's exposure to interest rate risk by analyzing all fixed rate assets and liabilities in Euro and Foreign currencies with future maturities identifying any gaps in fixed rate position. The measurement of Interest Rate Risk is realized by the estimation of the Sensitivity of the Bank's items in the Statement of Financial Position which is defined as the variation in the Net Present Value of fixed-rate position corresponding to a parallel shift of 1% in the yield curve.

As end of December 2009, Geniki Bank's global sensitivity to interest rate risk reached 8.586ths. € (2008: -657ths. €). The increase of positive sensitivity is mainly explained by 1 year ECB borrowing and the capital increase of 175mil. €, realized in July 2009.

The following recapitulative tables present the indicators which explain the 2009 and 2008 Geniki Bank Statement of Financial Position as well as the effect in the Statement of Comprehensive Income:

	31-Dec-09				
	Sensitivity (€' 000)	**Sensitivity (%)**	**Duration (in years)**	**Survey date outstanding amounts**	**Sensitivity / Total Statement of Financial Position (%)**
Net Sensitivity all currencies	8,586	-	-	-	-
Liabilities	44,145	0.939%	0.995	4,841,372	0.18%
Assets	(35,558)	0.753%	0.843	(4,841,372)	-
Net Margin on Statement of Comprehensive Income in 1st year-all currencies	3,369	-	-	-	-

	31-Dec-08				
	Sensitivity (€' 000)	**Sensitivity (%)**	**Duration (in years)**	**Survey date outstanding amounts**	**Sensitivity / Total Statement of Financial Position (%)**
Net Sensitivity all currencies	(657)	-	-	-	-
Liabilities	38,798	0.804%	0.857	4,972,989	-0.01%
Assets	(39,455)	0.823%	0.943	(4,972,989)	-
Net Margin on Statement of Comprehensive Income in 1st year-all currencies	1,594	-	-	-	-

The total gap of € 8.6mil. (2008:€ -0.6mil.) expresses a sensitivity to a decrease of interest rates (2008 gap expresses a sensitivity to an increase of interest rates). Additionally, commenting on the duration indicators, assets' duration which is 0.843 year (2008:0.943 year) is slightly smaller to the liabilities' which is 0.995 year (2008:0.857 year). The total effect on Statement of Comprehensive Income from a 1% parallel shift of the yield curve for the 1st year is € 3.4 mil (2008: € 1.6 mil).

42. a) Consolidated maturity of assets and liabilities

The table below analyses the Group's assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

31-Dec-09	Up to 1 month €' 000	1 - 3 months €' 000	3 - 12 months €' 000	1 - 5 years €' 000	Over 5 years €' 000	Total €' 000
Liabilities						
Due to banks	1,036,011	56,507	445,162	129,499	73,670	1,740,849
Due to customers	1,848,697	561,886	251,251	3,508	-	2,665,342
Subordinated debt	-	-	5,575	130,575	-	136,150
Total liabilities for liquidity purposes	**2,884,708**	**618,393**	**701,988**	**263,582**	**73,670**	**4,542,341**
Total contigent liabilities-Guarantees	**48,950**	**79,400**	**205,883**	**618,157**	**78,605**	**1,030,995**
Total assets for liquidity purposes	**266,733**	**27,909**	**12,859**	**516,359**	**349,021**	**1,172,881**

31-Dec-08	Up to 1 month €' 000	1 - 3 months €' 000	3 - 12 months €' 000	1 - 5 years €' 000	Over 5 years €' 000	Total €' 000
Liabilities						
Due to banks	1,191,201	289,000	183,360	313,791	86,298	2,063,650
Due to customers	1,939,391	458,925	143,050	74	-	2,541,440
Subordinated debt	-	-	5,575	136,150	-	141,725
Total liabilities for liquidity purposes	**3,130,592**	**747,925**	**331,985**	**450,015**	**86,298**	**4,746,815**
Total contigent liabilities-Guarantees	**44,389**	**76,993**	**175,110**	**610,294**	**50,067**	**956,853**
Total assets for liquidity purposes	**163,590**	**33,313**	**23,600**	**232,274**	**430,193**	**882,970**

The line " Total Assets" consists of :

- Cash and Balances with central bank
- Due from banks
- Investment securities-available for sale
- Credit lines received-banks
- Pledged loans
- Limits-off balance
- Other asset-checks and bills

42. a) Consolidated maturity of assets and liabilities (continue)

Financial leases operations of the Group, (mainly buildings & cars), are included in Loans and advances to customers and are analysed in maturity groupings as follows :

	Minimum lease payments 31-Dec-09 €' 000	Present value of minimum lease payments 31-Dec-09 €' 000	Minimum lease payments 31-Dec-08 €' 000	Present value of minimum lease payments 31-Dec-08 €' 000
- not later than 1 year	38,829	35,879	36,812	30,838
- later than one year and not later than five years	67,945	60,823	78,776	63,437
- later than 5 years	44,029	40,023	56,300	46,528
Total	**150,803**	**136,725**	**171,888**	**140,803**
Less : future finance charges	14,078	-	31,085	-
Present value of minimum lease payments	136,725	136,725	140,803	140,803

	31/12/2009 Finance lease provisions	31/12/2008 Finance lease provisions
- not later than 1 year	5,546	2,518
- later than one year and not later than five years	5,275	6,331
- later than 5 years	-	-
Total	**10,821**	**8,849**

42. b) Maturity of assets and liabilities (Bank)

The table below analyses the Bank's assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

	31-Dec-09					
	Up to 1 month €' 000	**1 - 3 months €' 000**	**3 - 12 months €' 000**	**1 - 5 years €' 000**	**Over 5 years €' 000**	**Total €' 000**
Liabilities						
Due to banks	1,036,011	56,507	445,162	129,499	73,670	1,740,849
Due to customers	1,855,404	561,886	251,251	3,508	-	2,672,049
Subordinated debt	-	-	5,575	130,575	-	136,150
Total liabilities for liquidity purposes	**2,891,415**	**618,393**	**701,988**	**263,582**	**73,670**	**4,549,048**
Total contigent liabilities-Guarantees	**48,950**	**79,400**	**205,883**	**618,157**	**78,605**	**1,030,995**
Total assets for liquidity purposes	**266,730**	**27,909**	**12,859**	**516,359**	**349,021**	**1,172,878**

	31-Dec-08					
	Up to 1 month €' 000	**1 - 3 months €' 000**	**3 - 12 months €' 000**	**1 - 5 years €' 000**	**Over 5 years €' 000**	**Total €' 000**
Liabilities						
Due to banks	1,191,201	289,000	183,360	313,791	86,298	2,063,650
Due to customers	1,942,874	458,925	143,050	74	-	2,544,923
Subordinated debt	-	-	5,575	136,150	-	141,725
Total liabilities for liquidity purposes	**3,134,075**	**747,925**	**331,985**	**450,015**	**86,298**	**4,750,298**
Total contigent liabilities-Guarantees	**44,389**	**76,993**	**175,110**	**610,294**	**50,067**	**956,853**
Total assets for liquidity purposes	**167,938**	**28,735**	**23,466**	**232,274**	**430,193**	**882,606**

42. c) Consolidated maturity of assets and liabilities

c1) Derivatives liabilities settled on a net basis

	31-Dec-09					
	Up to 1 month €' 000	1 - 3 months €' 000	3 - 12 months €' 000	1 - 5 years €' 000	Over 5 years €' 000	Total €' 000
Derivatives held for hedging						
Interest rate swaps	-	-	2,237	1,422	-	**3,660**

	31-Dec-08					
	Up to 1 month €' 000	1 - 3 months €' 000	3 - 12 months €' 000	1 - 5 years €' 000	Over 5 years €' 000	Total €' 000
Derivatives held for hedging						
Interest rate swaps	-	-	1,639	1,951	-	**3,590**

42. c) Maturity of assets and liabilities Group & Bank (Derivatives)

c2) Derivatives liabilities settled on a gross basis

	31-Dec-09					
	Up to 1 month €' 000	**1 - 3 months €' 000**	**3 - 12 months €' 000**	**1 - 5 years €' 000**	**Over 5 years €' 000**	**Total €' 000**
(a) Derivatives held for trading						
Foreign exchange derivatives						
Outflow	72,958	18,201	7,580	-	-	98,739
Inflow	73,553	18,473	7,797	-	-	99,823
Total Outflow	**72,958**	**18,201**	**7,580**	**-**	**-**	**98,739**
Total Inflow	**73,553**	**18,473**	**7,797**	**-**	**-**	**99,823**

	31-Dec-08					
	Up to 1 month €' 000	**1 - 3 months €' 000**	**3 - 12 months €' 000**	**1 - 5 years €' 000**	**Over 5 years €' 000**	**Total €' 000**
(a) Derivatives held for trading						
Foreign exchange derivatives						
Outflow	59,782	19,543	16,903	-	-	96,228
Inflow	58,984	18,168	15,368	-	-	92,520
Total Outflow	**59,782**	**19,543**	**16,903**	**-**	**-**	**96,228**
Total Inflow	**58,984**	**18,168**	**15,368**	**-**	**-**	**92,520**

43. Events after the date of the Statement of Financial Position

According to the comparative evaluation of binding offers for the preparation of a ten-year agreement Bank Assurance (Branch of General Assurance) and the transfer of the portfolio of its subsidiary «General Insurance Agency S.A.», the Bank accepted the offer of the «Atlantic Union S.A.». The Bank will proceed to relative announcements after the preparation of the final contract.

44. Related parties transactions

Parent and ultimate controlling party

The ultimate controlling party of the Group and the Bank is Societe Generale S.A. which is incorporated in France. Societe Generale Group holds 53,97% of the ordinary shares of the Bank.

Related parties transactions

In the table below are included the intercompanies transactions of Geniki Bank with Societe Generale (Group) and also the intercompanies transactions of Geniki Bank with Societe Generale and with its subsidiaries (Bank). All transactions with related parties are performed at arm's length terms conditions.

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Assets				
Due from banks	619	19,122	619	19,122
Loans and advances to customers	416	-	167,820	171,692
Derivative financial instruments	5,919	4,751	5,919	4,751
Other assets	158	-	477	223
Total	**7,112**	**23,873**	**174,835**	**195,788**
Liabilities				
Due to banks	1,118,162	1,695,285	1,118,162	1,695,285
Due to customers	14,783	-	21,490	3,483
Derivative financial instruments	2,833	3,530	2,833	3,530
Subordinated debt	125,201	125,201	125,201	125,201
Other liabilities	-	450	1,206	2,064
Total	**1,260,979**	**1,824,466**	**1,268,892**	**1,829,563**

	Group		Bank	
	31-Dec-09 €' 000	31-Dec-08 €' 000	31-Dec-09 €' 000	31-Dec-08 €' 000
Income				
Interest and similar income	1,646	4,089	5,390	13,160
Fee and Commission income	4,905	1,546	5,439	2,231
Dividend income	-	-	-	339
Financial operations results	1,340	149	1,340	149
Other operating income	553	-	639	97
Total	**8,444**	**5,784**	**12,808**	**15,976**
Expenses				
Interest expense and similar charges	39,535	63,165	39,565	63,251
Fee and Commission expenses	91	1,200	91	1,362
Financial operations results	472	4,067	472	4,067
Administration expenses	3,592	2,966	10,344	10,869
Total	**43,690**	**71,398**	**50,472**	**79,549**

44. Related parties transactions (continue)

Guarantees issued to related parties as at 31.12.2009 amounted to € 345,515 thousands (€ 255,961 thousands as at 31.12.2008).

The remuneration of the Board of Directors (BoD) members and General Managers of the Group and the Bank, for the year ended 31 December 2009, amounted to € 2,000 thousand (2008 € 2,166 thousand) and € 1,587 thousand (2008 € 1,521 thousand), respectively.

The outstanding loans granted to BoD members or to General Managers of the Group and the Bank amounted to € 209 thousand and € 2 thousand respectively (2008 € 65 thousand) ; their deposits amounted to € 409 thousand and € 395 thousand respectively (2008 € 447 thousand) as at 31 December 2009.

45. Regulatory ratios

The Group's and the Bank's objectives as regards managing capital, which is a broader concept than the "equity" on the face of Statement of Financial Positions, are :

a) To comply with the capital requirements set by the regulators of the banking markets.

b) To safeguard the Group's and the Bank's ability to continue as a going concern.

c) To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored regularly by the Bank's management, employing techniques based on the guidelines developed by the Basel Committee and the European Community Directives, as implemented by Bank of Greece, for supervisory purposes. The required information is filled to the Supervising Authority on a quartely basis.

The Group's and the Bank's regulatory capital, which is handled by the central Administration of Capital Management, is divided into two tiers :

a) Tier 1 capital : share capital (net of any book values of the treasury shares), retained earnings and reserves created by appropriations of retained earnings. The book value of goodwill and intagible assets, is deducted in arriving at Tier 1 capital; and

b) Tier 2 capital : mainly qualifing subordinated loan capital.

The risk - weighted assets are measured by means of a hierarchy of five risk weights classified according to the nature of - and reflecting an estimate of credit, risks associated with - each asset and counterparty.

The table below summarises the composition of regulatory capital and the ratios of the Group and the Bank for the year ended 31 December 2009 and 31 December 2008.

	Group		**Bank**	
	31-Dec-09 €' 000	**31-Dec-08 €' 000**	**31-Dec-09 €' 000**	**31-Dec-08 €' 000**
Tier 1 capital				
Regulatory reserves	(145,394)	(69,771)	(137,493)	(66,918)
Share capital (net of the treasury shares)	255,599	118,703	255,599	118,703
Share premium	212,855	215,317	212,855	215,317
Less: intangible assets	(7,941)	(9,696)	(7,910)	(9,599)
Less: other	(1,592)	(1,625)	(1,592)	(1,625)
Total qualifing Tier 1 capital	**313,527**	**252,928**	**321,459**	**255,878**
Tier 2 capital				
Lower Tier 2 capital	125,000	125,000	125,000	125,000
Less : other	(1,592)	(1,625)	(1,592)	(1,625)
Total qualifing Tier 2 capital	**123,408**	**123,375**	**123,408**	**123,375**
Total regulatory capital	**436,935**	**376,303**	**444,867**	**379,253**
Total risk -weighted assets	**4,490,010**	**4,422,644**	**4,496,359**	**4,426,682**
Basel ratio	**9.73%**	**8.51%**	**9.89%**	**8.57%**
Liquity ratio	**18.05%**	**16.50%**	**18.03%**	**16.50%**

46. Board of Directors

The Board of Directors of the Bank is the following:

Koutalidis Tryfon		Chairman (Non Executive)
Siakavellas Elias		Vice chairman (Non Executive)
Patrick Couste		Managing Director
Emmanuel Martin		Executive Director
Georgopoulos Dimitrios		Executive Director
Jean Didier Reigner		Non Executive
Christian Celin	(since 25.11.2009)	Non Executive
Bernard Charles Marie David	(since 26.08.2009)	Non Executive
Kalyvas Elias		Non Executive
Akkas Christos		Independent Non - Executive Member
Gouloussis Dimitrios		Independent Non - Executive Member

The Chairman of Board of Directors	**The Managing Director**	**The Chief Financial Officer**	**The Deputy Chief Financial Officer**
TRYFON J. KOUTALIDIS	PATRICK COUSTE	NIKOLAOS C. PATERAKIS	VASSILIKI K. ROULIA

GENERAL BANK OF GREECE S.A.

Financial information from 1 January 2009 to 31 December 2009. (Published in accordance with the provision of Law 2190/20 article 135 for entities which redact annual consolidated & solo financial statements under International Financial Reporting Standards)

(amounts in thousand euro)

Financial information which results from the condensed financial statements and is presented below provide a summary picture of the financial position and results of Geniki Bank and its Group. So, we advise the reader, before proceeding to any kind of investment decision or other transaction with the Bank or the Group, to visit the site of Geniki Bank (www.geniki.gr) where the IFRS financial statements are posted, together with the auditors report.

The Company

Registered Office:	109-111 Messogion Avenue, Athens
Societe Anonyme Register Number (A.R.M.A.E.):	6073/06/B/86/12
Prefecture	Prefecture of Athens
Date of BoD approval	23 March 2010
Certified Public Accountant:	Michalis E. Karavas (No. Reg. SOEL 13371)
Audit Company:	Deloitte. Hadjipavlou, Sofianos, Cambanis S.A. Assurance & Advisory Services
Type of audit report:	Unqualified Opinion
Audit report date:	24 March 2010
Internet address:	www.geniki.gr

Members of the Board of Directors

Non-Executive Members

Koutalidis Tryfon	Chairman of the Board of Directors
Siakavelas Elias	Vice chairman
Jean Didier Reigner	
Bernard Charles Marie David (since 26.08.2009)	
Christian Celin (since 25.11.2009)	
Kalyvas Elias	

Executive Members

Patrick Couste	Managing Director
Emmanuel Martin	Executive Director
Dimitrios Georgopoulos	Executive Director

Independent non-executive members

Akkas Christos

Gouloussis Dimitrios

Elements of Statement of Financial Position

	GROUP 31.12.2009	GROUP 31.12.2008	BANK 31.12.2009	BANK 31.12.2008
ASSETS				
Cash and balances with central bank	106,573	104,054	106,570	104,051
Due from banks	116,742	69,560	116,742	69,485
Derivative financial instruments	9,061	8,996	9,061	8,996
Loans and advances to customers (after provisions)	3,964,664	4,108,968	4,006,165	4,148,707
Investment securities - available for sale	377,479	413,269	377,479	413,269
Investment in subsidiaries undertakings	-	-	12,424	12,444
Investment in associate undertakings	743	743	990	990
Intangible assets	7,941	9,696	7,910	9,598
Property, plant and equipment	97,467	103,706	96,443	102,428
Deferred income tax assets	46,284	46,284	44,099	44,099
Other assets	102,939	101,873	63,488	58,920
TOTAL ASSETS	**4,829,893**	**4,967,149**	**4,841,371**	**4,972,987**
LIABILITIES				
Due to banks	1,697,652	1,999,849	1,697,652	1,999,849
Due to customers	2,659,463	2,534,806	2,666,170	2,538,289
Derivative financial instruments	7,136	9,480	7,136	9,480
Subordinated debt	125,201	125,201	125,201	125,201
Provisions for staff benefits	20,125	20,043	19,827	19,738
Risks & charges provisions	5,135	3,305	4,398	2,927
Other liabilities	46,046	48,325	43,952	45,331
TOTAL LIABILITIES	**4,560,758**	**4,741,009**	**4,564,336**	**4,740,815**
EQUITY				
Share capital	255,599	118,703	255,599	118,703
Share premium	212,855	215,317	212,855	215,317
Other reserves and retained earnings	(199,319)	(107,880)	(191,419)	(101,848)
Total equity	**269,135**	**226,140**	**277,035**	**232,172**
TOTAL EQUITY AND LIABILITIES	**4,829,893**	**4,967,149**	**4,841,371**	**4,972,987**

Consolidated companies

Full consolidation method:

	HQs	% participation	Non tax audited years
GENERAL INSURANCE AGENCY S.A.	GREECE	100%	2007-2009
GENIKI FINANCE S.A.	GREECE	100%	2007-2009
GENERAL INFORMATION S.A.	GREECE	100%	2007-2009
GENIKI LEASING S.A.	GREECE	100%	2003-2009

GBG Finance Plc has been liquidated on 4th of June 2009 without a significant effect on Group's shareholders equity.

Equity consolidation method:

GENAP S.A.	(under liquidation)	GREECE	100%	2003-2009

Elements of changes in equity

	GROUP 01.01-31.12.2009	GROUP 01.01-31.12.2008	BANK 01.01-31.12.2009	BANK 01.01-31.12.2008
Shareholders equity at the beginning of the year	226,140	300,078	232,172	302,224
Movement				
Revaluation of AFS securities	(20,855)	(36,287)	(20,854)	(36,287)
Gain/ Loss of bonds disposal	-	(269)	-	(269)
(Loss) for the year after tax	(109,452)	(37,462)	(107,585)	(33,576)
Total income / (expense) for the year after tax	(130,307)	(74,018)	(128,439)	(70,132)
Share capital increase	173,262	-	173,262	-
Other	40	80	40	80
Shareholders equity at the end of the year	**269,135**	**226,140**	**277,035**	**232,172**

Elements of statement of Comprehensive income

	GROUP 01.01-31.12.2009	GROUP 01.01-31.12.2008	BANK 01.01-31.12.2009	BANK 01.01-31.12.2008
Interest and similar income	238,549	288,055	237,595	286,481
Interest expense and similar charges	(87,567)	(145,330)	(87,597)	(145,416)
Net interest income	150,982	142,725	149,998	141,065
Fee income	35,300	41,336	35,762	41,899
Fee expense	(2,408)	(7,345)	(2,313)	(7,397)
Net fee income	32,892	33,991	33,449	34,502
Dividend income	137	825	137	1,164
Financial operations results	132	(863)	132	(861)
Other operating income	5,723	17,311	2,624	14,403
Gross Operating income	189,866	193,989	186,340	190,273
Cost of risk	(137,426)	(51,125)	(135,454)	(49,390)
Cost of other risks	(2,126)	(1,451)	(1,471)	1,700
Staff costs and related expenses	(89,739)	(95,486)	(85,947)	(90,078)
Administration expenses	(53,908)	(53,406)	(55,514)	(56,562)
Depreciation ,amortization and impairment	(13,174)	(14,812)	(12,836)	(14,435)
Operating expenses	(296,373)	(216,280)	(291,222)	(208,765)
(Loss) before income tax	(106,507)	(22,291)	(104,882)	(18,492)
Income Tax Expense	(2,945)	(15,171)	(2,703)	(15,084)
(Loss) after income tax	(109,452)	(37,462)	(107,585)	(33,576)
Total other comprehensive income / (expenses)	(20,855)	(36,556)	(20,854)	(36,556)
Total comprehensive income / (expenses) for the year after tax	(130,307)	(74,018)	(128,439)	(70,132)
(Loss) attributable to shareholders after tax	(109,452)	(37,462)	(107,585)	(33,576)
Total comprehensive income / (expenses) for the year attributable to shareholders	(130,307)	(74,018)	(128,439)	(70,132)
(Losses) per share (in euro) - Basic and dilluted	(0.4125)	(0.3377)	(0.4055)	(0.3027)

Elements of cash flow statement

	GROUP 01.01-31.12.2009	GROUP 01.01-31.12.2008	BANK 01.01-31.12.2009	BANK 01.01-31.12.2008
Net cash flow from operating activities (after taxes)	(126,236)	(172,229)	(126,241)	(172,384)
Net cash flow from investing activities	9,693	(96,062)	9,730	(95,844)
Net cash flow from financing activities	173,262	(3)	173,262	(3)
Net increase (decrease) in cash and cash equivalents	56,719	(268,294)	56,751	(268,231)
Foreign exchange profit / (loss) on cash and cash equivalents	26	22	26	22
Net increase (decrease) in cash and cash equivalents	**56,745**	**(268,272)**	**56,777**	**(268,209)**
Cash and cash equivalents at the beginning of the year	94,706	362,978	94,671	362,880
Cash and cash equivalents at the end of the year	**151,451**	**94,706**	**151,448**	**94,671**

NOTES

1) The applied accounting principles, are in compliance with IFRS. The Bank and the Group have adopted the revised International Accounting Standard (IAS) 1 "Presentation of Financial Statements".

2) Geniki Bank is tax audited up to 2004 (inclusive).

The nominal Greek corporate tax rate is 25%.

3) Encumbrances on the assets of the Bank & Group did not exist as at 31.12.2009

4) Analysis of risks & charges provisions :

	GROUP	BANK
• Litigations or disputes under arbitration	3,320	3,019
• Other	1,815	1,379
• Non - tax audited years	-	-
	5,135	**4,398**

5) The number of the employees of the Bank and the Group on 31.12.2009 was 1,752 and 1,849 respectively. On 31.12.2008 was 1,784 and 1,917 respectively.

6) The balances of the transactions and the related results between the Bank or Group and the associated companies, as they are defined by IAS 24,are as follows:

	GROUP	BANK
Total receivables on 31.12.2009	7,112	174,835
Total liabilities on 31.12.2009	1,260,979	1,268,892
Total income from 01.01 to 31.12.2009	8,444	12,808
Total expenses from 01.01 to 31.12.2009	43,690	50,472

The remuneration of the Board of Directors (BoD) members and General Managers of the Group and the Bank for the year ended 31 December 2009 amounted to € 2,000 thousand (2008 € 2,166 thousand) and € 1,587 thousand (2008 € 1,521 thousand), respectively.

The outstanding loans granted to BoD members or to General Managers of the Group and the Bank for the year ended 31 December 2009 amounted to € 209 thousand and € 2 thousand respectively (2008 € 65 thousand) ; their deposits amounted to € 409 thousand and € 395 thousand respectively (2008 € 447 thousand) as at 31 December 2009.

7) The financial statements of Geniki Group are included in the consolidated financial statements of the Societe Generale Group S.A., with registered offices in France. Societe Generale S.A. is participating in the equity of Geniki Bank with a percent of 53.97% until 31 December 2009.

8) Pending litigation cases against the Group and the Bank are not expected to have a significant impact on its financial position and future operation. In addition, litigation claims against the Bank and the Group (except the issue mentioned below), are not expected to succeed in and as a result no provision has been formed. These claims have not significantly changed, as compared with those reported in the annual financial statements of the Bank and the Group for the year 2008.

A claim against the Group's subsidiary "Geniki Leasing SA" amounting to € 155,032 thousand is pending. Considering the related documentation and according to the opinion of a Law professor of the University of Athens, the claim is not expected to be succeded. Athens First Instance Court has already issued the decisions on dismissing the requests of the company for restraining orders. It judged that there is no insurable right for the plaintiff company against the Group subsidiary "Geniki Leasing SA".

Until now, there is no change in the position of the Bank for social securities issues, as compared to the reported in the published financial statements as at and for the year ended 31.12.2008.

9) Other operating income in 2008 includes the one - off gain from the sale of Monastiraki building (net gain after direct sales expenses : € 12.9 million).

10) On 19/10/2009 the name of the consolidated company "General Cards Financial Services SA" changed to "General Information and Arrangement SA".

11) According to the comparative evaluation of binding offers for the preparation of a ten-year agreement Bank Assurance (Branch of General Assurance) and the transfer of the portfolio of its subsidiary «General Insurance Agency S.A.», the Bank accepted the offer of the «Atlantic Union S.A.». The Bank will proceed to relative announcements after the preparation of the final contract.

Athens, 23 March 2010

The Chairman of Board of Directors	The Managing Director	The Chief Financial Officer	The Deputy Chief Financial Officer
TRYFON J.KOUTALIDIS	PATRICK COUSTE	NIKOLAOS C.PATERAKIS	VASSILIKI K. ROULIA

GENERAL BANK OF GREECE SA
Reg. No. 6073/06/B/86/12

REPORT ON USE OF FUNDS RAISED FROM THE SHARE CAPITAL INCREASE BY PAYMENT IN CASH, BY THE ISSUANCE OF NEW ORDINARY SHARES WITH PRE – EMPTION RIGHTS IN FAVOR OF EXISTING SHARE HOLDERS, WHICH WAS DECIDED ON THE ITERATIVE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS HELD ON 11/05/2009 AND THE LISTING OF THE NEW SHARES IN THE "BIG CAPITALISATION" CATEGORY BASED ON THE DECISION OF THE BOARD OF DIRECTORS OF ATHENS STOCK EXCHANGE No 25/17.7.08.

The 1st Iterative Extraordinary General Meeting of Shareholders held on 11 May 2009, approved the Share Capital Increase by 175 724 341.2 euros by payment in cash, through the issuance of 244 061 585 new, ordinary, registered shares at a nominal value of 0.72 euros per share at the offer price of 0.72 euros, with pre – emption rights in favour of existing shareholders in ratio of 2.2 new shares for every 1 existing share. The total amount of the raised funds amounted to 175 724 341.2 euros. The certification of the full payment of the amount by the Board of Directors of the Bank was completed on 24.07.2009. The share capital increase expenses amounted to 2 461 860.13 euros. As a result, the net amount of funds raised amounted to 173 262 481.07 euros. The shares commenced trading in the Athens Exchange on 31.07.2009. The purpose of funds raised and the realised investments up to 30.09.2009 are as follows:

No	PURPOSE OF FUNDS RAISED	IMPLEMENTATION TIME	TOTAL FUNDS RAISED NET OF SHARE CAPITAL INCREASE EXPENSES	USED FUNDS FROM 01.01.2009 TO 30.09.2009	TOTAL FUNDS USED	UNUSED BALANCE 30.09.2009
1.	ENHANCEMENT OF CAPITAL ADEQUACY RATIO	IMMEDIATELY	173 262 481.07	173 262 481.07	173 262 481.07	-
TOTAL			173 262 481.07	173 262 481.07	173 262 481.07	-

Athens, 25.11.2009

THE MANAGING DIRECTOR	THE CHIEF FINANCIAL OFFICER	THE DEPUTY CHIEF FINANCIAL OFFICER
PATRICK COUSTE	NIKOLAOS CH. PATERAKIS	VASILIKI K. ROULIA

Hadjipavlou Sofianos &
Cambanis S.A.

Assurance & Advisory Services

250 - 254 Kifissias Ave.
GR - 152 31 Halandri
Athens, Greece

Tel.: +30 (210) 6781.100
Fax: +30 (210) 6776.221-2
www.deloitte.gr

Report on findings from carrying out agreed upon procedures on the management's Report about the use of funds raised through the share capital increase
To the Board of Directors of General Bank of Greece S.A.

Pursuant to the mandate received from the Board of Directors of "General Bank of Greece S.A." (The Bank) we have carried out the agreed upon procedures listed below in the context of the provisions of the regulatory framework governing the Athens Stock Exchange and the legal framework governing the Capital Markets, relating to the Report issued by the management of the Bank on the use of funds raised through the last share capital increase of the Bank paid-in in cash (the Report). The management of the Bank is responsible for the preparation of the above Report. We have carried out this engagement according to the International Standard on Related Services (ISRS) 4400 governing engagements to perform agreed-upon procedures regarding financial information. Our responsibility is to carry out the agreed upon procedures enumerated below and report our findings deriving therefrom.

The agreed upon procedures which we have carried out are as follows:

1. We evaluated the completeness of the above Report prepared by management and its consistency with the content of the corresponding Prospectus which was issued by the Bank for that purpose as well as the relevant resolutions and announcements made by the responsible persons and Boards of the Bank.
2. We compared the amount of the share capital increase appearing in the above Report to the corresponding amount stated in the minutes of the Annual General Assembly of the shareholders that took place on 11 May 2009 which approved the increase of the share capital as well as to the relevant amount stated in the Prospectus that the Bank issued on 30 June 2009.
3. We compared the total amount deposited in the bank deposit account IBAN: GR 0026-0998-18-0200050825 which the Bank holds with EFG Eurobank Ergasias SA, Othonos 8, to which the amounts raised from the share capital increase have been initially deposited, to the corresponding amount transferred on 27 July 2009 from this deposit account to the deposit account held by the Bank with (Central) Bank of Greece No. IBAN GR 12-0100-0420-0000-0000-0610017.
4. We received a listing with all the investors subscribed to participate in the above share capital increase, which (list) included the number of shares and relevant amounts subscribed and we compared the total amount of this list to the total amount deposited in the Bank deposit accounts mentioned in the preceding paragraph.
5. We reviewed the accounting entries relevant to the share capital increase under discussion and compared the relevant amounts to the corresponding amounts deposited in the bank deposit accounts said above and determined that in the books of the Bank an amount of Euros 175,724,341.20 was credited to the account "share capital".
6. We compared the balances of the bank deposit accounts said in the above third paragraph to the corresponding amounts stated in the Minute No. 2746 of the meetings of the Board of Directors of the Bank through which the Board confirmed the payment in of the proceeds from the share capital increase.
7. We obtained and compared the table of the calculation of the capital adequacy ratio of the Bank prepared by its management and submitted to the (Central) Bank of Greece, for the periods ended on 30 June 2009 and 30 September 2009, i.e. before and after the share capital increase under examination.
8. We compared the list of the expenses incurred by the Bank in connection with the share capital increase, which the Bank made available to us, to the relevant amount of Euros 2,461,860.13 stated in the Report. We tested on a sample basis the documentation supporting the amounts included in this list.

The findings that derived from the above agreed upon procedures were the following:

The content of the Report includes the minimum information provided for that purpose from the regulatory framework governing the Athens Stock Exchange as well as the legal framework governing the Capital Markets and is consistent with the content of the relevant Prospectus, as follows:

- The total amount raised from the capital increase and deposited in the bank deposit account IBAN: GR 0026-0998-18-0200050825 held with EFG Eurobank, amounted to Euros 175,724,341.20. This amount was subsequently transferred to the deposit account No. IBAN GR 12-0100-0420-0000-0000-0610017 held with the (Central) Bank of Greece on 27 July 2009. The above amounts agree with the corresponding amount which is stated in the Report under discussion (before the deduction of the relevant expenses which are discussed below).
- The total amount of the list of the investors subscribed for their participation in the share capital increase, which (list) includes the numbers of shares and corresponding amounts subscribed, does agree with the amounts deposited in the bank deposit accounts said in the previous paragraph.
- The accounting entries made in the books of the Bank with respect to the share capital increase under discussion, do agree with the amounts deposited in the bank deposit accounts said above and the amount credited to the account "share capital" on 31 July 2009 amounted to Euros 175,724,341.20.
- The amount deposited in the above said bank deposit accounts agree with the amount stated in the relevant Minute No 2746 of the meeting of the Board of Directors of the Bank held on 24 July 2009, that confirmed the payment in of the proceeds of the share capital increase.
- The ratio of capital adequacy of the Bank, deriving from the relevant tables of its calculation submitted by the Bank to the (Central) Bank of Greece for the periods ended on 30 September 2009 and 30 June 2009 and in particular the capital adequacy ratio (TIER I + TIER II) has been increased from 7.72% for 30 June 2009 to 11.73% for 30 September 2009.
- The total expenses incurred in connection with the subject capital increase according to the list produced to us by management and amounting to Euros 2,461,860.13 do agree with the corresponding amount included in the Report prepared by management. In addition, the supporting documentation which we have checked on a test basis does agree with the corresponding amounts included in the above list.

Because the procedures performed above do not constitute an audit or a review according to International Standards on Auditing or the International Standards on Review Engagements we do not express an opinion and provide no further assurance other than the findings reported above. Had we performed additional procedures or had we carried out an audit or a review in accordance with International Standards on Auditing or International Standards on Review Engagements other matters might have come to our attention that would have been reported to you.

This report is addressed exclusively to the Board of Directors of the Bank in the context of their responsibilities to comply to the applicable provisions of the regulatory framework of the Athens Stock Exchange as well as to the legal framework of the Capital Markets. Therefore, this report should not be used for any other purpose and is restricted only to the items specified above and does not extend to the financial statements of the Bank as a whole to be prepared by the Management of the Bank for the year ending on 31 December 2009 on which we shall issue a separate audit opinion.

Athens, 26 November 2009

The Certified Public Accountant

Michalis E. Karavas
Reg. No. SOEL 13371
Deloitte.
Hadjipavlou Sofianos & Cambanis S.A.
Assurance & Advisory Services
250-254 Kifissias Ave.
152 31 Halandri
Reg. No. SOEL: E 120

Information of Geniki Bank announced during 2009

Subject	Date	Site
Invitation to the extraordinary general meeting of shareholders	16/01/2009	www.geniki.gr
Resolutions of the Extraordinary G.M. of Shareholders held on 29.01.2009	29/01/2009	www.geniki.gr
Financial Calendar 2009	29/01/2009	www.geniki.gr
Announcement of Geniki Bank regarding its relation to the Employees Pention Fund (published only in greek language)	05/03/2009	www.geniki.gr
Invitation to the extraordinary general meeting of shareholders	27/03/2009	www.geniki.gr
Report of the BoD to the General Assembly of Shareholders	27/03/2009	www.geniki.gr
GENIKI Group: Financial results for the 12 months period ended 31 December 2008	27/03/2009	www.geniki.gr
Credit Assessment of GENIKI Bank	15/04/2009	www.geniki.gr
Resolutions of the Extraordinary G.M of Shareholders held on 28.04.2009 of GENIKI Bank	28/04/2009	www.geniki.gr
Invitation to the Analysts	05/05/2009	www.geniki.gr
Resolutions of the Iterative Extraordinary General Meeting held on 11.05.2009 of GENIKI Bank Shareholders	12/05/2009	www.geniki.gr
Meeting with Analysts	14/05/2009	www.geniki.gr
Financial results for the 3 month period ended on March 31st 2009	29/05/2009	www.geniki.gr
Invitation to the Annual General Meeting	01/06/2009	www.geniki.gr
Announcement of the reduction of the Share Capital	22/06/2009	www.geniki.gr
Resolutions of the A.G.M. of Shareholders held on 24/06/2009	25/06/2009	www.geniki.gr
Share Capital Increase in favour of existing shareholders: ex-rights date and trading period for pre-emption rights	30/06/2009	www.geniki.gr
Availability of the Prospectus	02/07/2009	www.geniki.gr
Full subscription of the share capital increase	24/07/2009	www.geniki.gr
Listing and trading of shares resulting from share capital increase in cash	29/07/2009	www.geniki.gr
Announcement according to Law 3556/2007	04/08/2009	www.geniki.gr
Announcement according to Law 3556/2007 of Société Générale	05/08/2009	www.geniki.gr
New Composition of the Board of Directors	26/08/2009	www.geniki.gr
Financial results for the 6 months period ended 30 June 2009	28/08/2009	www.geniki.gr
Change in Management Position	01/10/2009	www.geniki.gr
Financial results for the 9 months period ended 30 September 2009	27/11/2009	www.geniki.gr
Announcement (Preliminary agreement btw GENIKI Bank and SG Priv. Banking)	27/11/2009	www.geniki.gr
New Composition of the Board of Directors	30/11/2009	www.geniki.gr
Participation in the share capital increase of the company Pyrrichos S.A	02/12/2009	www.geniki.gr
Participation in the share capital increase of the company Pyrrichos S.A (correction)	04/12/2009	www.geniki.gr
Credit Assessment of GENIKI Bank	16/12/2009	www.geniki.gr