



PIRAEUS BANK GROUP

Consolidated Interim Condensed Financial Information

31 March 2009

According to the International Financial
Reporting Standards

The attached consolidated interim condensed financial information has been approved by the Piraeus Bank S.A. Board of Directors on May 20th, 2009 and it is available on the web site of Piraeus Bank at www.piraeusbank.gr

This financial information has been translated from the original interim financial information that has been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial information, the Greek language financial information will prevail over this document.

Index to the Consolidated Interim Condensed Financial Information

Notes	Page
Consolidated Interim Income Statement	2
Consolidated Interim Statement of Financial Position	3
Consolidated Interim Statement of Total Comprehensive Income	4
Consolidated Interim Statement of Changes in Equity	4
Consolidated Interim Statement of Cash Flows	5
Notes to the Consolidated Interim Condensed Financial Information:	
1 General information about the Group	6
2 General accounting policies of the Group	6
3 Basis of presentation of the consolidated interim condensed financial information	6
4 Critical accounting estimates and judgements	6
5 Business segments	7
6 Income tax expense	8
7 Earnings per share	8
8 Analysis of other comprehensive income	9
9 Loans and advances to customers	9
10 Trading securities	10
11 Reclassification of financial assets	10
12 Investments in subsidiaries and associate companies	11
13 Due to customers	13
14 Debt securities in issue	13
15 Hybrid capital and other borrowed funds	14
16 Contingent liabilities and commitments	14
17 Share capital	15
18 Other reserves and retained earnings	16
19 Related party transactions	16
20 Changes in the portfolio of subsidiaries and associates	17
21 Events after the consolidated interim financial information	18

CONSOLIDATED INTERIM INCOME STATEMENT

	Note	Period from 1 January to	
		31 March 2009	31 March 2008
Interest and similar income		879,491	823,457
Interest expense and similar charges		(624,238)	(557,062)
NET INTEREST INCOME		255,252	266,394
Fee and commission income		58,706	71,535
Fee and commission expense		(8,731)	(10,051)
NET FEE AND COMMISSION INCOME		49,975	61,484
Dividend income		1,088	1,577
Net trading income		15,776	12,892
Net income from financial instruments designated at fair value through profit or loss		(3,019)	1,797
Gains/ (Losses) from investment securities		(691)	9,834
Other operating income		28,420	56,753
TOTAL NET INCOME		346,801	410,732
Staff costs		(104,165)	(102,906)
Administrative expenses		(74,331)	(71,590)
Depreciation and amortisation		(21,888)	(20,512)
Gains from sale of assets		1,049	2,601
Impairment losses on loans and receivables		(80,544)	(41,094)
Other provisions		(241)	(521)
TOTAL OPERATING EXPENSES		(280,120)	(234,022)
Share of profit of associates		1,114	784
PROFIT BEFORE INCOME TAX		67,795	177,493
Income tax expense	6	(15,316)	(35,104)
PROFIT AFTER TAX FOR THE PERIOD		52,479	142,389
Profit for the period attributable to owners of the parent		51,836	138,540
Minority Interest		643	3,849
Earnings per share to owners of the parent (in euros):			
-Basic	7	0.1638	0.4239
-Diluted	7	0.1638	0.4227

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	31 March 2009	31 December 2008
ASSETS			
Cash and balances with central banks		2,011,151	3,740,708
Treasury bills and other eligible bills		194,521	207,023
Loans and advances to credit institutions		1,783,901	2,348,289
Derivative financial instruments - assets		261,584	366,253
Trading securities	10	2,744,321	1,300,519
Financial instruments at fair value through profit or loss		89,364	89,224
Loans and advances to customers (net of provisions)	9	37,824,634	38,312,669
Investment securities			
-Available for sale securities		840,472	875,892
-Held to maturity		3,476,278	3,372,205
Debt securities - receivables		550,936	527,699
Investments in associated undertakings		231,030	219,399
Intangible fixed assets		306,987	302,994
Property, plant and equipment		978,660	970,990
Investment property		711,255	710,374
Assets held for sale		41,926	10,557
Deferred tax assets		263,269	254,422
Inventories - property		198,189	186,069
Other assets		1,248,813	1,094,572
TOTAL ASSETS		<u>53,757,291</u>	<u>54,889,856</u>
LIABILITIES			
Due to credit institutions		13,988,004	14,121,872
Derivative financial instruments - liabilities		286,137	369,692
Due to customers	13	28,794,789	28,380,817
Debt securities in issue	14	5,323,273	6,488,225
Other borrowed funds	15	761,422	765,959
Hybrid capital	15	193,256	201,444
Retirement benefit obligations		205,919	198,605
Other provisions		18,061	24,160
Current income tax liabilities		48,511	98,758
Deferred tax liabilities		138,482	127,770
Other liabilities		941,735	1,087,353
TOTAL LIABILITIES		<u>50,699,591</u>	<u>51,864,656</u>
EQUITY			
Share capital	17	1,571,923	1,571,923
Share premium	17	927,775	927,775
Less: Treasury shares	17	(171,440)	(167,321)
Other reserves	18	(186,608)	(177,586)
Retained earnings	18	766,160	721,359
Capital and reserves attributable to owners of the parent		<u>2,907,808</u>	<u>2,876,149</u>
Minority Interest		149,892	149,051
TOTAL EQUITY		<u>3,057,700</u>	<u>3,025,200</u>
TOTAL LIABILITIES AND EQUITY		<u>53,757,291</u>	<u>54,889,856</u>

CONSOLIDATED INTERIM STATEMENT OF TOTAL COMPREHENSIVE INCOME

	Note	Period from 1 January to	
		31 March 2009	31 March 2008
PROFIT AFTER TAX FOR THE PERIOD (A)		52,479	142,389
Other comprehensive income, net of tax:			
Net change in available for sale investments, net of tax		(5,156)	(46,893)
Change in currency translation reserve		(9,655)	(25,533)
Other comprehensive income, net of tax (B)	8	(14,811)	(72,426)
Total comprehensive income for the period (A+B)		37,668	69,963
-Attributable to owners of the parent		36,265	66,557
-Minority Interest		1,403	3,406

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Attributable to owners of the parent					Minority interests	TOTAL
		Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings		
Opening balance as at 1 January 2008		1,617,977	1,099,903	(250,862)	53,939	561,058	227,564	3,309,579
Other comprehensive income for the period	8				(71,983)		(443)	(72,426)
Profit after tax for the period of 1/1/2008 - 31/3/2008	18					138,540	3,849	142,389
Total recognised income for the period of 1/1/2008 - 31/3/2008		0	0	0	(71,983)	138,540	3,406	69,963
Purchases of treasury shares	17			(62,004)				(62,004)
Transfer between other reserves and retained earnings	18				1,920	(1,920)		0
Acquisitions, disposals and movement in subsidiaries holding					(7)	(15)	(429)	(451)
Other movements					(870)	(2,068)	(582)	(3,520)
Balance as at 31 March 2008		1,617,977	1,099,903	(312,866)	(17,001)	695,595	229,959	3,313,567
Opening balance as at 1 April 2008		1,617,977	1,099,903	(312,866)	(17,001)	695,595	229,959	3,313,567
Other comprehensive income for the period					(163,664)	(13,431)	844	(176,251)
Profit after tax for the period 1/4/2008 - 31/12/2008	18					176,547	12,331	188,878
Total recognised income for the period 1/4/2008 - 31/12/2008		0	0	0	(163,664)	163,116	13,175	12,627
Prior year dividends						(118,122)	(2,216)	(120,338)
Share capital increase due to reinvestment of dividends	17	3,589	12,398					15,987
Cancellation of treasury shares	17	(49,644)	(184,526)	234,170				0
Purchases of treasury shares	17			(126,741)				(126,741)
Sale of treasury shares	17			38,116				38,116
Transfer between other reserves and retained earnings	18				10,670	(10,670)		0
Acquisitions, disposals and movement in subsidiaries holding					(3,864)	(8,231)	(91,320)	(103,415)
Other movements					(3,727)	(329)	(547)	(4,603)
Balance as at 31 December 2008		1,571,923	927,775	(167,321)	(177,586)	721,359	149,051	3,025,200
Opening balance as at 1 January 2009		1,571,923	927,775	(167,321)	(177,586)	721,359	149,051	3,025,200
Other comprehensive income for the period	8				(15,571)		760	(14,811)
Profit after tax for the period of 1/1/2009 - 31/3/2009	18					51,836	643	52,479
Total recognised income for the period of 1/1/2009 - 31/3/2009		0	0	0	(15,571)	51,836	1,403	37,668
Purchases of treasury shares	17			(4,119)				(4,119)
Transfer between other reserves and retained earnings	18				5,661	(5,661)		0
Acquisitions, disposals and movement in subsidiaries holding							(1,082)	(1,082)
Other movements					888	(1,374)	520	34
Balance as at 31 March 2009		1,571,923	927,775	(171,440)	(186,608)	766,160	149,891	3,057,700

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

		From January 1st to	
	Note	31 March 2009	31 March 2008
<i>Cash flows from operating activities</i>			
Profit before tax		67,795	177,493
<i>Adjustments to profit before tax</i>			
Add: impairment for loans and advances and other provisions	9	80,784	41,615
Add: depreciation and amortisation		21,888	20,512
Add: retirement benefits		10,644	8,736
(Gains)/ losses from valuation of trading securities and financial instruments at fair value through profit or loss		(25,334)	19,222
(Gains)/ losses from investing activities		(2,663)	(41,517)
<i>Cash flows from operating profits before changes in operating assets and liabilities</i>		153,115	226,061
<i>Changes in operating assets and liabilities:</i>			
Net (increase)/ decrease in cash and balances with Central Bank		149,784	(71,349)
Net (increase)/ decrease in treasury bills and other eligible bills		(3,480)	104,689
Net (increase)/ decrease in trading securities and financial instruments at fair value through profit or loss		(584,615)	682,930
Net (increase)/ decrease in debt securities - receivables		(10,639)	-
Net (increase)/ decrease in loans and advances to credit institutions		127,270	434,683
Net (increase)/ decrease in loans and advances to customers		417,561	(2,918,030)
Net (increase)/ decrease in other assets		(230,256)	(70,097)
Net increase/ (decrease) in due to credit Institutions		(133,868)	(1,754,955)
Net increase/ (decrease) in amounts due to customers		413,972	2,530,593
Net increase/ (decrease) in other liabilities		(161,173)	(160,808)
<i>Net cash from operating activities before income tax payment</i>		137,671	(996,283)
Income tax paid		(1,126)	(1,991)
Net cash inflow/ (outflow) from operating activities		136,545	(998,274)
<i>Cash flows from investing activities</i>			
Purchases of property, plant and equipment		(50,600)	(63,799)
Sales of property, plant and equipment		8,864	16,318
Purchases of intangible assets		(3,000)	(1,413)
Purchases of available for sale securities		(22,915)	(51,266)
Disposals of available for sale securities		32,278	617,881
Purchase of held to maturity securities		(118,318)	(3,638)
Maturity of held to maturity securities		13,408	15,667
Acquisition of subsidiaries (net of cash & cash equivalents acquired)	20	(3,571)	161,083
Disposals of subsidiaries (net of cash & cash equivalents disposed)	20	-	34
Acquisition of associates	20	(14,398)	(3,682)
Disposal of associates	20	-	120
Dividends receipts		303	813
Net cash inflow/ (outflow) from investing activities		(157,950)	688,118
<i>Cash flows from financing activities</i>			
Net proceeds from issue/ (repayment) of debt securities and other borrowed funds		(1,177,677)	1,162,764
Purchases of treasury shares	17	(4,119)	(62,004)
Other cashflows from financing activities		5,811	3,724
Net cash inflow/ (outflow) from financing activities		(1,175,985)	1,104,484
Foreign exchange differences on cash and cash equivalents		(10,007)	(6,594)
Net increase/ (decrease) in cash and cash equivalents of the period		(1,207,396)	787,734
Cash and cash equivalents at the beginning of the period		5,009,265	5,062,568
Cash and cash equivalents at the end of the period		3,801,868	5,850,302

The notes on pages 6 to 18 are an integral part of these consolidated interim condensed financial information.

1 General information about the Group

Piraeus Bank S.A. is a banking institute operating in accordance with the provisions of Law 2190/1920 on sociétés anonymes, Law 3601/2007 on credit institutions, and other relevant laws. According to article 2 of its Statute, the scope of the company is to execute, on its behalf or on behalf of third parties, any and every operation acknowledged or delegated by law to banks.

Piraeus Bank (parent company) is incorporated and domiciled in Greece. The address of its registered office is 4 Amerikis st., Athens. Piraeus Bank and its subsidiaries (together "the Group") provide services in the Southeastern Europe, Egypt, the U.S., as well as Western Europe. The Group employs 13,935 people.

Apart from the ATHEX Composite Index, the Piraeus Bank share is included in a series of other indices, such as FTSE/ATHEX- 20, MSCI Greece, MSCI EAFE, DJ Euro Stoxx, DJ Euro Stoxx Banks and FTSE4Good Index.

2 General accounting policies of the Group

The same accounting policies and methods of computation as those in the annual consolidated financial statements for the year ended 31 December 2008 have been followed.

Piraeus Bank Group has adopted the amended International Accounting Standard (IAS) 1, "Presentation of financial statements". The amendments refer to the changes on equity financial statement as well as the presentation of other comprehensive income.

Additionally, Piraeus Bank has adopted IFRS 8, 'Operating segments' which introduces new disclosures relating to operating segments, products, services, geographical areas in which the Group operates and its major customers. IFRS 8 supersedes IAS 14 "Segment Reporting".

The following amendments to standards and interpretations are effective from 1 January 2009, but currently, they do not have a significant effect to the Group's activities:

IFRS 2 (Amendment), "Share-based payment"
IAS 23 (Amendment), "Borrowing costs"
IAS 32 (Amendment), "Financial instruments: Presentation"
IAS 39 (Amendment), "Financial instruments: Recognition and measurement"
IFRIC 13, "Customer loyalty programmes"
IFRIC 15, "Agreements for the construction of real estate"
IFRIC 16, "Hedges of a net investment in a foreign operation"

The amounts of the consolidated interim condensed financial information attached are expressed in thousand euros (unless otherwise stated) and roundings are performed in the nearest thousand.

3 Basis of presentation of the consolidated interim condensed financial information

The consolidated interim condensed financial information has been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and it should be read along with the Group's annual consolidated financial statements for the year ended 31 December 2008.

4 Critical accounting estimates and judgements

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Impairment losses on loans and advances

The Group examines, at every reporting period, whether trigger for impairment exists for its loans or loans portfolios. If such triggers exist, the recoverable amount of the loan portfolio is calculated and the relevant provision for this impairment is raised. The provision is recorded in the profit or loss statement. The estimates, methodology and assumptions used are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

2. Fair value of derivative financial instruments

The fair values of derivative financial instruments that are not quoted in active markets are determined by using valuation techniques. All models use observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Assumptions that affect the reported fair values of financial instruments are examined regularly.

3. Impairment of available for sale investments

The available for sale portfolio is recorded at fair value and any changes in fair value are recorded in the available for sale reserve. Available for sale investments are impaired when there is significant or prolonged decline (judgement is required) in the fair value below cost. When this occurs, the relevant portion of the available for sale reserve is recycled to the income statement of the period. Judgement is also required for the estimation of the fair value of investments that are not traded in a market. For these investments, the fair value computation through financial models takes also into account evidence of deterioration in the financial health of the investee, industry and sector performance and changes in technology.

4. Securitisations and special purpose entities

The Group sponsors the formation of special purpose financing entities (SPEs) for various purposes including asset securitisation. The Group does not consolidate SPEs that it does not control. As it can sometimes be difficult to determine whether the Group does control an SPE, it makes judgements about its exposure to the risks and rewards, as well as about its ability to make operational decisions for the SPE in question. In many instances, elements are present that, considered in isolation, indicate control or lack of control over an SPE, but when considered together make it difficult to reach a clear conclusion. In such cases, the SPE is consolidated.

5. Held to maturity investments

The Group follows the guidance of IAS 39 on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held to maturity. This classification requires significant judgement. In making this judgement, the Group evaluates its intention and ability to hold such investments to maturity. If the Group fails to keep these investments to maturity other than for the specific circumstances -for example, selling an insignificant amount close to maturity- it will be required to reclassify the entire class as available for sale. The investments would therefore be remeasured at fair value.

6. Income taxes

The Group is subject to income taxes in the countries in which operates. This requires estimates in determining the provision for income taxes and therefore the final income tax determination is uncertain during the fiscal year. Where the final income tax expense is different from the amounts that were initially recorded, differences will impact the income tax and deferred tax provisions in the period in which the tax computation is finalised.

5 Business segments

Piraeus Bank Group has defined the following business segments:

Retail Banking - This segment includes the retail banking facilities of the Bank and its subsidiaries, which are addressed to retail customers, as well as to small - medium companies (deposits, loans, working capital, imports – exports, letters of guarantee, etc.)

Corporate Banking - This segment includes facilities related to retail banking, provided by the Bank and its subsidiaries, addressed to large and maritime companies, which due to their specific needs are serviced centrally (deposits, loans, syndicated loans, project financing, working capital, imports-exports, letters of guarantee, etc.).

Investment Banking - This segment includes activities related to investment banking facilities of the Bank and its subsidiaries (investment and advisory and stock exchange services, underwriting services and public listings, etc.).

Asset Management and Treasury – This segment includes asset management facilities for clients of the Group and for behalf of the Group (wealth management facilities, mutual funds management, treasury).

Other – Includes other facilities of the Bank and its subsidiaries that are not included in the above segments (Bank's administration, real estate activities, IT activities etc.).

According to IFRS 8, the identification of business segments results from the internal reports that are regularly reviewed by the Executive Committee in order to monitor each segment's performance. Significant elements are the progress of figures and results per Segment.

An analysis of income and other financial figures per business segment is presented below:

	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Eliminations	Group
1st Quarter 2009							
Revenues	504,363	185,797	6,324	203,596	79,690	-	979,770
Revenues from other business segments	69,158	7,058	88	599	94,184	(171,087)	0
Revenues	573,521	192,855	6,412	204,195	173,874	(171,087)	979,770
Net interest revenue	231,599	62,542	908	22,528	(62,324)	-	255,252
Net interest revenue from other business segm.	(30,505)	(4,751)	(742)	597	40,571	(5,170)	0
Net interest revenue	201,094	57,792	166	23,125	(21,754)	(5,170)	255,252
Net revenues	291,055	77,634	5,242	13,493	(40,623)	-	346,801
Net revenues from other business segments	(26,459)	(5,112)	(1,564)	(76)	47,430	(14,218)	0
Net revenues	264,596	72,521	3,678	13,417	6,807	(14,218)	346,801
Segment results	46,674	22,284	1,038	4,293	(7,607)	-	66,681
Share of profit of associates							1,114
Profit before tax							67,795
Income tax expense							(15,316)
Profit after tax							52,479
Other segment items							
Capital expenditure	39,741	3,938	22	30	9,869	-	53,601
Depreciation and amortisation	11,991	2,676	175	113	6,932	-	21,888
Impairment charge - loans	72,939	5,738	-	-	1,867	-	80,544

Piraeus Bank Group - 31 March 2009
Amounts in thousand euros (Unless otherwise stated)

1st Quarter 2008	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Eliminations	Group
Revenues	468,116	164,692	11,433	272,979	60,625	-	977,845
Revenues from other business segments	68,297	6,932	347	319	124,386	(200,281)	0
Revenues	536,413	171,624	11,780	273,298	185,011	(200,281)	977,845
Net interest revenue	303,731	57,910	1,004	8,843	(105,093)	-	266,394
Net interest revenue from other business segments	(80,399)	(14,046)	(694)	297	97,581	(2,739)	0
Net interest revenue	223,331	43,864	309	9,140	(7,512)	(2,739)	266,394
Net revenues	347,459	72,542	8,735	35,496	(53,500)	-	410,732
Net revenues from other business segments	(79,897)	(9,448)	(2,317)	(1,222)	107,206	(14,322)	0
Net revenues	267,562	63,094	6,418	34,274	53,706	(14,322)	410,732
Segment results	102,269	23,083	4,713	27,179	19,465	-	176,709
Share of profit of associates							784
Profit before tax							177,493
Income tax expense							(35,104)
Profit after tax							142,389
Other segment items							
Capital expenditure	45,462	9,423	70	64	10,193	-	65,212
Depreciation and amortisation	10,065	1,530	159	172	8,586	-	20,512
Impairment charge - loans	28,839	9,284	53	0	2,918	-	41,094

	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Eliminations	Group
At 31 March 2009							
Segment assets	26,650,212	12,203,027	149,358	11,337,948	3,416,746	-	53,757,291
Segment liabilities	21,972,547	3,906,742	73,788	15,136,103	9,610,412	-	50,699,591
At 31 December 2008							
Segment assets	26,863,788	12,242,046	129,375	11,986,665	3,667,983	-	54,889,856
Segment liabilities	21,205,171	3,356,584	84,070	20,848,310	6,370,522	-	51,864,656

Regarding the profit before tax of other business segments for 2009, there is not any sector that contributes more than 10%.

Capital expenditure includes additions of intangible and tangible assets that took place in the period by each business segment.

Revenues, net interest revenue and net revenues from other business segments include revenues, net interest revenue and net revenues derived from transactions between business segments. The mentioned intercompany transactions are realised under normal commercial terms.

6 Income tax expense

	1st Quarter 2009	1st Quarter 2008
Current Tax	(6,274)	(26,376)
Deferred tax	(8,180)	(8,728)
Tax provisions	(862)	-
	(15,316)	(35,104)

The tax rate for Greek legal entities, in accordance with the provisions in force of article 109, par. 1 of Law 2238/1994, is 25% for the years 2008 and 2009. For the subsidiaries operating abroad, the tax has been calculated according to the respective nominal tax rates that were imposed in the fiscal years of 2008 and 2009 (Bulgaria: 10%, Romania: 16%, U.S.A.: 35%, Serbia: 10%, Ukraine: 25%, Egypt: 20%, Cyprus 10% and Albania 10%).

Piraeus Bank has been audited by the tax authorities and all the unaudited fiscal years until 2006 have been finalized. The unaudited tax years of the subsidiaries and associates are included in note 12. For the unaudited tax years, a provision has been raised according to International Financial Reporting Standards (IFRS).

7 Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to owners of the parent by the weighted average number of shares in issue during the period, excluding the average number of ordinary shares purchased by the Group and held as treasury shares. For the calculation of the diluted earnings per share, all the dilutive potential ordinary shares are taken into consideration.

	1st Quarter 2009	1st Quarter 2008
Basic earnings per share		
Net profit attributable to owners of the parent	51,836	138,540
Weighted average number of shares in issue	316,443,783	326,851,711
Basic earnings per share (in euro)	0.1638	0.4239

Piraeus Bank Group - 31 March 2009
Amounts in thousand euros (Unless otherwise stated)

Diluted earnings per share	1st Quarter 2009	1st Quarter 2008
Net profit attributable to owners of the parent	51,836	138,540
Weighted average number of shares in issue	316,443,783	326,851,711
Adjustment for share options	-	886,974
Weighted average number of shares in issue for the diluted earnings per share calculation	316,443,783	327,738,685
Diluted earnings per share (in euro)	0.1638	0.4227

Potential ordinary shares of the 3rd share option scheme did not have an effect to the calculation of diluted earnings per share, as the average market price of ordinary shares during the 1st quarter of 2009 did not exceed the option's exercise price.

According to the requirements of IAS 33, the weighted average number of shares has been adjusted for the comparison period of 2008 by a 1.00014 factor, in order to adjust earnings per share (basic and diluted) for the discount price of the rights issue share capital by reinvestment of dividend increase that took place during June 2008.

8 Analysis of other comprehensive income

1st Quarter 2009	Before-Tax amount	Tax	Net-of-Tax amount
Net change in available for sale investments	(5,819)	663	(5,156)
Change in currency translation reserve	(9,655)		(9,655)
Other Comprehensive Income	(15,474)	663	(14,811)
1st Quarter 2008	Before-Tax amount	Tax	Net-of-Tax amount
Net change in available for sale investments	(62,066)	15,172	(46,893)
Change in currency translation reserve	(25,533)		(25,533)
Other Comprehensive Income	(87,599)	15,172	(72,426)

9 Loans and advances to customers

Loans to individuals	31 March 2009	31 December 2008
Mortgages	6,608,785	6,692,625
Consumer/ personal and other loans	4,319,861	4,488,349
Credit cards	792,613	775,434
	11,721,258	11,956,407
Loans to corporate entities	26,854,123	27,059,248
Total loans and advances to customers	38,575,381	39,015,655
Less: Allowance for losses (impairment) on loans and advances to customers	(750,747)	(702,987)
Total loans and advances to customers (less allowances for losses)	37,824,634	38,312,669
Current loans and advances to customers	15,017,076	15,400,814
Non current loans and advances to customers	22,807,558	22,911,854
	37,824,634	38,312,669

Movement in allowance (impairment) for losses on loans and advances to customers:

a) Loans to individuals	Mortgages	Consumer/ personal and other loans	Credit cards	Total
Balance at 1 January 2008	15,519	121,081	30,126	166,726
Opening balance of new subsidiaries	-	1,574	180	1,754
Charge for the period	4,014	14,735	3,828	22,577
Loans written-off	(4)	(1,707)	(1)	(1,712)
Foreign exchange differences	(31)	(1,100)	(123)	(1,254)
Balance at end of period 31/3/2008	19,498	134,583	34,010	188,091
Balance at 1 April 2008	19,498	134,583	34,010	188,091
Charge for the period	37,636	79,836	24,145	141,617
Loans written-off	-	(3,558)	(19)	(3,577)
Foreign exchange differences	(40)	(3,462)	(288)	(3,790)
Balance at end of year 31/12/2008	57,094	207,399	57,848	322,341
Balance at 1 January 2009	57,094	207,399	57,848	322,341
Charge for the period	5,857	46,011	12,532	64,400
Loans written-off	-	(21,903)	(4)	(21,907)
Foreign exchange differences	(186)	(1,961)	(2)	(2,148)
Balance at end of period 31/3/2009	62,765	229,546	70,374	362,686

b) Loans to corporate entities

Balance at 1 January 2008	249,298
Opening balance of new subsidiaries	10,397
Charge for the period	16,295
Loans written-off	(938)
Foreign exchange differences	(1,541)
Balance at end of period 31/3/2008	273,511
Balance at 1 April 2008	273,511
Charge for the period	186,432
Loans written-off	(80,494)
Foreign exchange differences	1,196
Balance at end of year 31/12/2008	380,646
Balance at 1 January 2009	380,646
Charge for the period	9,990
Loans written-off	(802)
Foreign exchange differences	(1,772)
Balance at end of period 31/3/2009	388,061

The charge for the first quarter of 2009 (€ 80.5 million) in the income statement includes amount of € 6.2 million which relates to impairment of other assets. The charge for the first quarter of 2008 (€ 41.1 million) in the income statement includes amount of € 2.2 million which relates to impairment of other assets.

10 Trading securities

Trading securities	31 March 2009	31 December 2008
Greek government bonds	2,010,846	872,439
Foreign government bonds	55,851	58,656
Corporate entities bonds	217,359	166,658
Bank bonds	11,140	10,204
Greek government treasury bills	327,437	101,945
Other government treasury bills	49,016	26,540
	2,671,650	1,236,441
Athens stock exchange listed shares	72,303	63,706
Foreign stock exchanges listed shares	45	63
Mutual funds	324	309
	72,672	64,078
Total trading securities	2,744,321	1,300,519

11 Reclassification of financial assets

Investment portfolio includes shares and bonds, which have been reclassified on 1/7/2008 and 1/10/2008 respectively, in accordance with the amendments of IAS 39 and IFRS 7. Specifically, the "Available for sale securities" portfolio as at 31/3/2009 includes shares and mutual funds with fair value of € 33.8 million, which were reclassified from the "Trading securities" on 1/7/2008. Their valuation for the 1st quarter of 2009 was zero and it did not have any impact on the "Available for sale reserve". The "Available for sale securities" portfolio as at 31/3/2009 also includes bonds with fair value of € 248.9 million which were reclassified from the "Trading securities" on 1/10/2008. The revaluation loss of € 2.8 million for the period has been recognized in the "Available for sale reserve". A loss of € 2.2 million from the sale of reclassified bonds has been recognized in "Net trading income" for the period. "Held to maturity" portfolio includes bonds with fair value of € 782.8 million as at 31/3/2009 (amortized cost of € 872.4 million), which were reclassified on 1/10/2008, from "Trading securities" and "Available for sale securities". If these bonds had not been reclassified, a revaluation loss of € 58.8 million would be recognized in "Net trading income" for the period and a revaluation loss of € 20.5 million would be recognized in the "Available for sale reserve" for the period. "Debt securities - receivables" include corporate bonds with fair value of € 26.7 million as at 31/3/2009 (amortized cost of € 39.4 million) and "Loans and advances to credit institutions" include bank bonds with fair value of € 23.1 million as at 31/3/2009 (amortized cost of € 34.1 million) which were reclassified on 1/10/2008 from the "Available for sale securities". If these bonds had not been reclassified, a revaluation gain of € 1.6 million would be recognized in the "Available for sale reserve" for the period.

12 Investments in subsidiaries and associate companies

The investments of Piraeus Bank in subsidiaries and associates are:

A) Subsidiaries companies (full consolidation method)

a/a	Name of Company	Activity	% holding	Country	Unaudited tax years
1.	Marathon Banking Corporation	Banking Activities	91.02%	U.S.A	2008
2.	Tirana Bank I.B.C. S.A.	Banking Activities	92.98%	Albania	2007-2008
3.	Piraeus Bank Romania S.A.	Banking Activities	100.00%	Romania	2007-2008
4.	Piraeus Bank Beograd A.D.	Banking Activities	100.00%	Serbia	2006-2008
5.	Piraeus Bank Bulgaria A.D.	Banking Activities	99.98%	Bulgaria	2008
6.	Piraeus Bank Egypt S.A.E.	Banking Activities	95.37%	Egypt	1999-2008
7.	OJSC Piraeus Bank ICB	Banking Activities	99.95%	Ukraine	2008
8.	Piraeus Bank Cyprus LTD	Banking Activities	100.00%	Cyprus	2006-2008
9.	Piraeus Asset Management Europe S.A.	Mutual Funds Management	100.00%	Luxemburg	-
10.	Piraeus Leasing S.A.	Finance Leases	100.00%	Greece	2006-2008
11.	Piraeus Leasing Romania S.R.L.	Finance Leases	100.00%	Romania	2003-2008
12.	Piraeus Insurance and Reinsurance Brokerage S.A.	Insurance and Reinsurance Brokerage	100.00%	Greece	2007-2008
13.	Tirana Leasing S.A.	Finance Leases	100.00%	Albania	-
14.	Piraeus Securities S.A.	Stock Exchange Operations	100.00%	Greece	2006-2008
15.	Piraeus Group Capital LTD	Debt Securities Issue	100.00%	United Kingdom	-
16.	Piraeus Leasing Bulgaria EAD.	Finance Leases	100.00%	Bulgaria	2008
17.	Piraeus Auto Leasing Bulgaria EAD.	Auto Leases	100.00%	Bulgaria	2008
18.	Piraeus Group Finance P.L.C.	Debt Securities Issue	100.00%	United Kingdom	2007-2008
19.	Multicollection S.A.	Assessment and collection of commer. debts	51.00%	Greece	2007-2008
20.	Piraeus Factoring S.A.	Corporate factoring	100.00%	Greece	2008
21.	Piraeus Multifin S.A.	Motor vehicles trading	100.00%	Greece	2007-2008
22.	Picar S.A.	City Link Areas Management	100.00%	Greece	2007-2008
23.	Bulfina S.A.	Property Management	100.00%	Bulgaria	2003-2008
24.	Piraeus ATFS S.A.	Accounting and tax consulting	100.00%	Greece	2007-2008
25.	General Construction and Development Co. S.A.	Property development/ holding company	66.67%	Greece	2008
26.	Piraeus Direct Services S.A.	Call center services	100.00%	Greece	2007-2008
27.	Exodus S.A.	Information technology & software	50.10%	Greece	2008
28.	Komotini Real Estate Development S.A.	Property Management	100.00%	Greece	2007-2008
29.	Piraeus Real Estate S.A.	Construction company	100.00%	Greece	2008
30.	ND Development S.A.	Property Management	100.00%	Greece	2007-2008
31.	Property Horizon S.A.	Property Management	100.00%	Greece	2007-2008
32.	ETBA Industrial Estates S.A.	Development/ Management of Industrial Areas	65.00%	Greece	2006-2008
33.	Piraeus Property S.A.	Property Management	100.00%	Greece	2006-2008
34.	Piraeus Development S.A.	Property Management	100.00%	Greece	2006-2008
35.	Piraeus Asset Management S.A.	Mutual Funds Management	100.00%	Greece	2007-2008
36.	Piraeus Buildings S.A.	Property Development	100.00%	Greece	2005-2008
37.	Piraeus Developer S.A.	Property Management	100.00%	Greece	2006-2008
38.	Estia Mortgage Finance PLC	SPE for securitization of mortgage loans	-	United Kingdom	-
39.	Euroinvestment & Finance Public LTD	Banking, Asset Management, real estate operat.	90.85%	Cyprus	2002-2008
40.	Lakkos Mikelli Real Estate LTD	Property Management	50.66%	Cyprus	2005-2008
41.	Philoktimatiki Public LTD	Land and property development	53.29%	Cyprus	2005-2008
42.	Philoktimatiki Ergoliptiki LTD	Construction company	53.29%	Cyprus	2005-2008
43.	AGR Investments S.A.	Securitized Receivable Investments	100.00%	Greece	2005-2008
44.	New Evolution S.A.	Property, Tourism & Development Company	100.00%	Greece	2005-2008
45.	Imperial Stockbrokers Limited	Stock Exchange Operations	100.00%	Cyprus	2002-2008
46.	Imperial Eurobrokers Limited	Stock Exchange Operations	100.00%	Cyprus	2002-2008
47.	EMF Investors Limited	Investment company	100.00%	Cyprus	2002-2008
48.	Euroinvestment Mutual Funds Limited	Mutual Funds Management	100.00%	Cyprus	2002-2008
49.	Bull Fund Limited	Investment company	100.00%	Cyprus	2002-2008
50.	Good Works Energy Photovoltaics S.A.	Construction & Operation PV Solar Projects	33.15%	Greece	2005-2008
51.	Piraeus Green Investments S.A.	Holding company	100.00%	Greece	2005-2008
52.	New Up Dating Development Real Estate and Tourism S.A.	Property, Tourism & Development Company	100.00%	Greece	2005-2008
53.	Sunholdings Properties Company LTD	Land and property development	26.65%	Cyprus	2005-2008
54.	Piraeus Cards S.A.	Financial services and consultancy	100.00%	Greece	2008
55.	Polytropon Properties Limited	Land and property development	39.97%	Cyprus	2006-2008
56.	Shinefocus Limited	Land and property development	53.29%	Cyprus	2003-2008
57.	Capital Investments & Finance S.A.	Investment company	100.00%	Liberia	-
58.	Maples Invest & Holding S.A.	Investment company	100.00%	British Virgin Islands	-
59.	Margetson Invest & Finance S.A.	Investment company	100.00%	British Virgin Islands	-
60.	Vitria Investments S.A.	Investment company	100.00%	Panama	-
61.	Piraeus Insurance Brokerage EOOD	Insurance Brokerage	99.98%	Bulgaria	2007-2008

Piraeus Bank Group - 31 March 2009
Amounts in thousand euros (Unless otherwise stated)

a/a	Name of Company	Activity	% holding	Country	Unaudited tax years
62.	SSIF Piraeus Securities Romania S.A.	Stock Exchange Operations	99.33%	Romania	2007-2008
63.	Trieris Real Estate Management LTD	Management of Trieris Real Estate Ltd	100.00%	British Virgin Islands	-
64.	Phoenix Kato Asset Management Co.	Property Administration	85.83%	Egypt	2005-2008
65.	Piraeus Egypt Leasing Co.	Finance Leases	95.33%	Egypt	2007-2008
66.	Piraeus- Egypt for Securities Brokerage Co.	Stock Exchange Operations	95.17%	Egypt	2007-2008
67.	Piraeus Insurance Reinsurance Broker Romania S.R.L.	Insurance and Reinsurance Brokerage	100.00%	Romania	-
68.	Piraeus Real Estate Consultants S.R.L.	Construction company	100.00%	Romania	2007-2008
69.	Piraeus Leases S.A.	Finance Leases	100.00%	Greece	2007-2008
70.	Iapetos Energy Photovoltaics S.A.	PV Solar projects development	33.16%	Greece	2007-2008
71.	Phoebe Energy Photovoltaics S.A.	PV Solar projects development	33.16%	Greece	2007-2008
72.	Orion Energy Photovoltaics S.A.	PV Solar projects development	33.16%	Greece	2007-2008
73.	Astraios Energy Photovoltaics S.A.	PV Solar projects development	33.16%	Greece	2007-2008
74.	Multicollection Romania S.R.L.	Assessment and collection of commerc. debts	51.00%	Romania	2006-2008
75.	Olympic Commercial & Tourist Enterprises S.A.	Oper. Leases- Rent-a-Car and long term rental of vehicl.	74.90%	Greece	2008
76.	Piraeus Rent Doo Beograd	Operating Leasing	100.00%	Serbia	2007-2008
77.	Estia Mortgage Finance II PLC	SPE for securitization of mortgage loans	-	United Kingdom	-
78.	Piraeus Leasing Doo Beograd	Financial Leasing	100.00%	Serbia	2007-2008
79.	Piraeus Real Estate Consultants Doo	Construction company	100.00%	Serbia	2006-2008
80.	Piraeus Real Estate Bulgaria EOOD	Construction company	100.00%	Bulgaria	2007-2008
81.	Piraeus Real Estate Egypt LLC	Construction company	99.80%	Egypt	2007-2008
82.	Piraeus Bank Egypt Investment Company	Investment company	95.18%	Egypt	2007-2008
83.	Piraeus Best Leasing Bulgaria EAD	Auto Leasing	99.98%	Bulgaria	2007-2008
84.	Piraeus Insurance Agency S.A.	Insurance Agency	100.00%	Greece	2007-2008
85.	Piraeus Capital Management S.A.	Venture Capital Fund	100.00%	Greece	2008
86.	Estia Mortgage Finance III PLC	SPE for securitization of mortgage loans	-	United Kingdom	-
87.	Piraeus Insurance Brokerage-Egypt	Insurance Brokerage	93.35%	Egypt	2008
88.	Integrated Storage System Co.	Warehouse & Mail Distribution Management	89.54%	Egypt	2004-2008
89.	Axia Finance PLC	SPE for securitization of corporate loans	-	United Kingdom	-
90.	PLG Finance S.A.	Real estate, development/ tourist services	100.00%	Greece	2008

Companies numbered 38, 77, 86 and 89 are special purpose vehicles for securitization of loans and issuance of debt securities. Companies numbered 50, 53, 55 και 70-73, which are mentioned above are shown with percentages less than 50%, are subsidiaries due to significant influence.

B) Associate companies (equity accounting method)

a/a	Name of Company	Activity	% holding	Country	Unaudited tax years
1.	Crete Scient. & Tech. Park Manag. & Dev. Co. S.A.	Scientific and technology park management	30.45%	Greece	2000-2008
2.	"Evros" Development Company S.A.	European community programs management	30.00%	Greece	2000-2008
3.	Stalko S.A.	Electrical equipment production	25.00%	Greece	2003-2008
4.	Delphi Advanced Research Technologies LTD	Information technology services	25.00%	Cyprus	2006-2008
5.	Project on Line S.A.	Information technology & software	40.00%	Greece	2004-2008
6.	Alexandria for Development and Investment	Investment company	20.98%	Egypt	2008
7.	Nile Shoes Company	Footwear Seller- Manufacturer	37.51%	Egypt	2003-2008
8.	APE Commercial Property Real Estate Tourist & Develop.S.A.	Real estate, development/ tourist services	27.80%	Greece	2008
9.	APE Fixed Assets Real Estate Tourist & Development S.A.	Real estate, development/ tourist services	27.80%	Greece	2006-2008
10.	Borg El Arab Company	Manufacturing vegetable oils & animal foods	26.20%	Egypt	-
11.	Trieris Real Estate LTD	Property Management	22.80%	British Virgin Islands	-
12.	European Reliance Gen. Insurance Co. S.A.	General and life insurance and reinsurance	30.23%	Greece	2001-2008
13.	APE Investment Property S.A.	Real estate, development/ tourist services	27.20%	Greece	2008
14.	Sciens International S.A.	Holding company	29.80%	Greece	2008
15.	Ekathariseis Aktiploias S.A.	Ticket Settlements	49.00%	Greece	2007-2008
16.	Trastor Real Estate Investment Company (former Piraeus Real Estate Investment Property S.A.)	Real estate investment property	33.80%	Greece	2006-2008
17.	Proton Bank S.A.	Banking Activities	31.31%	Greece	2007-2008
18.	Euroterra S.A.	Property Management	29.22%	Greece	2008
19.	Rebikat S.A.	Property Management	30.00%	Greece	2008
20.	Abies S.A.	Property Management	30.00%	Greece	2002-2008
21.	Atlantic Insurance Public Company LTD.	General Insurances	20.94%	Cyprus	2003-2008

The changes in the portfolio of subsidiaries and associates are referred at note 20.

13 Due to customers

	31 March 2009	31 December 2008
Current and sight deposits	4,539,210	4,468,736
Savings account	3,291,122	3,382,247
Term deposits	20,386,828	19,727,066
Other accounts	237,378	244,165
Repurchase agreements	340,251	558,603
	28,794,789	28,380,817
Current due to customers	28,046,098	27,858,388
Non current due to customers	748,692	522,429
	28,794,789	28,380,817

14 Debt securities in issue

	Currency	Average interest rate (%)		31 March 2009	31 December 2008
		1st Quarter 2009	2008		
ETBA bonds	EUR	5.25%	4.70%	1,768,304	2,513,581
Euro Commercial Paper (Short term securities)	EUR	4.56%	4.84%	253,953	272,588
	USD	2.42%	3.84%	58,311	20,567
	GBP	3.08%	5.85%	72,069	311
				384,333	293,467
Other debt securities	BGN	7.98%	7.43%	19,016	19,083
Euro Medium Term Note (Medium/ long term securities)					
€ 32.5 m. floating rate notes due 2010			Variable	-	705
€ 21.65 m. floating rate notes due 2010			Variable	-	430
€ 700 m. floating rate notes due 2010			Euribor + 0.30%	492,540	493,272
€ 3.43 m. floating rate notes due 2009			Variable	390	390
USD 15 m. floating rate notes due 2009			Libor + 0.10%	-	7,292
USD 20 m. floating rate notes due 2009			Libor + 0.20%	1,753	-
€ 500 m. floating rate notes due 2009			Euribor + 0.20%	-	497,944
€ 60 m. floating rate notes due 2015			Variable	60,000	60,000
€ 10 m. floating rate notes due 2013			Euribor + 0.30%	9,992	9,991
€ 650 m. floating rate notes due 2011			Euribor + 0.25%	548,286	488,601
€ 5.05 m. floating rate notes due 2011			Variable	4,750	4,750
€ 50 m. floating rate notes due 2010			Euribor + 0.225%	50,000	50,000
€ 750 m. floating rate notes due 2010			Euribor + 0.20%	708,293	707,202
€ 20 m. floating rate notes due 2012			Euribor + 0.20%	19,976	19,974
€ 45 m. fixed/ floating rate notes due 2009			Fixed/ Euribor + 0.25%	-	45,000
€ 10 m. fixed/ floating rate notes due 2010			Fixed/ Euribor + 0.35%	3,212	3,412
Accrued interest and other expenses				3,167	6,748
				1,902,359	2,395,710
Securitisation of mortgage loans			Average interest rate (%)		
€ 750 m. floating rate notes due 2040			Euribor + 0.18%	315,613	330,779
€ 1,250 m. floating rate notes due 2054			Euribor + 0.18%	933,648	935,605
€ 800 m. floating rate notes due 2055			Euribor + 0.45%	-	-
				1,249,261	1,266,384
Securitisation of corporate loans					
€ 1,750 m. floating rate notes due 2035			Euribor + 0.45%	-	-
Total debt securities in issue				5,323,273	6,488,225

Issuance under the Euro Commercial Paper and Euro Medium Term Note programs is undertaken through Piraeus Group Finance PLC, a subsidiary of Piraeus Bank Group.

Piraeus Bank undertook its first Residential Mortgage Backed Securitisation (RMBS) transaction, ESTIA I, on June 2005. ESTIA I had an outstanding value of € 750 million at issue and was undertaken through the UK-based special purpose vehicle Estia Mortgage Finance PLC. The bonds are callable by the issuer after 9 years and have an average coupon of 3 month Euribor plus 18 basis points.

The second RMBS transaction, ESTIA II, was undertaken through the UK-based special purpose vehicle Estia Mortgage Finance II PLC on July, 2007. The € 1.25 billion bonds are callable by the issuer after 7 years and have an average coupon of 3 month Euribor plus by 18 basis points.

The third RMBS transaction called ESTIA III was completed through the UK-based special purpose vehicle Estia Mortgage Finance III PLC on April, 2008. The € 800 million bonds are callable by the issuer after 7 years and have an average coupon of 3 month Euribor plus by 45 basis points. This issue has been retained by Piraeus Bank and can be used for refinancing from the E.C.B.

The first SME Loan Backed Transaction, Axia Finance PLC was completed through the UK-based special purpose vehicle Axia Finance PLC in November 2008. The € 1,750 million bonds have an average coupon of 3 month Euribor plus 45 basis points. This issue has been retained by Piraeus Bank and can be used for refinancing from the E.C.B.

Other debt securities have been issued by Piraeus Bank Bulgaria on 19/7/2004 (€ 3.6 million, non callable, with a fixed rate 6.67% and 5 years duration) and on 7/3/2007 (€ 15.3 million, non callable, with nominal coupon 3 month Sofibor plus 0.7%, with 3 years duration).

15 Hybrid capital and other borrowed funds

	Interest rate (%)	31 March 2009	31 December 2008
Hybrid capital (Tier I)			
€ 200 m. floating rate notes	Euribor + 1.25	191,940	199,191
Accrued interest and other expenses		1,316	2,253
		193,256	201,444
Subordinated debt (Tier II)			
€ 400 m. floating rate notes due 2014	Euribor + 0.60	378,499	379,493
€ 400 m. floating rate notes due 2016	Euribor + 0.55	376,792	378,335
Accrued interest and other expenses		2,258	4,474
		757,549	762,302
Other borrowed funds (USD)	6.60%	3,874	3,657
Total hybrid capital and other borrowed funds		954,679	967,403

TIER I hybrid capital was issued by Piraeus Group Capital LTD in October 2004. These securities are callable by the issuer after 10 years and bear a nominal coupon of 3 month Euribor plus 125 basis points.

Lower Tier II subordinated debt was issued by Piraeus Group Finance PLC via the EMTN program. On 29/9/2004, an amount of € 400 million was issued, with a 10 year maturity, which is callable by the issuer after 5 years and bears a 3 month Euribor nominal coupon plus 60 basis points. On 20/7/2006, an amount of € 400 million was issued, with a 10 year maturity, which is callable after 5 years and bears a 3 month Euribor nominal coupon plus 55 basis points.

Accrued interest on hybrid capital and other borrowed funds is included in the respective amounts of hybrid capital and other borrowed funds. The Group is not in default of any payments of principal, interest or redemption amounts of the aforementioned hybrid capital and other borrowed funds.

The Extraordinary General Meeting of Piraeus Bank's Shareholders which was held on 23/1/2009 approved the share capital increase by € 370,000,000, with the issuance of 77,568,134 preferred shares of a nominal value of € 4.77 each and cancellation of the preemptive right of existing shareholders in favor of the Greek State, in accordance with the provisions of law 3723/2008 "providing enhanced liquidity to the economy to address the consequences of the international financial crisis".

16 Contingent liabilities and commitments

A) Legal procedures

The legal proceedings outstanding against the Group as at 31/3/2009, except from the cases that provisions of such kind have already been raised, are not expected to have any significant impact on the financial statements of the Group, according to the opinion of the legal affairs division of the Bank and its subsidiaries.

B) Credit commitments

As at 31/3/2009 the Group had the following capital commitments:

	31 March 2009	31 December 2008
Letters of guarantee	3,301,056	3,320,462
Letters of credit	225,620	266,644
Commitments to extent credit	12,990,578	12,715,181
	16,517,254	16,302,287

C) Assets pledged	31 March 2009	31 December 2008
Balances with central banks	236	246
Trading securities	2,242,296	1,063,601
Investment securities	3,915,093	3,749,377
Loans and advances to customers	865,000	865,000
Debt securities - receivables	338,893	450,000
	<u>7,361,518</u>	<u>6,128,224</u>

D) Operating lease commitments and receivables

The future minimum lease payments under non-cancellable operating leases are analysed as follows:

	31 March 2009	31 December 2008
Up to 1 year	38,188	37,661
From 1 to 5 years	159,186	164,370
More than 5 years	331,234	357,125
	<u>528,608</u>	<u>559,156</u>

17 Share capital

	Ordinary Shares	Share Premium	Treasury Shares	Total
At 1 January 2008	1,617,977	1,099,903	(250,862)	2,467,018
Cancellation of treasury shares	(49,644)	(184,526)	234,170	0
Share capital increase due to reinvestment of dividends	3,589	12,398	-	15,987
Purchases of treasury shares	-	-	(188,745)	(188,745)
Sales of treasury shares	-	-	38,116	38,116
At 31 December 2008	1,571,923	927,775	(167,321)	2,332,376
At 1 January 2009	1,571,923	927,775	(167,321)	2,332,376
Purchases of treasury shares	-	-	(4,119)	(4,119)
At 31 March 2009	1,571,923	927,775	(171,440)	2,328,257

Changes to the number of Bank's shares are analysed in the table below:

	Number of shares		
	Issued shares	Treasury shares	Net number of shares
Opening balance at 1st January 2008	339,198,587	(11,082,100)	328,116,487
Cancellation of treasury shares	(10,407,537)	10,407,537	0
Share capital increase due to reinvestment of dividends	752,478	-	752,478
Purchases of treasury shares	-	(14,228,664)	(14,228,664)
Sale of treasury shares	-	2,379,303	2,379,303
Balance at 31st December 2008	329,543,528	(12,523,924)	317,019,604
	Number of shares		
	Issued shares	Treasury shares	Net number of shares
Opening balance at 1st January 2009	329,543,528	(12,523,924)	317,019,604
Purchases of treasury shares	-	(757,222)	(757,222)
Balance at 31 March 2009	329,543,528	(13,281,146)	316,262,382

Piraeus Bank's registered shares are at a nominal value of € 4.77 each. The share capital is fully paid-in and amounts, on 31/3/2009, to € 1,571,922,628.56, divided into 329,543,528 ordinary registered shares.

During the Annual General Meeting of shareholders of the Bank at 3/4/2008 it was decided, according to the article 16 of codified Law 2190/1920, the purchase of treasury shares through the Athens Stock Exchange up to a maximum number of 33,000,000 treasury shares, which is less than 10% of the Bank's total number of issued shares, including the shares that already been acquired and held by the Bank. The minimum and maximum purchase price for the shares is between € 4 and € 40. The purchases of the treasury shares must be completed within twenty four months from the General Meeting resolution, that is the latest by 3/4/2010 and the treasury shares acquired may be distributed to the staff of the Bank or the staff of any affiliated company.

3rd Share option plan

The terms of the existing share option plan are described in the annual consolidated financial statements of the year 2008.

18 Other reserves and retained earnings

	31 March 2009	31 December 2008
Legal reserve	79,308	77,964
Extraordinary reserve	1,243	1,200
Available for sale reserve	(167,660)	(162,414)
Currency translation reserve	(105,177)	(94,852)
Other reserves	5,677	515
Total other reserves	(186,608)	(177,586)
Retained earnings	766,160	721,359
Total other reserves and retained earnings	579,551	543,773

Other reserves movement

	31 March 2009	31 December 2008
Opening balance for the period	(177,586)	53,939
Movement of available for sale reserve	(5,247)	(177,399)
Formation of legal reserve	1,344	12,590
Formation of other reserves	4,317	-
Foreign exchange differences and other adjustments	(9,436)	(66,716)
Closing balance for the period	(186,608)	(177,586)

Legal reserve of the Bank and its Greek subsidiaries is formed in accordance with Law 2190/1920 and each company's articles of association. Foreign subsidiaries form their legal reserve in accordance with their local legislation.

	31 March 2009	31 December 2008
Available for sale reserve movement		
Opening balance for the period	(162,414)	14,986
Gains/ (losses) from the valuation of available for sale bonds	4,000	(47,459)
Gains/ (losses) from the valuation of available for sale shares and mutual funds	(4,989)	(158,231)
Deferred income tax	636	43,063
Recycling of the accumulated fair value adjustment of disposed available for sale securities	713	296
Foreign exchange differences and other adjustments	(5,606)	(15,069)
Closing balance for the period	(167,660)	(162,414)

	31 March 2009	31 December 2008
Retained earnings movement		
Opening balance for the period	721,359	561,058
Profit after tax attributable to the owners of the parent	51,836	315,087
Prior year dividends	-	(118,122)
Profit / (losses) from sales of treasury shares	-	(13,431)
Transfer to other reserves	(5,661)	(12,590)
Acquisitions, absorptions and movement in subsidiaries holding	-	(8,246)
Differences from currency translations and other adjustments	(1,374)	(2,397)
Closing balance for the period	766,160	721,359

19 Related party transactions

Related parties include: a) Members of the Bank Board of Directors and key management personnel of the Bank, b) Close family and financially dependants (husbands, wives, children etc) of Board of Directors members and key management personnel, c) Companies having transactions with Piraeus Bank Group, if the total cumulative participating interest (of members of Board of Directors, key management personnel and their dependants/ close family) exceeds 20%.

	Board of Directors members and key management personnel	
	31 March 2009	31 December 2008
Loans	240,629	244,345
Deposits	91,231	130,101

Letters of guarantees and letters of credits to the members of the board of directors and to the key management personnel as at 31/3/2009 are € 1.6 million (31/12/2008: € 1.7 million). The total income on loans to members of the board of directors and to key management personnel for the first quarter of 2009 is € 2.3 million (first quarter of 2008: € 3.4 million). The expense from deposits of the prementioned related parties is € 0.2 million (first quarter of 2008: € 0.4 million).

Loans and letters of guarantee issued to related parties represent an insignificant part of total loans and letters of guarantee issued by the Group, respectively. Loans and letters of guarantee have been issued to related parties in the normal course of business, within the approved credit policies and Group procedures, adequately collateralised. Loans to related parties are performing and no provision has been raised for their balances.

Directors' remuneration	31 March 2009	31 March 2008
Salaries and other remuneration	1,092	4,080
Termination benefits	1,474	-
	2,566	4,080

The total amount of provisions raised for Board of Directors members and key management personnel is € 38.4 million as at 31/3/2009 (31/12/2008: € 36.8 million). This amount has been included in retirement benefit obligation.

	Associates	
	31 March 2009	31 December 2008
Deposits	120,672	116,477
Loans and advances to customers and credit institutions	203,512	400,367
	1st Quarter 2009	1st Quarter 2008
Interest expense	(1,075)	(356)
Interest income	2,285	6

20 Changes in the portfolio of subsidiaries and associates

In the period from 1/1/2009 to 31/3/2009, the following changes took place in the Group's portfolio of subsidiaries and associates:

a) Increases of participation:

On 16/1/2009, Piraeus Bank S.A. has increased its participation in Euroinvestment & Finance LTD with the amount of € 5 thousand, increasing its shareholding, by 0.06%, to 90.85%.

During February and March 2009, Piraeus Bank purchased shares of Marathon Banking Corporation with the amount of € 2.18 million increasing its shareholding from 87.91% to 90.47%.

On 20/1/2009, Piraeus Bank increased its shareholding in Tirana Bank I.B.C. S.A. from 91.24% to 92.98% with the amount of € 1.33 million.

On February and March 2009, Piraeus Bank Cyprus S.A., 100% subsidiary of Piraeus Bank S.A., increased its shareholding in Atlantic Insurance Public Co LTD from 2.67% to 20.94% with the amount of € 14.4 million, resulting at a transfer from the Bank's available for sale portfolio to the associates portfolio, due to significant influence, for which the current cost of acquisition has been reformed to € 16.1 million.

b) Acquisitions:

On 20/2/2009, Piraeus Bank acquired 100% of PLG Finance S.A. with the amount of € 60 thousand.

c) Participation in share capital increases:

On 23/3/2009, Piraeus Bank fully covered the share capital increase of Marathon Banking Corporation for the amount of € 3.68 million increasing in this way its shareholding from 90.47% to 91.02%.

Piraeus Bank covered the total amount of share capital increase of Piraeus Bank Cyprus LTD with the amount of € 17 million (without altering its shareholding (100%)). The amount was covered fully by cash contribution from Piraeus Bank S.A.

d) Renames:

"Piraeus – Egypt Asset Management", "Piraeus Egypt Brokerage CO" and "Piraeus Insurance Consultants – Egypt", subsidiaries of Piraeus Bank Egypt S.A.E, have been renamed to "Phoenix Kato Asset Management Co", "Piraeus – Egypt for Securities Brokerage Co" and "Piraeus Insurance Brokerage – Egypt", respectively. The companies above are associates of Piraeus Bank S.A.

The associate company Piraeus Real Estate Investment Property S.A. was renamed to Trastor Real Estate Investment Company.

The Group's portfolio changes in subsidiaries for the period 1/1 - 31/3/2009 which are described above, are summarized in the table as follows:

	2009	2008
Participation in share capital increases	20,683	216,882
Incorporation of companies	-	32
Total participation in share capital increases and incorporation of companies	20,683	216,913
Increase of shareholding percentage in Group subsidiaries	3,511	16,426
Acquisition of subsidiaries	60	15,000
Less: Cash and cash equivalents of subsidiaries acquired	-	(176,173)
Total net cash outflow/ (inflow) from acquisition of subsidiaries and increase of shareholding percentage	3,571	(144,747)

During the period 1/1 - 31/3/2009, the goodwill raised from the acquisition of subsidiaries and the increase of shareholding in Group subsidiaries was € 2,350 thousand (2008: € 23,981 thousand).

21 Events after the consolidated interim financial information

The Ordinary General Meeting of Shareholders on 30th of April 2009 decided the distribution of dividend to the shareholders in the form of Bank shares, namely the distribution of one new common voting share with nominal value of € 4.77 each for every 47 old shares. This distribution corresponds to a net dividend value of € 0.10 per share, incorporating the dividend corresponding to own shares and deduction of the tax due. Consequently, the General Meeting approved the increase of the Bank's share capital by the amount of € 32,097,287.07, with capitalization of the net amount of the distributable dividend and with the issuance of 6,728,991 new shares.

On April 30th, 2009 Piraeus Bank completed its first securitization of amortizing consumer loans in the amount of € 725 million in accordance with the provisions of Law 3156/2003. The notes were issued by "PRAXIS I Finance Plc", a special purpose vehicle, incorporated in London. The arranger of the issue was Morgan Stanley and Co. International plc. The securities have been rated by Moody's.

On May 4th, 2009 Standard & Poor's international credit rating agency revised Piraeus Bank's credit rating to BBB from BBB+ with stable outlook.

On May 7th, 2009 Piraeus Bank completed its second securitization of business loans in the amount of € 900 million in accordance with the provisions of Law 3156/2003. The notes were issued by "AXIA II Finance Plc", a special purpose vehicle, incorporated in London. Arranger of the issue was Deutsche Bank AG (London Branch). The securities have been rated by Moody's.

On May 14th, 2009, the agreement with the Greek State was signed under which it acquired the Bank's preference shares amounting to € 370 million, within the framework of Law 3723/2008 for the enhancement of the Greek economy's liquidity.

Athens, May 20th, 2009

CHAIRMAN
OF THE BOARD OF DIRECTORS
and CHIEF EXECUTIVE OFFICER

VICE-CHAIRMAN
OF THE BOARD OF DIRECTORS
and DEPUTY C.E.O.

GENERAL MANAGER

FINANCE DIRECTOR

MICHAEL G. SALLAS

THEODOROS N. PANTALAKIS

DIMITRIS D. PAPADIMITRIOU

AGAMEMNON E. POLITIS