

# National Bank of Greece S.A.

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2009 TO 31 DECEMBER 2009

(Published in accordance with article 135 of Law 2190/1920, for enterprises preparing annual stand-alone and consolidated financial statements in accordance

( amounts in thousand EUR )

Company Information Headquarters:

Register Numbers of S.A. **Supervising Prefecture:** 

Date of approval of Financial Statements by BoD:

**Certified Public Accountant - Auditor:** 

Website:

Auditors's review report: Issue date of Auditor's review report: 86. Folou Str., 102 32 Athens 6062/06/B/86/01

Athens Prefecture 18 March 2010

Nicolaos C. Sofianos (RN SOEL 12231)

Deloitte, Hadjipavlou Sofianos & Cambanis S.A. Assurance & Advisory Services

Unqualified opinion 30 March 2010

www.nbg.gr

### Statement of Financial Position

|   | Group       |             | Bank       |            |
|---|-------------|-------------|------------|------------|
|   | 31.12.2009  | 31.12.2008  | 31.12.2009 | 31.12.2008 |
| ASSETS  |             |             |            |            |
| Cash and balances with central banks                  | 4 252 854   | 4 145 395   | 2 073 721  | 1 959 249  |
| Due from banks (net)                                  | 3 707 911   | 2 490 064   | 5 881 701  | 5 202 048  |
| Financial assets at fair value through Profit or Loss | 4 066 059   | 2 190 604   | 3 003 966  | 1 717 902  |
| Derivative financial instruments                      | 1 875 851   | 1 590 320   | 1 670 914  | 1 303 708  |
| Loans and advances to customers (net)                 | 74 752 545  | 69 897 602  | 58 129 698 | 53 440 200 |
| Available for sale investments securities             | 14 337 698  | 9 589 647   | 7 476 660  | 6 978 453  |
| Held to maturity investment securities                | 99 618      | 141 062     | 932 195    | 729 918    |
| Loans and receivables                                 | 1 877 834   | 3 178 867   | 1 483 552  | 2 358 070  |
| Investment property                                   | 164 895     | 148 073     | -          | -          |
| Investments in subsidiaries                           | -           | -           | 8 064 609  | 7 149 862  |
| Investments in associates                             | 42 680      | 55 683      | 27 631     | 6 921      |
| Goodwill, software & other intangible assets          | 2 486 943   | 2 473 994   | 124 854    | 111 285    |
| Property & equipment                                  | 2 099 152   | 1 982 768   | 381 642    | 986 405    |
| Deferred tax assets                                   | 174 218     | 258 819     | 82 094     | 173 947    |
| Insurance related assets and receivables              | 805 960     | 707 721     | -          | -          |
| Current income tax advance                            | 189 481     | 113 903     | 189 481    | 113 903    |
| Other assets  | 2 460 484   | 2 241 827   | 1 697 746  | 1 587 984  |
| Non current assets held for sale                      |             | 116 893     | -          |            |
| Total assets  | 113 394 183 | 101 323 242 | 91 220 464 | 83 819 855 |
|   |             |             |            |            |
| LIABILITIES   |             |             |            |            |
| Due to banks  | 21 643 338  | 14 840 030  | 18 390 685 | 13 801 415 |
| Derivative financial instruments                      | 1 329 164   | 1 567 815   | 1 204 621  | 1 426 951  |
| Due to customers                                      | 71 194 471  | 67 656 948  | 58 081 167 | 56 291 053 |
| Debt securities in issue                              | 1 859 699   | 1 813 678   | 1 485 109  | -          |
| Other borrowed funds                                  | 1 224 973   | 1 922 873   | 1 209 377  | 3 874 881  |
| Insurance related reserves and liabilities            | 2 581 323   | 2 266 256   | -          | -          |
| Deferred tax liabilities                              | 137 336     | 104 443     | -          | -          |
| Retirement benefit obligations                        | 245 301     | 230 747     | 134 284    | 108 057    |
| Current income tax liabilities                        | 74 924      | 12 428      | 60 497     | -          |
| Other liabilities                                     | 3 276 136   | 2 632 114   | 2 430 563  | 1 883 712  |
| Liabilities held for sale                             |             | 8 856       | -          |            |
| Total liabilities                                     | 103 566 665 | 93 056 188  | 82 996 303 | 77 386 069 |
|   |             |             |            |            |
| SHAREHOLDERS' EQUITY                                  |             |             |            |            |
| Share capital   | 3 392 708   | 2 490 771   | 3 392 708  | 2 490 771  |
| Share premium account                                 | 3 335 881   | 2 682 050   | 3 335 881  | 2 682 050  |
| Less: treasury shares                                 | (10 626)    | (145 277)   | -          | (145 277)  |
| Reserves and retained earnings                        | 1 735 487   | 944 063     | 1 495 572  | 1 406 242  |
| Equity attributable to NBG shareholders               | 8 453 450   | 5 971 607   | 8 224 161  | 6 433 786  |
|   |             |             |            |            |
| Minority Interest                                     | 857 376     | 842 408     | -          | -          |
| Preferred securities                                  | 516 692     | 1 453 039   | _          | _          |
| Total equity  |             |             |            |            |

## Statement of Changes in Equity

Total equity and liabilities

|  | Group  12 month period ended |            | Bank 12 month period ended |            |
|--|------------------------------|------------|----------------------------|------------|
|  |                              |            |                            |            |
|  | 31.12.2009                   | 31.12.2008 | 31.12.2009                 | 31.12.2008 |
| Balance at beginning of period                   | 8 267 054                    | 8 541 935  | 6 433 786                  | 6 535 921  |
| Changes during the period:                       |                              |            |                            |            |
| Total comprehensive income/(expense), net of tax | 630 267                      | (493 801)  | 177 311                    | (146 212)  |
| Share capital increase/ Share premium            | 1 552 348                    | 494 076    | 1 552 348                  | 494 076    |
| Dividends declared                               | (87 038)                     | (290 160)  | (42 192)                   | (223 363)  |
| Net change in treasury shares                    | 134 651                      | (123 676)  | 145 277                    | (123 676)  |
| Other changes                                    | (669 764)                    | 138 680    | (42 369)                   | (102 960)  |
| Balance at end of period                         | 9 827 518                    | 8 267 054  | 8 224 161                  | 6 433 786  |
|  |                              |            |                            |            |

1) The principal accounting policies that have been adopted are in accordance with the requirements of International Financial Reporting Standards (IFRS) and are the same with those applied in the 2008 financial statements, except for the new accounting policy regarding transfers of debt securities from the loans and recievables category to the available for sale category. The Bank has adopted the amended international Accounting Standard (IAS1) "Presentation of Financial Statements", international Financial Reporting Standard (IFRS 8) "Operating Segments", the amendments in IFRS7 "Financial Instruments:

Disclosures" and the amendment of IFRIC 16 "Hedges of a Net Investment in a Foreign Operation" included in the Improvements issued in April 2009. Details are included in Note 2 of the financial statements as

at 31 December 2009.

2) During 2009, the tax authorities finalized their audit of the Bank for the year 2008. The impact on the income statement after having offset relevant provisions of €3.308 thousand, amounted to €2.113 thousand, while no cash was paid. The unaudited tax years of the subsidiary companies of the Group fully consolidated and associated are reflected in Note 47 and Note 24 respectively of the financial statements as at 31 December 2009.

3) Cases under liligation or in arbitration as well as pending cases before the Courts or Arbitration Courts are not expected to have a material impact on the financial position or operations of the Group. As at 31

3) Cases under litigation or in arbitration as well as pending cases before the Courts or Arbitration Courts are not expected to have a material impact on the financial position or operations of the Group. As at 31 December 2009, the provisions recognized by the Group and the Bank, amounted to:a | for cases under litigation 660,7 million and 629, million respectively, b) for unaudited tax years £19,1 million respectively.

4) The number of Group and Bank employees as at 31 December 2009 was 36.314 and 13.066 respectively (31 December 2008: 36.589 and 13.593 respectively).

5) Related party transactions and balances as defined in IAS 24 are analyzed as follows: Amounts due from and owner from and expenses to and off-balance sheet items with associated companies of the Group, as at 31 December 2009, amounted to £5,6 million, £11,2 million, £0,6 million, £2,1 million and £1,4 million respectively. The corresponding balances and transactions with subsidiaries and associated companies of the Bank as at 31 December 2009 were £6.657,5 million, £2,190,8 million, £12,2 million and £1,4 million respectively. The corresponding balances and transactions with subsidiaries and associated companies of the Bank as at 31 December 2009 were £6.657,5 million, £2,190,8 million, £2,1 million and £1,4 million respectively. The corresponding balances and transactions with subsidiaries and associated companies of the Bank as at 31 December 2009 were £6.657,5 million, £2,2 million, £2,1 million and £2,2 million respectively. The corresponding balances and transactions with subsidiaries and £9,6 million respectively. The Earth Ear

Fertilizers Industry S.A. is no longer included due to its disposal on 15 September 2009.

(e) On 30 June 2009, NBG Luxembourg Holding S.A. and NBG Luxfinance Holding S.A. were merged, through the absorption of the latter by the first. The new company was renamed to NBG Asset Management Luxembourg S.A.
(f) On 10 July 2009, the Bank disposed of a 20% of its participation in Social Securities Funds Management S.A. was reduced from 40% to 20%.
(g) On 15 July 2009, the Bank sparticipated with 21.83% in Pyrrichos Real Estate S.A., a newly established company active in real estate management. The initial cost of investment amounted to €432 thousand.
(l) On 31 July 2009, the Bank and TOMIS As of ELUATKOR Group entered into a private agreement to acquire join to acquire join to fix through the acquisition by the Bank and for Minor Air further stin AKTOR F.M. On 18 January 2010, the Bank and TOMIS As of ELUATKOR Group entered into a private agreement to acquire join to active join through the acquisition by the Bank and 61 minority interest in AKTOR F.M. On 18 January 2010, the Bank and TOMI SA of ELUATKOR Group entered into a private agreement of the SA of

FM.

(i) On 15 September 2009, the Group disposed of its investment in Phosphoric Fertilizers Industry S.A. for a consideration of £18,9 million, £2,6 million of which has been deposited in an escrow account to set off contingent liabilities. The loss on sale for the Group and the Bank was £10 million and £7,5 million respectively.

(i) Finansbank participated with 33,33% in Bantas A.S., a newly established company active in cash transfer and security services.

(k) On 14 October 2009, the Bank participated in the share capital increase of its associate Larco S.A. The Bank's contribution amounted to £20.513 thousand, while after the completion of Larco's S.A. share capital increase the Bank's participation was reduced from 36,43% to 33,36%.

(i) On 16 October 2009, UBB established UBB Factoring £00D, a wholly owned subsidiary of UBB.

Details are included in Notes 47 & 24 of the financial statements as at 31 December 2009.

7) Included in Notes 47 & 24 of the financial statements as at 31 December 2009, are the group companies consolidated, their country of residence, the direct or indirect participation of the Bank in their share capital and the consolidation method applied for each such companies consolidated as at 31 December 2009:

a) Fully consolidated. Titlos Plc (a Special Purpose Entity), Ethniki Factors S.A., Finans Faktoring Hizmetleri A.S. and UBB Factoring £00D are consolidated in the current period but were not consolidated in the respective period in 2008. From the companies consolidated as at 31 December 2009:

a) Fully consolidated.

b) Equity method: Pyrrichos Real Estate S.A. and Bantas A.S. were consolidated for the first time as at 30 September 2009. From the companies included in the 31 December 2008 consolidation. Phosphoric

THE CHAIRMAN OF THE BOARD OF DIRECTORS

The financial data and information derived from the financial statements provide a summarized view of the financial position and results of National Bank of Greece and its Group. We therefore suggest to the user, before proceeding to any investment decision or other transaction with the Bank, to visit National Bank of Greece's web-site (www.nbg.gr), where Financial Statements are posted, together with the report of the Auditors.

### The Board of Directors

| vassiilos 1. kaparios                        | Non-Executive Member - Chairman          |
|--|--|
| Apostolos S. Tamvakakis                      | Executive Member-Chief Executive Officer |
| Ioannis C. Giannidis                         | Non-Executive Member                     |
| Ioannis P. Panagopoulos                      | Non-Executive Member                     |
| Avraam J. Triantafillidis*                   | Non-Executive Member                     |
| H.E. the Metropolitan of Ioannina Theoklitos | Independent Non-Executive Member         |
| Stefanos C. Vavalidis                        | Independent Non-Executive Member         |
| Georgios P. Zanias                           | Independent Non-Executive Member         |
| Vassilios K. Konstantakopoulos               | Independent Non-Executive Member         |
| Alexandra T. Papalexopoulou - Benopoulou     | Independent Non-Executive Member         |
| Petros K. Sabatacakis                        | Independent Non-Executive Member         |
| Maria S. Sklavenitou                         | Independent Non-Executive Member         |
| Alexandros N. Makridis                       | Greek State representative               |
|  |  |

\*On 18 March 2010, Mr Avraam J. Triantafillidis was elected as a member of the Board following the resignation of Mr Alexandros G. Stavrou

Group

Bank

## Statement of Comprehensive Income

|   | Group  12 month period ended |             | 12 month period ended |             |
|---|------------------------------|-------------|-----------------------|-------------|
|   |                              |             |                       |             |
|   | 31.12.2009                   | 31.12.2008  | 31.12.2009            | 31.12.2008  |
| Interest & similar income   | 6 551 829                    | 6 941 418   | 3 677 056             | 4 065 836   |
| Interest expense & similar charges                                    | (2 611 540)                  | (3 361 884) | (1 445 996)           | (2 018 256) |
| Net interest income   | 3 940 289                    | 3 579 534   | 2 231 060             | 2 047 580   |
| Fee and commission income   | 741 733                      | 841 252     | 306 465               | 307 689     |
| Fee and commission expense  | (55 319)                     | (69 183)    | (27 027)              | (28 402)    |
| Net fee and commission income   | 686 414                      | 772 069     | 279 438               | 279 287     |
| Earned premia net of reinsurance                                      | 936 091                      | 713 441     | -                     | -           |
| Net claims incurred   | (840 539)                    | (590 561)   | -                     | -           |
| Earned premia net of claims and commissions                           | 95 552                       | 122 880     | -                     | -           |
| Net trading income and results from investment securities             | 428 415                      | 427 289     | 197 413               | 24 725      |
| Net other income/(expense)  | (73 575)                     | 24 059      | (71 629)              | 1 795       |
| Total income  | 5 077 095                    | 4 925 831   | 2 636 282             | 2 353 387   |
| Personnel expenses  | (1 577 474)                  | (1 447 667) | (995 114)             | (885 102)   |
| General, administrative & other operating expenses                    | (725 032)                    | (771 742)   | (338 872)             | (338 656)   |
| Depreciation, amortisation & impairment charges of fixed assets       | (197 842)                    | (163 499)   | (105 581)             | (75 957)    |
| Amortisation of intangible assets recognised on business combinations | (24 071)                     | (27 406)    | -                     | -           |
| Finance charge on put options of minority interests                   | (5 556)                      | (11 940)    | (5 556)               | (11 940)    |
| Credit provisions and other impairment charges                        | (1 295 172)                  | (537 631)   | (787 532)             | (408 558)   |
| Share of profit / (loss) of associates                                | 117                          | (28 932)    | -                     | -           |
| Profit before tax   | 1 252 065                    | 1 937 014   | 403 627               | 633 174     |
| One - off social responsibility tax                                   | (47 736)                     | -           | (45 669)              | -           |
| Tax expense   | (240 984)                    | (352 071)   | (132 973)             | (152 868)   |
| Profit for the period (A)   | 963 345                      | 1 584 943   | 224 985               | 480 306     |
| Attributable to:  |                              | -           |                       |             |
| Minority interests  | 40 777                       | 38 931      | -                     | -           |
| NBG equity shareholders   | 922 568                      | 1 546 012   | 224 985               | 480 306     |
| Net other comprehensive income/(expense), net of tax (B)              | (333 078)                    | (2 078 744) | (47 674)              | (626 518)   |
| Total comprehensive income/(expense), net of tax (A+B)                | 630 267                      | (493 801)   | 177 311               | (146 212)   |
| Attributable to:  |                              |             |                       |             |
| Minority interests  | 16 255                       | (87 791)    | -                     | -           |
| NBG equity shareholders   | 614 012                      | (406 010)   | 177 311               | (146 212)   |
| Earnings per share:   |                              |             |                       |             |
| Basic   | €1.4813                      | €2.7066     | €0.3241               | €0.8373     |
| Diluted   | €1.4813                      | €2.7045     | €0.3241               | €0.8366     |

## Statement of Cash Flow

|  | Group 12 month period ended |             | Bank 12 month period ended |             |
|--|-----------------------------|-------------|----------------------------|-------------|
|  |                             |             |                            |             |
|  | 31.12.2009                  | 31.12.2008  | 31.12.2009                 | 31.12.2008  |
| Net cash flows from / (used in):                                     |                             |             |                            |             |
| Operating activities   | 3 589 555                   | 2 433 360   | 429 490                    | 3 659 666   |
| Investing activities   | (3 359 488)                 | (5 686 924) | (194 911)                  | (5 978 955) |
| Financing activities   | 50 964                      | (23 179)    | 147 693                    | 556 365     |
| Net increase / (decrease) in cash and cash equivalents in the period | 281 031                     | (3 276 743) | 382 272                    | (1 762 924) |
| Effect of foreign exchange rate changes on cash and cash equivalents | 15 167                      | (265 200)   | 4 401                      | (19 008)    |
| Total cash flows from / (used in) the period                         | 296 198                     | (3 541 943) | 386 673                    | (1 781 932) |
| Cash and cash equivalents at beginning of period                     | 2 622 978                   | 6 164 921   | 3 674 864                  | 5 456 796   |
| Cash and cash equivalents at end of period                           | 2 919 176                   | 2 622 978   | 4 061 537                  | 3 674 864   |

c) There are no entities exempted from the consolidation.

hod of consolidation since the previous annual financial statement

8) "Other comprehensive income, net of tax" in the current period ended 31 December 2009, is comprised of €(193,8) million relating to the measurement at fair value of available for sale investments €(28,1) million relating to currency translation differences and €(111,2) million relating to net investment hedge. The corresponding amounts for the Bank (excluding net investment hedge amount white the corresponding amounts for the Bank (excluding net investment hedge amount white the corresponding amounts for the Bank (excluding net investment hedge amount white the corresponding amounts for the Bank (excluding net investment hedge amount white the corresponding amounts for the Bank (excluding net investment hedge). 8] "Other comprehensive income, net of tax" in the current period ended 31 December 2009, is comprised of £(193,8) million relating to the measurement at fair value of available for sale investments, £(£8,1 million and £0,1 thousand respectively.

9] As at 31 December 2009, the Group held 337.350 treasury shares with acquisition cost of £10.626 thousand, while the Bank did not hold any treasury shares.

10] Other events:

a) The Extraordinary General Meeting of the Bank's Shareholders held on 22 January 2009, approved the issue of 70.000.000 Redeemable Preference Shares at a par value of £5 each with the cancellation of the pre-emptive rights of the existing shareholders in favour of the Greek State, in accordance with the Law 3723/2008. On 24 February 2009, the Ministry of Development approved the above mentioned

Solution K2-1950 / Registrar of Companies) On 21 May 2009 the Bank's Board of Directors certified that the Greek State fully covered the said issue of preferred s

issue (resolution ix 2-1950) Registrar of Companies). On 21 May 2009, the Bank's Board of Directors certified that the Greek State fully covered the said issue of preferred shares. This increase was covered through the transfer to the Bank of an equal market value Greek Government Bond with a coupon rate of 6-month Euribor pile is 130 basis points. On 25 May 2009, the Band of Directors' minutes for the above mentioned certification were filed with the Ministry of Development (resolution X2-5300 / Registrar of Companies).
b) On 2 June 2009, the annual Ordinary General Meeting of the Bank's Shareholders, approved the following: 1) The payment of the interim dividend in the amount of €32, 7 million (USD 42, 2 million) to the holders of non-cumulative, non-voting, redeemable preference shares shares for the financial year ended 31 December 2008, which was authorized for payment by the Board of Directors on 17 November 2008, 2) The distribution of dividends to the holders of non-cumulative, non-voting, redeemable preference shares; 3) No dividends were declared to the ordinary shares; following the Bank in the Hellenic Republic's Liquidity Support Plan.
c) Following the Board of Directors' resolution on 18 June 2009, the Bank, in July 2009, increased its ordinary share capital by offering 110.367.615 new ordinary shares of nominal value of £5,00 each and subscription price of €11,30 each through a right issue. The shares were initially offered to existing ordinary share capital and the remaining amount less expenses incurred has been credited to "Share redited to "Share capital" account and the remaining amount less expenses incurred has been credited to "Share premium" account. The new shares were listed in the ATHEX on 30 July 2009.
d) On 22 June 2009, the Bank announced a voluntary tender offer accounts and the remaining amount less expenses incurred has been credited to "Share redited to "Share capital" account and the remaining amount less expenses incurred has been credited to "Share redited to "Share capital"

€318,4 million, net of tax

€318, 4 million, net of tax.
(e) On 8 October 2009, Finansbank redeemed, at the first repayment option date, the subordinated loan of amount USD 200 million, issued in October 2004 and with original maturity of 10 years and an interest rate of 9% for the first five years and step up of 11,79% thereafter.
(f) On 1 September 2009, Finansbank redeemed, as the first five years and step up of 11,79% thereafter.
(f) On 1 September 2009, the Bank sold to institutional investors, part of covered bonds issued in 2008, with nominal value of €100 million. On 7 October 2009, the Bank issued the 3rd series of covered bonds of €1,5 billion, with a maturity of seven years, which are secured primarily by residential mortgage loans and have interest paid annually at a fixed coupon rate of 3,875%. The Note has been given AA and Aaa ratings by Fitch and Moody's respectively. The issue forms part of the Bank's €10 billion covered bonds program.
(g) On 22 May 2009, NBG Finance Pic redeemed the €1.500 million Floating Rate Notes issued in May 2007. At 31 December 2008, an amount of €299 million was held by the Bank. On 9 October 2009, NBG Finance Pic redeemed the USD 300 million Floating Rate Notes issued in October 2007. As at 31 December 2008, an amount of USD 259 million was held by the Bank.

(h) According to the Bank's Board of Directors decision on 29 September 2009, the Bank, as the lone shareholder of the Group's Real Estate company named NBG Pangaea Reic, has contributed tangible

assets of 6614.953 thousand.
(i) On 16 November 2009, Finansbank redeemed the last tranche of the USD 125 million Series 2004-B Fixed Rate Notes, obtained via a special purpose entity and secured on Finansbank's Diversified Payment Rights.
(j) On 7 December 2009, Finansbank redeemed the second tranche of USD 221 million, of the term loan facility of USD 700 million, with a three year maturity and interest paid monthly at Libor plus 60 bps.

(i) On 11 December 2009, Finantine levelened in Section (ii) (iii) (iii)

Athens, 18 March 2010

THE CHIEF EXECUTIVE OFFICER

THE CHIFF FINANCIAL AND CHIEF OPERATING OFFICER

THE DEPUTY CHIEF FINANCIAL OFFICER

IOANNIS P. KYRIAKOPOULOS

VASSILIOS T. RAPANOS APOSTOLOS S. TAMVAKAKIS

ANTHIMOS C. THOMOPOULOS