

PROTON BANK S.A.
Company Registration No: 49841/06/B/01/31 - 20 Eslin & Amaliados Street, Ambelokipi 115 23
FINANCIAL STATEMENTS AND INFORMATION FOR THE PERIOD

from 1 January to 31 December 2009

(In accordance with Codified Law 2190/20 article 135, concerning businesses that prepare annual financial statements, consolidated or not, in accordance with International Accounting Standards, I.A.S.)

The financial information set out below provides a general presentation of the financial position and results of Proton Bank A.E. and the Group. Therefore, we recommend to the reader, before any investment decision or transaction is performed with the Bank, to visit the web site of the Bank, where the financial statements as well as the auditor's report are available.

COMPANY'S PROFILE

Supervising authority

Web site:
Date of approval by the Board of Directors of the Financial Statements for the period ended as at December 31st, 2009:
Certified Auditors:
Audit company:
Type of Auditor's Report:

Bank of Greece, Ministry of Economy, Competitiveness and Shipping
www.proton.gr
 March 29, 2010
 Konstantinos Michalatos
 PRICEWATERHOUSECOOPERS S.A.
 Unqualified opinion

THE MEMBERS OF THE BOARD OF DIRECTORS CONSIST OF:

1. Lavrentios V. Lavrentiadis Chairman (Non-Executive Member)
2. Anthony I. Athanassoglou Vice-Chairman (Executive Member)
3. Tryphon E.Kollintzas Managing Director (Executive Member)
4. Athanasios I. Papaspiliou Deputy Managing Director (Executive Member)
5. Dimitrios G. Saramantis Deputy Managing Director (Executive Member)
6. Smaragda D. Liarmakopoulou Executive Member
7. Evaggelos D. Papavaangelou Non-Executive Member
8. Theodoros D. Asimakopoulou Non-Executive Member
9. Eleni I. Skoura Non-Executive Member
10. Panagiotis D. Alexakis Independent Non-Executive Member
11. Gerassimos G. Sapountzoglou Independent Non-Executive Member

STATEMENT OF FINANCIAL POSITION
 Amounts in thousand euros

	GROUP		BANK	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
ASSETS				
Cash and balances with Central Banks	51,975	35,386	51,688	35,341
Loans and advances to banks	200,113	46,260	200,056	46,158
Loans and advances to customers	1,216,396	1,181,720	1,216,396	1,185,439
Derivative financial assets	18,547	21,186	18,547	21,186
Financial assets at fair value through profit or loss	128,243	121,716	128,202	121,219
Financial assets designated at fair value	38,341	38,255	35,791	38,255
Investment securities:				
-Held-to-maturity	-	6,664	-	6,664
-Available-for-sale	1,062,494	309,424	1,062,494	309,423
Investments in subsidiaries and associates	-	-	17,698	23,644
Investments in associates	2,275	2,221	-	-
Intangible assets	83,035	87,947	81,418	86,330
Property, plant and equipment	23,882	26,796	23,875	26,765
Deferred tax assets	24,904	13,094	24,916	13,085
Other assets	54,207	48,808	50,614	46,161
Non-current assets held for sale	2,904,402	1,939,477	2,911,685	1,959,670
	-	36,602	-	1,137
TOTAL ASSETS	2,904,402	1,976,079	2,911,685	1,960,807
LIABILITIES				
Due to banks	1,075,846	689,254	1,075,457	689,048
Due to customers	1,446,140	918,015	1,452,196	939,936
Derivative financial liabilities	26,933	20,670	26,933	20,670
Hedging derivatives	1,909	-	1,909	-
Debt securities in issue	18,521	25,255	18,521	25,255
Retirement benefit obligations	1,551	1,293	1,476	1,220
Current income tax liabilities	3,592	2,949	3,595	2,923
Other liabilities	13,433	9,163	10,227	7,047
Liabilities related to non-current assets held for sale	2,587,925	1,666,599	2,590,314	1,686,099
	-	41,172	-	1,137
Total liabilities	2,587,925	1,707,771	2,590,314	1,686,099
EQUITY				
Share capital	361,450	281,450	361,450	281,450
Share premium	84,739	85,446	84,739	85,478
less: Treasury shares	(7,668)	(8,648)	(7,668)	(8,648)
Other reserves	(81,255)	(34,062)	(80,495)	(38,358)
Retained earnings	(40,892)	(56,200)	(36,655)	(49,194)
	316,374	267,988	321,371	274,708
Minority interest	103	320	-	-
Total equity	316,477	268,308	321,371	274,708
TOTAL EQUITY AND LIABILITIES	2,904,402	1,976,079	2,911,685	1,960,807

STATEMENT OF CASH FLOWS
 Amounts in thousand euros

	GROUP		BANK	
	1 Jan-31 Dec 2009	1 Jan-31 Dec 2008	1 Jan-31 Dec 2009	1 Jan-31 Dec 2008
Operating activities from continuing activities	900,032	(125,831)	895,500	(125,130)
Operating activities from discontinued activities	-	306	-	-
Total inflows / (outflows) from operating activities (a)	900,032	(125,525) #	895,500	(125,130)
Investing activities from continuing activities	(806,180)	(68,618)	(803,529)	(68,796)
Investing activities from discontinued activities	(1,856)	43	-	-
Total inflows / (outflows) from investing activities (b)	(808,036)	(68,575)	(803,529)	(68,796)
Financing activities from continuing activities	73,030	(13,599)	73,030	(13,572)
Financing activities from discontinued activities	-	(87)	-	-
Total inflows / (outflows) from financing activities (c)	73,030	(13,686)	73,030	(13,572)
Net increase / (decrease) in cash and cash equivalents for the year (a) + (b) + (c)	165,026	(207,786)	165,001	(207,498)
Cash and cash equivalents at the beginning of the year	29,231	237,017	28,952	236,450
Cash and cash equivalents at the end of the year	194,257	29,231	193,953	28,952

STATEMENT OF CHANGES IN EQUITY
 Amounts in thousand euros

	GROUP		BANK	
	1 Jan-31 Dec 2009	1 Jan-31 Dec 2008	1 Jan-31 Dec 2009	1 Jan-31 Dec 2008
Equity at the beginning of the period (01/12/2009 and 01/12/2008 respectively)	268,308	367,565	274,708	383,069
Total comprehensive income after tax (Continuing and Discontinued Activities)	(32,180)	(87,541)	(32,818)	(96,658)
Issue of 17,817,371 preference shares	80,000	-	80,000	-
Cost in share capital increase	(739)	-	(739)	-
Dividends paid	(95)	(12,412)	-	(12,385)
Fair value of employee services - employee stock option plan	220	682	220	682
Change in participation interest in subsidiaries	963	14	-	-
Equity at the end of the period (31/12/2009 and 31/12/2008 respectively)	316,477	268,308	321,371	274,708

COMPANIES CONSOLIDATED UNDER THE FULL CONSOLIDATION METHOD

	Registered office	Participating interest (%)	Tax unaudited periods (3)
PROTON MUTUAL FUNDS Co SA	Greece	99.91%	2007-2009
FIRST GLOBAL BROKERS SA AD	Serbia	88.76%	2002-2009
OMEGA BROKERAGE SA	Greece	66.00%	2007-2009
PROTON A.A.E. (1)	Greece	92.71%	2009
INTELLECTRON SYSTEMS A.E. (2)	Greece	55.64%	2001-2009
OMEGA PORTFOLIO INVESTMENT Co SA	Greece	24.88%	2006-2009

- (1) See relevant note No 7 in the notes of the financial statements and information
 (2) The company was acquired under full impairment and it now under bankruptcy status
 (3) The tax unaudited periods are presented in note No 17 in the consolidated financial information

STATEMENT OF CHANGES IN EQUITY
 Amounts in thousand euros

	GROUP						BANK	
	1 Jan-31 Dec 2009		Total	1 Jan-31 Dec 2008		Total	1 Jan-31 Dec 2009	1 Jan-31 Dec 2008
	Continuing Activities	Discontinued Activities		Continuing Activities	Discontinued Activities			
Interest and similar income	111,827	43	111,870	130,503	269	130,772	111,980	130,912
Interest expense and similar charges	(59,789)	(59)	(59,848)	(87,950)	(211)	(88,161)	(60,194)	(88,860)
Net interest income	52,038	(16)	52,022	42,553	58	42,611	51,786	42,052
Fee and commission income	12,689	-	12,689	40,118	-	40,118	12,636	40,163
Fee and commission expense	(2,974)	-	(2,974)	(8,594)	-	(8,594)	(2,958)	(8,548)
Net fee and commission income	9,715	-	9,715	31,524	-	31,524	9,678	31,615
Income from insurance activities	-	20,140	20,140	-	30,161	30,161	-	-
Expense from insurance activities	-	(12,698)	(12,698)	-	(9,148)	(9,148)	-	-
Net income from insurance activities	-	7,442	7,442	-	21,013	21,013	-	-
Dividend income	145	-	145	1,933	2	1,935	329	3,170
Net trading income	49,252	(202)	49,050	(34,957)	(705)	(35,662)	49,237	(34,742)
Net income from financial instruments designated at fair value	1,572	-	1,572	(2,610)	-	(2,610)	1,457	(2,610)
Net gains less losses from investment securities	4,054	-	4,054	(40)	-	(40)	2,768	(54)
Other operating income	116,776	7,224	124,000	40,967	20,446	61,413	115,255	40,475
Staff costs	(23,693)	(550)	(24,243)	(24,981)	(1,827)	(26,808)	(22,960)	(24,125)
Other administrative expenses	(21,780)	(1,397)	(23,177)	(23,838)	(2,788)	(26,626)	(20,883)	(22,746)
Depreciation and amortization expenses	(7,614)	(52)	(7,666)	(7,581)	(127)	(7,708)	(7,588)	(7,546)
Insurance claims	(50,207)	(6,689)	(56,896)	(6,689)	(18,407)	(18,407)	-	-
Impairment losses on loans and advances	(50,207)	(50,207)	(100,414)	(31,210)	(31,210)	(31,210)	(51,474)	(42,555)
Total operating expenses	(103,294)	(8,688)	(111,982)	(87,610)	(23,149)	(110,759)	(102,905)	(96,972)
Share of profit / (loss) of associates	50	15	65	(1,459)	(289)	(1,748)	-	-
Profit before tax	13,532	(1,449)	12,083	(48,102)	(2,992)	(51,094)	12,350	(56,497)
Income tax expense	(1,797)	1	(1,796)	7	1	8	(1,696)	186
Impairment losses on discontinued activities	-	-	-	-	(10,698)	(10,698)	-	-
Profit from the sale of Proton Insurance SA	-	3,110	3,110	-	-	-	-	-
Profit after tax	11,735	1,662	13,397	(48,095)	(13,689)	(61,784)	10,654	(56,311)
Attributable to:								
Equity holders of the Bank	11,723	1,745	13,468	(48,099)	(13,368)	(61,467)	12,350	(56,497)
Minority interests	12	(83)	(71)	4	(321)	(317)	-	-
Other comprehensive income for the period, net of tax	(45,577)	-	(45,577)	(25,746)	(11)	(25,757)	(43,472)	(40,347)
Total comprehensive income for the period, after tax	(33,842)	1,662	(32,180)	(73,841)	(13,700)	(87,541)	(32,818)	(96,658)
Attributable to:								
Equity holders of the Bank	(33,851)	1,745	(32,106)	(73,846)	(13,379)	(87,225)	-	-
Minority interests	9	(83)	(74)	5	(321)	(316)	-	-
Earnings per share:								
From continuing and discontinued operations								
Basic (€ per share)	0.1101	0.0282	0.1382	(0.7780)	(0.2162)	(0.9942)	0.0927	(0.9094)
Proposed dividend for the year 2008 (€ per share)								

1. The financial statement was prepared under the accounting principles (I.F.R.S.) and interpretations as adopted by the European Union.
2. An amendment to IAS 39 and IFRS 7 has been adopted, under which the Bank during the 3rd quarter of 2008 an amount of € 22 million representing the market value of equity securities listed in the Athens Exchange as of June 30th 2008, has been transferred from "Financial assets at fair value through profit or loss" to "Available-for-Sale Investment Securities" due to the extraordinary conditions prevailing in the financial markets; it is estimated that the market value of these equity securities does not represent the internal value of the underlying business entities. The Bank intends to hold these securities and not to dispose them in the near future. The valuation of these securities, for the period 1.1.2009 to 31.12.2009, amounts to € 98 thousand. The bank has proceeded to the impairment of these securities by € 1.538 thousands directly in the income statement, and the amount of € 1.635 thousand, has been recognized directly in "Available-for-Sale Reserve". The accumulated revaluation losses for the aforementioned securities, for the period 1.7.2008 to 31.12.2009, amounting to €7.5 million, have equally been recognized directly in "Available-for-sale Reserve".
3. The number of employees at the end of period was: (31.12.2009) Group 550, Bank 529, (31.12.2008) Group 646, Bank 567.
4. There are some litigation claims and other pending legal disputes against the Bank, in the ordinary course of the banking business. Apart from the provision for € 109 thousand, there have been made no other provisions for the aforementioned cases since it is expected that the final resolution will not have a significant effect on the financial position or operations of the Bank and the Group. Provisions for tax non-inspected periods, as of 31.12.2009, amount to € 359 thousand both for the Bank and the Group. Impairment losses, other than loans, as of 31.12.2009 amount to € 2.223 thousand for the Bank and 2.225 for the Group respectively. Impairment losses on loans and advances for the period 31.12.2009 amount to € 75.018 thousand, both for the Bank and the Group.
5. No real encumbrances exist against the fixed assets of the Bank and the companies included in the consolidation.
6. The amounts which are reported in the statement of comprehensive income are included: i) referring to Group on 31.12.2009: Net change in available-for-shale financial assets € -45.551 thous, foreign exchange translation € -26 thous., on 31.12.2008: Net change in available-for-shale financial assets € -25.752 thous, foreign exchange translation € -6 thous, cost in share capital increase Proton Insurance.€-11 thous ii) referring to Bank on 31.12.2009: Net change in available-for-shale financial assets € -43.472 thous, on 31.12.2008: Net change in available-for-shale financial assets € -40.347 thous.
7. On May 7th 2009, the Bank finalized the transfer of 92, 71% of the share capital of "PROTON INSURANCE SA" to "ASPIS HOLDINGS PUBLIC COMPANY LIMITED", a company registered in Cyprus and listed in the Cyprus Stock Exchange. The equity investment in Proton Insurance, for the period of January 1st to May 7th 2009, has been reported as a discontinued operation in the financial statement. The Profit and Loss accounts from discontinued operations of 31.12.2009 and 31.12.2008 are presented in the consolidated Income Statement. The net cash flows from discontinued operations of 31.12.2009 and 31.12.2008 are presented in the consolidated Cash Flow Statement. The fair value of the sale price amounts to € 7 million and until December 31 2009, the Bank had received € 3 million.
8. On 31 December 2009, the Group held 760.483 shares of the Bank, which correspond to 1.2132% of its share capital which had total carrying amount of €7.668 thousands.
9. On 30 December 2009 Piraeus Bank S.A the principal shareholder of Proton Bank transferred to Mr. Lavrentios Lavrentiadis 19,629,247 shares which correspond to 31.3147% of its share capital. Group results for the period 1.1.2009-30.12.2009 were consolidated under the equity method, in the Income Statement of Bank of Piraeus, which headquarters are located in Greece
10. The transactions of the Group with its related parties, as defined by IAS 24, from the period 1.1.2009 to 31.12.2009, are as follows (amounts in thousands of €): a) income € 42, b) expenses € 253, c) assets € 8, d) liabilities € 9,190, e) salaries and expenses for members of BoD and key management personnel fees € 2.472, f) loan interest from members of BoD and key management personnel € 1.080, g) stock option plan € 944, h) loans to members of BoD and key management personnel € 124.721, i) deposits to members of BoD and key management personnel € 112.228. The respective amounts for the Bank areas follows: a) income € 146, b) expenses € 444, c) assets € 63, d) liabilities € 15.246, e) salaries and expenses formembers of BoD and key management personnel fees € 1.058, f) loan interest from members of BoD and key management personnel € 1.765, g) stock option plan € 901, h) loans € 123.956, i) deposits € 111.671.
11. On 23 April 2009, in order to reinforce its liquidity, the Bank entered in a contractual agreement with the Greek Government with a credit facility of 78 mln euros, as it is fully prescribed by the article 3 L. 3723/2008.
12. In the context of article 1 of Law 3723/2008 "Enhancement of the Greek economy's liquidity in the context of the current global financial crisis", the Bank issued, on 21 May 2009, 17.817.371 non-voting preference shares at a €4,49 per share. These shares have been fully subscribed to by the Greek State in exchange of Greek Government Bonds transferred to the Bank. In accordance with the current legal and regulatory framework the issued shares have been classified as tier 1 capital for regulatory purposes.
13. On 9 September 2009 the regular tax audit for the years 2007 and 2008 was completed. The audit result was payable taxes € 207.073 and 367.409 respectively. For these amounts a relevant provision had been charged so the earnings of the profit are not charged. For the un-audited period a relevant provision has been recognized in accordance with the IFRS.
- The tax unaudited periods for the Bank and the companies included in the consolidation, are presented in the note No 17 to the Group consolidated financial information.
14. Any differences in the tables are due to rounding

Athens, 29 March 2010

THE VICE CHAIRMAN OF THE BoD

THE CHIEF EXECUTIVE OFFICER

ANTHONY I. ATHANASSOGLOU
I.D. AB 287319

TRYPHON E.KOLLINTZAS
I.D. AA 026187

THE CHIEF FINANCIAL OFFICERS

GEORGIOS S. NIKIFORAKIS
I.D. AE 009439

POLYCHRONIS V. KARACHALIOS
I.D. E 100131